



www.coloradoclimate.org

DRAFT TELECONFERENCE MEETING SUMMARY
TLU Policy Working Group
Call #2, February 14, 2007

Members Attending:

Kelli Kammerer-
Scott McCarey
Will Toor-
Brian Woodruff-
Gregg Thomas
Jim Charlier-
Gregg Cassarini-
Jennifer Schaufele-
Jim Spehar
Laurie Mathews-

Mark Ruzzin
Nancy Sharpe-
Mike Whitaker-
Don Parsons-

Governmental Agency Liaisons: none

Rocky Mountain Climate Organization: Stephen Saunders, Tom Easley

Center for Climate Strategies: Lewison Lem, Karl Hausker, Randy Strait, Jeff Ang-Olson, Tiffany Batac

Agenda Item#1: Introductions and Review of Agenda. Members of the Transportation and Land Use Policy Working Group were introduced and CCS reviewed the seven agenda items for the call.

Agenda Item#2: Review and Approval of Draft Call Summary #1. Call Summary of Meeting #1 was reviewed and approved. There were no comments or suggestions for revisions.

Agenda Item#3: Introduction of the Colorado GHG Inventory and Forecast. CCS introduced the Colorado GHG Inventory and Forecast to the members of the PWG. A few questions and clarifications were made regarding the approach of the numbers in the forecast. The question was why the numbers are not single, solid numbers in the forecast and CCS explained that the inventory and forecast for Colorado is a "Planning Inventory." Although the best data with the time and resource constraints are used, there are separate protocols for vehicles or buildings in which they would be registered and reporting emission levels to the state is strictly a top down approach.

In Colorado, demand for electricity is higher than its production. This accounts for the amount of vehicles in the state in addition to the amount of fossil fuels emitted in the state. Gross emissions also include sinks. For the automobile sector, forecasted growth and a fuel efficiency factor is applied to get the projection of the VMT estimates.

In the forecast for Colorado, CCS noted an update on page 10. The on road fuel consumption projections are 1.2% per year for gasoline and 3.3% per year for diesel.

A member of the PWG questioned if the base cases included hybrids. CCS explained that the EPA rule is in effect, and will include that as well as the national average use of ethanol. Fuel consumption projections also take into account how many people will be using fuel efficient vehicles by using the national DOE. Market driven gasoline prices will also make an improvement. CAFÉ and Pavley standards, however, are not in the base case now. Colorado can make stronger policies that exceed the national standards.

Across the board, upstream or “well to wheels” are accounted for; however, refining is included in the fossil fuels projection.

Agenda Item#4: Review and Discussion of the Catalog of States Actions. The Catalog of State Actions also includes a ranking of “Potential GHG Reductions” and “Potential Cost Effectiveness.” In regards to potential cost effectiveness, a High (H) ranking is good because it costs less money per reduced ton, therefore a cost-benefit. CCS also clarified that H/H potentials are not the only options to consider, but also those with Medium (M) or Low (L) rankings depending on what is needed, beneficial, or feasible to Colorado. Although there are policy options that are ranked M or L, collectively, they can reduce a significant amount of GHG emissions. A formal balloting process will also take place to identify which policy options to consider for further analysis.

Don Parsons asked if any altitude factors were adjusted for this catalog. At this time, the catalog was not adjusted for altitude because climate emissions in the transportation and land use sector are primarily CO₂ and the combustion of that is not affected by altitude as others might be. Adding options on the catalog or modifying methods of analysis based on altitude may be done during this meeting or can be sent via email to CCS.

Lewis Lem walked the PWG through the five different categories of the catalog and asked for questions or additions for each category. The five main categories of policy options included: Vehicle Technology, Vehicle Operation, Alternative Fuels, Land Use and Location Efficiency, Transportation System Efficiency and a sixth category for Miscellaneous.

In reviewing the Vehicle Technology category, a recommendation was made by Mike Whitaker to move forward with the Pavley Standards and join the other states who have adopted this policy so that Colorado can reap the benefits of this as well. Pavley standards are compliance standards (not voluntary) to follow emissions regulations; however, it does not restrict consumer

choice in the market. The Clean Car Standards or Pavley Standards in California is undergoing litigation because automakers have sued the state of California saying that these standards in effect regulates fuel economy in the state which only the federal government has the authority to regulate.

Whitaker also suggested modifying TLU 1.8 “GHG-linked Registration Fees” to revise the option as more of an incentive than a penalty. Example: Registration Fees can include the option of paying \$6 to offset 10% of emissions in the past year and use the fees to fund initiatives the climate panel would like to see. Feebates may also be more effective if pushed through the Western Governor’s Association.

In response to equity issues, Laurie Mathews commented that some of the standards or registrations usually hit the poorest people because they have the oldest cars. A way to deal with this issue may be to make some of these policies as incentives or on a voluntary basis.

A member of the PWG asked if there are safety trade-offs with any of these policies. TLU 1.4 Increased Size and/or Weight of Trucks may be a contentious issue, but with options like TLU 1.2 Fuel-Efficient Tires, there are reports and studies conducted by the NAS and tire manufacturers that conclude that they do not negatively affect safety.

Jeff Ang-Olson opened the discussion on Land Use and Location Efficiency. In many cases, changing zoning regulations encourage “Smart-Growth” patterns that look at strategies above the baseline to reduce VMT.

Further suggestions for additions and modifications included: changing “Location-Efficient Mortgages” to “Resource-Efficient Mortgages,” using a split rate property tax (paying for parking separately from home) and testing regional and statewide plans against the GHG requirements (similar to the testing of criteria pollutants in the state). As per running a pilot program for “Resource-Efficient Mortgages,” CCS will check with RCI and CC about the potential and feasibility of this.

Other added options as recommended by the PWG members include: state car-share program for LDV fleet (Philadelphia example), use kiosks at airports and gasoline stations to allow for the purchase of offsets, statewide corporate climate change efforts (looking at EPA’s Best Work Place for Commuters including commuter choice, parking cash-out, etc.), and a combination or bundling of PAYD insurance + Odometer Audit + VMT Based Registration Fee.

Any additional suggestions, modifications or questions can be emailed to Lewison Lem at lewisonlem@aol.com. Members can also access information on other states via state project websites on www.climatestrategies.us by clicking on the appropriate state on the map.

Agenda Item#5: Next Steps of Policy Work Groups.

There will be two more PWG calls before the next CAP meeting (dates are still TBD). On the next PWG call, we will discuss the priorities for policy analysis. Balloting (by email) will occur after that call and CCS will prepare an initial list of priority options based on voting outcomes. On the following call we will review and finalize the priority options, which will be presented to the CAP at their next meeting (also TBD). In parallel, we will request input/recommendations on the GHG I&F.

Agenda Item#6: Agenda, Time and Date for Next Meeting.

The next meeting time and date will be determined at a later date.

Agenda Item#7: Public Input and Announcements. None.