

**D R A F T**

September 2, 2008

Honorable Michael Knapp  
Chairman, Board of Directors  
Metropolitan Washington Council of Governments  
777 North Capitol Street, NE, Suite 300  
Washington, DC 20002-4290

Dear Chairman Knapp:

The National Capital Region Transportation Planning Board (TPB) appreciates the opportunity to participate in the timely climate change discussion that has been initiated by the Metropolitan Washington Council of Governments (COG) Climate Change Steering Committee. TPB staff was pleased to provide quantitative forecasts of greenhouse gas emissions from the transportation sector for inclusion in the draft National Capital Region Climate Change Report, released for public comment by the COG Board of Directors on July 9, 2008. The July 9 draft report provides a much needed introduction to climate change issues that previously was unavailable to citizens and decision-makers in the region. It also builds an important foundation for the region to identify and eventually implement strategies that address greenhouse gas (GHG) emissions. It provides a comprehensive list of such strategies across sectors that can help planners and policymakers to develop an appropriate course of action for the region.

In response to the request by the COG Board of Directors for comment on the July 9 draft of the Climate Change Report, the TPB is pleased to provide comment on the following five points regarding GHG emission reduction strategies:

- Timeframe for implementation
- Relevance of the current regional conformity process

- Implementation costs, cost effectiveness, and cost/benefit relationships
- Ongoing analysis of transportation strategies in the TPB's "What Would It Take?" Scenario Study
- Proposed governance structure for ongoing COG Climate Change Initiative

A key consideration for further study is the timeframe for implementation for the strategies listed in the Climate Change Report. Experts have asserted that because greenhouse gases remain in the atmosphere for many decades, early GHG emissions reductions will be necessary in order to effectively stabilize GHG emissions and avoid the most severe impacts of climate change. This will become increasingly apparent if emissions are examined cumulatively across the 50 year horizon rather than on an annual basis, since early emissions reductions will have a compounding effect upon future emissions levels. Further work should look into the implications of measuring cumulative emissions with regard to reductions targets and assessment of emissions reduction measures.

The July 9 draft report recommends that the Climate Change Steering Committee "collaborate with TPB to evaluate how a regional process modeled after the current regional conformity process for air quality planning might be adapted to address greenhouse gas emissions." This conformity process is the required means of implementing the Clean Air Act within the transportation sector. The EPA recently released its Advance Notice of Proposed Rulemaking (ANPR) regarding the potential application of the Clean Air Act to GHG regulation. The ANPR outlines various considerations and issues which demonstrate that there is still significant uncertainty

over whether the 1990 Clean Air Act provides the appropriate mechanism for GHG regulation. The TPB therefore cannot support a regional conformity process for greenhouse gas emissions at this time, but is open to further discussion and examination of the issue as more information becomes available about the applicability of Clean Air Act provisions for GHG regulation. In the meantime, the TPB believes that the transportation sector in this region can be proactive in pursuing GHG reductions through the evaluation of alternative reduction strategies with cost-effectiveness and cost/benefit approaches which do not rely upon a regional conformity process.

The report clearly states the need for “further economic benefit analysis,” pointing to the next step of assessing implementation costs, cost-effectiveness, and cost/benefit relationships by categorizing the comprehensive list of strategies provided according to their emissions reduction potential and implementation cost. The report references the 2007 McKinsey & Company study, which identifies a price threshold of \$50 per ton of carbon dioxide abated. This threshold signals the point at which McKinsey & Company believe that the nation’s emissions reduction goals can be met, and suggests that strategies with cost-effectiveness far above this point would incur unnecessarily high costs unless they generate significant other benefits. While this cost effectiveness threshold developed by McKinsey & Company may well be revised as further information becomes available, it provides a useful initial “value per ton of carbon dioxide reductions” for use in cost-effectiveness and cost/benefit analyses.

The TPB plans to support future work of the Climate Change Steering Committee through ongoing analysis of the transportation strategies in the TPB's "What Would It Take?" Scenario Study. This scenario will examine the different scale and combinations of transportation strategies needed to meet the GHG goals outlined in the Climate Report. It will also analyze measures for cost-effectiveness and timeframe for implementation. For example, initial analysis by the TPB staff has shown that the TPB Commuter Connections program, which promotes car pooling, transit, telecommuting, and other alternatives to single occupancy automobile commuting, is highly cost-effective at around \$17 per ton of carbon dioxide abated. By comparison, the replacement of conventional diesel buses with hybrids or CNG buses appears to be relatively less effective at over \$500 per ton.

With regard to the proposed governance structure for an ongoing COG Climate Change Initiative discussed in the July 9 draft report, the TPB recommends that any new committee established to address climate change should include at a minimum all of the member agencies and jurisdictions of the Metropolitan Washington Air Quality Committee (MWAQC). Coordination between TPB and MWAQC has been accomplished effectively over several years in part because of the inclusive membership structure of MWAQC in which all of the state air agencies and state departments of transportation are members. A similarly inclusive structure should provide for good ongoing coordination in addressing GHG emissions.

The TPB appreciates the opportunity to comment on this important report, and looks forward to continued collaboration with the COG Climate Change Steering

Committee in addressing greenhouse gas emissions reduction strategies for the Washington region.

Sincerely,

Phil Mendelson  
Chairman  
National Capital Region Transportation Planning Board