Climate Change & Transportation in Connecticut
Statutory GHG Reduction Targets

Chapter 446c, Sec. Sec. 22a-200a. Reduction of greenhouse gas emissions: Mandated levels.

(a) The state shall reduce the level of emissions of greenhouse gas:

- Not later than January 1, 2020, to a level at least 10% below the level emitted in 1990
- Not later than January 1, 2030, to a level at least 45% below the level emitted in 2001
- Not later than January 1, 2050, to a level at least 80% below the level emitted in 2001
Annual GHG emissions by Sector, 1990-2016

- Transportation: 38%
- Electric power: 22%
- Residential: 15.5%
- Industrial: 9.5%
- Commercial: 9.5%
- Waste: 4.5%
- Agricultural: 0.6%
GC3 GHG Reduction Strategies and Recommendations

BUILDING A LOW CARBON FUTURE FOR CONNECTICUT

ACHIEVING A 45% GHG REDUCTION BY 2030

RECOMMENDATIONS FROM THE GOVERNOR’S COUNCIL ON CLIMATE CHANGE
DECEMBER 18, 2018
Maintain increasing fuel economy and low- and zero-emission standards

Increase light-duty ZEV penetration rate to at least 20% by 2030

Advance initiatives that eliminate the rate of annual VMT growth by 2030

Develop sustainable funding for transportation electrification and transportation infrastructure

1. Implement a multi-state cap-and-invest program that sets a limit on transportation-sector emissions and reinvests program proceeds in measures that drive down emissions; provides benefits to citizens; protects existing transportation funding; generates sufficient additional funding to support transportation infrastructure and operation; and mitigates costs to consumers.
TCI's Regional Policy Design Process for 2019
Participating TCI jurisdictions will design 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 allow each TCI jurisdiction to invest proceeds from the program into low-carbon and more resilient transportation infrastructure.

The participating TCI jurisdictions plan to complete the policy development process within one year, after which each jurisdiction will decide whether to adopt and implement the policy. The participants intend this program to be implemented on a regional basis after a critical mass of Northeast and Mid-Atlantic states have completed the legal processes to implement the agreed upon pricing mechanism.

Participating States:

Connecticut, Delaware, Maryland, Massachusetts, New Jersey, Pennsylvania, Rhode Island, Vermont, Virginia, Washington, DC
What is Cap-and-Invest?

Inventory of GHG emissions from regulated sources (tons of CO2)

Set an annual GHG emissions budget (cap)

Using an auction approach, the States sell allowances into the market (permits to pollute) that generate proceeds($)

Reinvest proceeds in GHG mitigation measures

The auction clearing prices (through competition) sets the price of the allowance, thus the price on carbon is the least cost approach to comply.
Cap & Rate of Decline

- Business as Usual (projection)
- Baseline Emissions
- Cap (rate of decline)

Tons of CO₂ vs. Time

Today vs. 10 years
TCI Key Tasks

- Determine the level at which to cap emissions;
- Develop monitoring and reporting guidelines to ensure that transportation related emissions decline over time;
- Identify the regulated entities and determine which fuels to include;
- Develop mechanisms for cost containment and compliance flexibility;
- Identify shared priorities for investment of proceeds;
- Establish clear processes and timelines for implementation; and
- Assess ways to foster broader transportation equity across communities
TCI Timeline & Activities

Phase 1 (January – March 2019) - Identify milestones and finalize workplan schedule and processes

Phase 2 (April – July 2019) - Conduct modeling and policy analysis, further stakeholder engagement, Coordinate activities to inform decision-making

- **April 30, 2019** – Public Technical Workshop to hear from technical experts and stakeholders on fuels covered, compliance and approaches to monitoring and reporting, cost containment, compliance flexibility, linking to other programs, modeling as a tool for analysis, health and equity implications.
- **May 1, 2019** – In person Leadership Team meeting to agree on program fundamentals/ draft framework (fuels covered, point of compliance; allocation or auction; process for developing program ambition/ cap levels and timing; monitoring and reporting; compliance mechanisms/ flexibility); review initial modeling assumptions and potential representative investment scenarios
- **May 15, 2019 (New Jersey)** – Equity Workshop to launch initial engagement with disadvantage and underserved communities
- **May 23, 2019** - Webinar to review data inputs and assumptions that may be used for modeling a TCI “reference case,” which is the first step of the modeling process.
- **July 30, 2019 (Baltimore)**– Equity & Investment Workshop to begin discussing equitable investments.

Phase 3 (August – November 2019)

- **August 8 2019** – Webinar sharing reference case modeling results
- **October 1, 2019** – Release of framework for draft regional policy proposal
- Continue to engage stakeholders and seek public input on program design (state and regional), including program cap, investments, and equity considerations
- Continue to conduct modeling and policy analysis to determine cap
TCI Timeline & Activities

Phase 4 (December 2019 – February 2020)
• December 2019 – Release of a regional policy proposal in the form of a draft Memorandum of Understanding (MOU), accompanied by modeling results that estimate the energy and emissions implications of different cap levels and investment scenarios, as well as potential costs and benefits of different program design options.
• January/February 2020 – Gather and consider public input on Draft MOU

Phase 5 (Spring 2020)
• Jurisdictions release a final Memorandum of Understanding. At this point, each jurisdiction will decide whether to sign the MOU and participate in the regional program.

Phase 6 (Spring - Fall 2020)
• Participating jurisdictions develop a “model rule” and take any legislative steps that could be needed to implement the regional program.

Phase 7
• 2021 - Jurisdictions conduct rulemaking process to adopt regulations.
• As early as 2022 - Program implementation begins.
Questions to Reflect On

What is your vision for low-carbon transportation in 2030? How should the states design and implement a regional program to realize this vision?

What kinds of programs or investments do you hope a cap-and-invest program could fund to reduce greenhouse gases and other transportation emissions in your community?

Should cost-effective GHG reduction measures be prioritized when reinvesting program proceeds? Or are there other priorities that should be considered (e.g. environmental justice, equity, local pollutants)?

What are complementary policies you would like to see the TCI states explore?