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DRAFT TELECONFERENCE MEETING SUMMARY
TLU Technical Working Group
Call #8, April 13, 2007

Members Attending:

Candi Beaudry
Matt Elsaesser

Montana DEQ: Lou Moore, Jim Boyer

Center for Climate Strategies: Lewison Lem, Jeff Ang-Olson, Tiffany Batac

Other Attendees: Dick Turner (MDT)

Background documents:

(all posted at http://www.mtclimatechange.us/Transportation_Land_Use.cfm)

Agenda Item#1: Introductions and Roll Call.

CCS conducted roll call and reviewed agenda items for this call. There was a clarification of meeting dates and times for the TWG. Meeting #8 was originally scheduled for April 6, 2007 but was rescheduled to April 13, 2007 due to several time conflicts. The next TWG meeting will be held next Thursday April 19, 2007 from 10:00AM – 12:00PM, Mountain Time. For any further clarifications as to goals and what will be discussed at these meetings, please see the Montana Timeline for April and May that was e-mailed to TWG members.

Agenda Item#2: Review and Approval of Call #7 Meeting Summary.

Call Summary #7 was reviewed and approved. There were no comments or suggestions for revisions.

Agenda Item#3: Review TLU Policy Options that have been Prepared.

CCS reviewed and discussed the prepared options (TLU 1-3, 5, 8, 9, 12, 13).

TWG members reviewed the cover table with the full list of policy options and quantifications. The cost effectiveness numbers illustrated incorporates both dollar cost and ton reductions, therefore, in economic terms a “negative” value is a net gain or benefit to society. A positive value, however, does not necessarily imply the opposite.

The following outlines the discussion and suggestions for revisions by the TWG members:

TLU-1: Light-Duty Vehicle Clean Car Program

Lewison Lem explained that reduction numbers were based on literature reviews of studies conducted by NAS, CEC, PIRG, etc. In TLU-1, for example, where PIRG's model estimated a 13% reduction factor, and other models used an 18%-19% reduction factor, CCS has taken middle range estimates, using a reduction factor of 15.5%.

TLU-2: Fuel Efficient Replacement Tire Program

Tiffany Batac explained the three case scenarios in the implementation of this policy by showing what the ton reductions would look like at 100% market penetration (regulatory), 10% and 5% market penetration rates (voluntary measures). What is shown in the cover table is a more conservative estimate, using a 5% market penetration rate.

Policy Quantification Suggestions for Changes or Clarifications:

- There was some concern that 5% may be too conservative and easy to achieve in coming years as the price of fuel increases, these fuel efficient technologies may become more attractive and the market penetration rate may be higher than 5% in the next 5 or 10 years.
- A proposal by the TWG members is that 5% market penetration would be used at 2010 but by year 2020, the market penetration would ramp up to 10%.

Policy Language Changes:

- P. 6-7 Timing: Change "Will" to "Would" (to not make it sound regulatory)
- P. 8, Promotion and Marketing: Change first paragraph to "The State will lead by example by initiating a fuel efficient tire replacement program. This would include all weather fuel efficient tires and would require legislative approval for rental rates for vehicles, both owned and leased."

TLU-3: Consumer Information on Vehicle Miles Per Gallon (MPG)

- Boyer commented that there is a critical unknown which is the price of petroleum and once those costs go up, the market penetration of these may also go up.

TLU-5: Growth and Development Bundle

Jeff Ang-Olson discussed the quantification methods for this policy option. This option would reduce urban area light duty vehicle VMT by 3% of the 2020 baseline and other benefits would be quantified from that.

Policy Quantification Suggestions for Changes or Clarifications:

- Candi Beaudry asked where the 3% came from. Beaudry submitted the policy draft but used the 3% number based on Arizona and New Mexico policies.
- Lewison Lem explained that there was a literature review estimating a range of impacts (depending on implementation) providing for a 3%-11% VMT reduction off

- the baseline. In Arizona and New Mexico, they felt it was appropriate to move forward with a more conservative estimate (3%).
- Growth patterns and population increases were a concern to some of the TWG members and that a 3% VMT reduction over the timeframe given may be too low.
 - It was noted that Montana, an exceptionally large portion of VMT occurs outside urban areas. In addition, the urban area VMT includes some external trips (those that begin or end outside the region). Local government smart growth policies generally would have no impact on these urban area external trips.
 - Ang-Olson clarified that in quantifying the emission reduction, the 3% VMT reduction is applied only to light duty vehicle VMT in urban areas. The reduction is not applied to truck VMT, and is not applied to rural area VMT.

Policy Language Changes:

- P.19 Policy Description, Point 6: Delete the text after “expand transportation choices”, since it is covered under Implementation Mechanisms.
- P.20 Paragraph 1 of Implementation Mechanisms: move last two sentences Directed Growth section or Alternative Revenue Sources
- P.20 Paragraph 2 of Implementation Mechanisms: change “integrated” to “coordinated”
- P.20 Paragraph 2: drop the last sentence about funding sources.
- P. 20 Drop last bullet under Access Management
- P. 20 Add a bullet about local government responsibilities for Access Management
- P.21 Change “Require all government work centers to locate in the central business district (CBD) of municipalities or, if not the CBD is not possible, in a suburban location with good pedestrian, and bicycle access” so that it reflects established core business areas, not necessarily the CBD per se.
- P.21 “Reduction of system development or impact fees” should be disconnected and moved down to Alternative Revenue Sources.
- P.21 first bullet of Alternative Revenue Sources--Candi: Property Tax Structure increases sprawl and we need other sources to counteract that. Maybe we can add transportation facility and operations and also include “adopt a local option tax and/or fuel tax to help local governments...”
- Suggestion to drop bullet in Alternative Revenue Sources: Increase gas tax distribution changes the formula not necessarily a tax increase. This might be politically difficult and particularly controversial. Noted that there are other alternative revenue sources that could be used which are not listed, including arterial fees, developer impact fees, geobonds that can pay for local match of federal programs. Will add “developer impact fees” in this section. Lem notes that if not everyone agrees that “increase gas tax distribution to local governments” should be taken out of the policy, minority opinions can also be expressed and carried forward to the CCAC.

TLU-8, 9, 12, 13

- Will be moved for discussion to next TWG meeting. Please send any comments or suggestions for revisions by e-mail to Lewison Lem (lewisonlem@aol.com) prior to Wednesday April 18, 2007.

Agenda Item#5: Discuss Policy Options yet to be Prepared.

Policy Options 4, 6, 7, 10, 11 will be reviewed and discussed at the next TWG meeting scheduled for Thursday April 19, 2007 from 10:00AM – 12:00PM Mountain Time.

TLU-4 and 7 are now up on the website for review. Remaining Policy Options from Friday's meeting will also be discussed at this point with comments as received from TWG members.

Agenda Item#6: Scheduling of Next TWG Call/Meeting.

Next TWG Call/Meeting will be scheduled for Thursday April 19, 2007 from 10:00AM – 12:00PM, Mountain Time.

Agenda Item#7: Public Input and Announcements.

None.