

# THE TRANSPORTATION & CLIMATE INITIATIVE (TCI)

## *2019 REGIONAL POLICY PROPOSAL DESIGN PROCESS*

The Transportation and Climate Initiative (TCI) is a regional collaboration of Northeast and Mid-Atlantic states and the District of Columbia that seeks to reduce carbon emissions from the transportation sector and develop the clean energy economy while improving transportation systems.

### **THE OPPORTUNITY: Regional challenges call for regional action**

Pollution from transportation accounts for the largest portion of climate-changing carbon emissions in the Northeast and Mid-Atlantic region (more than 40% region wide). A recent report by the Intergovernmental Panel on Climate Change found that ambitious reductions are needed within the next decade to avoid dangerous impacts to public health, infrastructure, and the environment. At the same time, people and businesses across the region are calling for cleaner, more efficient, more equitable, and more resilient transportation options.

Transportation and climate issues don't stop at state borders, and regional challenges call for regional action, in addition to efforts undertaken by individual states. Recognizing an opportunity to address two of our greatest challenges together -- the growing need to improve the way people and goods move from place to place, and the clear and present threat posed by climate change -- TCI was formed in 2010 by the leaders of environment, transportation, and energy agencies for the Northeast and Mid-Atlantic states and the District of Columbia. TCI has two overarching goals:

- Making significant reductions in greenhouse gases and other harmful air pollution from transportation across the region; and
- Delivering modern cleaner, more resilient transportation systems that benefit all our communities, particularly those underserved by current transportation options and disproportionately burdened by pollution.

TCI now has 13 participating jurisdictions: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, and the District of Columbia. With facilitation from the Georgetown Climate Center, the states have participated in working groups focused on clean vehicles and fuels, including electric vehicle infrastructure planning, sustainable communities, freight efficiency, and other regional approaches to accelerate the transition to a clean and modern low-carbon transportation future.

### **LISTENING SESSIONS: Gathering public input across states on a clean transportation future**

In 2018, the TCI states hosted a series of listening sessions across the Northeast and Mid-Atlantic region to actively seek stakeholder input on potential additional regional policy approaches to bring about a cleaner and more resilient transportation future. The six regional listening sessions brought together 100 state officials from across the region and a total of 500 community members, business leaders, municipal officials, a variety of advocates, state and local policy leaders, and other stakeholders representing diverse perspectives and experiences. Through facilitated conversations about their priorities, goals, and policy ideas for a low-carbon transportation future, stakeholders were asked to describe what a low-carbon transportation system of the future might look like. In addition to the regional events organized through TCI, Massachusetts, Rhode Island, and New York held state listening sessions to directly engage stakeholders and communities within their own states.

Three key points emerged through these conversations:

- 1) Participants discussed various potential policies to address emissions from transportation. Pricing emissions from the transportation sector and reinvesting the proceeds was the most frequently discussed policy.
- 2) Participants shared a wide variety of ideas for tangible programs, actions, and incentives to advance a low-carbon transportation system; putting those ideas into action will require substantial new funding and investment; and
- 3) Participants emphasized that policies to accelerate the transition to lower carbon transportation must be designed and implemented equitably and address the needs of communities underserved by transportation and disproportionately affected by pollution.

Informed by what they heard at the listening sessions, by research and analysis, and by the experiences of other state and regional efforts, TCI jurisdictions recognized that a cap-and-invest approach that requires progressively deeper reductions in pollution and generates proceeds that can be invested in safe, clean and affordable transportation options could be well suited to accomplishing these goals.

### **REGIONAL POLICY DEVELOPMENT PROCESS: Working together to design a clean transportation policy**

In December 2018, nine TCI states and the District of Columbia announced their joint commitment to design, within one year, a regional low-carbon transportation policy proposal that would cap and reduce carbon emissions from the combustion of transportation fuels through a cap-and-invest program or other pricing mechanism, and would allow each TCI jurisdiction to invest proceeds from the program into cleaner and more resilient transportation infrastructure. After the policy development process has been completed, each jurisdiction will decide whether to adopt and implement the proposed policy.

This announcement emphasized the states' shared commitment to work with stakeholders and communities at every step of the policy design process. TCI states continue to provide opportunities for public input and engagement, through regional stakeholder workshops, online webinars, and a public input form accessible on the TCI website. Individual TCI jurisdictions are also providing state-specific opportunities for stakeholders to participate in the policy design process. With help from Georgetown Climate Center, states are carrying out detailed technical analysis to evaluate the potential environmental, economic, and social benefits of a regional low-carbon transportation program to inform decisions about:

- **Program Design** – Designing the specific policy provisions, including an emissions cap that guarantees real reductions in pollution consistent with the ambitious carbon-reduction goals states have set for themselves; ensuring polluters pay for the pollution they are responsible for; and sharing costs and benefits equitably in ways that benefit communities and boost the economy.
- **Investments** -- Using the proceeds collected from the auctioning of allowances will enable programs and investments in each state that further reduce pollution, address equity and environmental justice concerns, improve transportation resilience, and respond to other related community needs.
- **Complementary policies** – Considering other programs, rules, or approaches that aren't directly part of the cap-and-invest policy, but which increase, accelerate, or bring down the cost of reductions in greenhouse gas pollution, reduce other pollution and improve air quality, improve transportation systems, or address other community needs.

By working together to accelerate the transition to a low-carbon transportation future, TCI jurisdictions aim to deliver better, cleaner, more resilient transportation systems that benefit all our communities, particularly those underserved by current transportation options and disproportionately burdened by pollution.

Additional information on the TCI Regional Policy Design process can be found on the TCI website: [TransportationAndClimate.org](https://TransportationAndClimate.org)