







# **NFRMPO Planning Process Timeline**



GHG Rule Processes	Plan/Product	Scheduled Adoption	Project Impacts of GHG Rule		
April 1, 2022 – Establish process	CMAQ, STBG, and TA Project Selection for FY2024-2025*	March 2022	Rule does not apply yet; however, CMAQ and STBG projects are not shielded from future impacts of GHG rule requirements		
for GHG Mitigation Measures	FY2023-2026 Transportation Improvement Program (TIP)	June 2022	See above		
October 1, 2022 – Req't to update Plan	Update 2045 Regional Transportation Plan (RTP) Note: If the TIP is no longer consistent with the RTP, the TIP must also be updated	September 2022	If GHG Reduction Levels are not met, eligibility restrictions apply to MMOF projects		
Post-October 1, 2022 – Any amended/new Plans and any new	FY2024-2027 TIP	June 2023	If GHG Reduction Levels are not met, eligibility restrictions apply to CMAQ, STBG, and 10-Year Plan projects that have not gone to ad for construction		
TIPs must comply	2050 RTP	September 2023	See above		
5	*NFRMPO staff will analyze GHG impacts of selected projects to prepare for future GHG rule compliance 5 NFRMPO Comments on CDOT GHG				













	NFRMPO Submitted Recommendations Status in Updated Proposal
	1 Remove or Update GHG Baselines (Removed baselines)
σ	2 Set Per Capita GHG Reduction Levels
nitte	3 Develop Practicable GHG Reduction Levels
<u><u>i</u> <u>i</u> <u>i</u></u>	4 Correct Errors in GHG Reduction Levels
da da	5 Require Reassessment of GHG Reduction Levels (Not as we proposed, only if VMT/capita isn't reduced after three years)
en	6 Expand Implementers of GHG Mitigation Measures
is of mme	<ul> <li>7 Include Operations Strategies in the GHG Mitigation Measures</li> <li>X (Now operations are prohibited - Preamble and Mitigation memo only)</li> </ul>
tatus ecom	8 Require a Vote of the TC to Deny Waiver and Reconsideration Requests
St: Re	9 Remove or Modify Requirement for TIPs (Added req't to interpolate for last year of TIP)
	10 Remove Restrictions on CMAQ-Funded Projects
	11Allow Non-Regionally Significant Projects Funded with STBG to Proceed(Now 10-year plan funds are also restricted for all project types in MPO areas)
	12 Additional Clarifications to Processes
12	13 Clarify and Update Assumptions in the Cost-Benefit Analysis

















	Recommended Improvements							
	12. Additional Clarifications to Processes							
<b>⊘</b> /X	<ul> <li>Allowing a waiver to be requested at any time, including concurrently with the submission of a GHG Transportation Report.</li> </ul>							
<b>⊘</b> /X	/X Allowing up to sixty (60) days to submit a request for reconsideration instead of thirty (30) days.							
	<ul> <li>Clarifying which projects are subject to funding restrictions based on project implementation status.</li> </ul>							
X	<ul> <li>Allowing conflicts to be resolved through the Governor, similar to the process used in federal air quality conformity.</li> </ul>							
	• Clarifying the timing and requirements of the Mitigation Action Plan.							
$\checkmark$	<ul> <li>Ensuring the APCD Verification is available to the TC.</li> </ul>							
X	<ul> <li>Streamlining the Annual Status Report on GHG Mitigation Measures by allowing measures to be grouped.</li> </ul>							
$\checkmark$	Identifying additional responsibilities for the State Interagency Consultation Team.							
21	<ul> <li>Requiring TC Action on GHG Transportation Reports within sixty (60) days, instead of allowing an unlimited time for TC Action.</li> <li>NFRMPO Comments on CDOT GHG Rule</li> </ul>							



S		NFR	MPO Recommendations	Priority	
nt orities		2	Set Per Capita GHG Reduction Levels		
and Priorit		3	Develop Practicable GHG Reduction Levels	Yes	
Ë		4	Correct Errors in GHG Reduction Levels		
Δ.		5	Require Reassessment of GHG Reduction Levels		
p		6	Expand Implementers of GHG Mitigation Measures	Yes	
ອ		7	Include Operations Strategies in the GHG Mitigation Measures	Yes	
2		9	Remove or Modify Requirement for TIPs		
Summa		10	Remove Restrictions on CMAQ-Funded Projects		
u Lu		11	Allow Non-Regionally Significant Projects Funded with STBG to Proceed		
		12	Additional Clarifications to Processes		
S		13	Clarify and Update Assumptions in the Cost-Benefit Analysis		
		New (14)	Remove Requirement for TC to Consider Revising the Rule based on Changes in VMT per Capita		
		New (15)	Remove GHG Mitigation Measure Principles from the Rule Preamble		
			Clarify How Plans can Demonstrate Compliance with GHG Reduction Levels for Compliance Years Beyond the Plan's Horizon Year		
23			CI	OOT GHG Trans	portation Pla









Date: November 5, 2021

To: Director Shoshana Lew, Hearing Officers Andrew Hogle and Christine Reece, and Transportation Commissioners (via email to <u>dot\_rules@state.co.us</u>)

From: North Front Range Metropolitan Planning Organization (NFRMPO)

#### Re: NFRMPO Comments on the Updated GHG Rule

### **Introduction**

Thank you for the opportunity to submit public comment on the Transportation Commission's (TC's) proposed revision to the Rules Governing Statewide Transportation Planning Process and Transportation Planning Regions which identifies a process for addressing greenhouse gas (GHG) emissions and sets GHG standards for transportation plans. The North Front Range Transportation & Air Quality Planning Council, also known as the NFRMPO, is comprised of 15 elected officials representing portions of Larimer and Weld counties. As a Metropolitan Planning Organization (MPO), the NFRMPO will be responsible for demonstrating compliance with the proposed rule and NFRMPO staff have engaged extensively in the stakeholder process conducted by the Colorado Department of Transportation (CDOT) that began in January 2021.

The NFRMPO strongly supports development of a **data-driven**, **feasible**, **and effective rule** to reduce GHG emissions resulting from implementation of transportation plans. This comment letter supplements the comments submitted previously by the NFRMPO and addresses the updated rule released by CDOT on October 19, 2021. The previously submitted comments, which the NFRMPO still supports, include:

- Round 1 redline edits submitted on September 8, 2021
- Letter requesting data and at least 30 days of public comment following release of the data to allow for data-driven comments and development of a data-driven rule submitted on September 13, 2021
- Substantive comments on the original rule proposal and Round 2 redline edits submitted on October 11, 2021

The NFRMPO appreciates the extension of the public comment period for this rulemaking. As explained in the comment letter the NFRMPO submitted on September 13, 2021, there are four datasets that should be released during the public comment period to allow fully informed decision making and meaningful stakeholder involvement, all of which had been requested by the NFRMPO in July and/or August, prior to sending the letter. Most of the requested datasets have been provided to the NFRMPO; however,



corrections to the GHG Reduction Levels have not been provided.<sup>1</sup> In addition, the NFRMPO identified concerns regarding the Cost Benefit Analysis (CBA) in the comment letter submitted on October 11, 2021, and NFRMPO staff have raised additional concerns on the CBA assumptions with CDOT staff, none of which have been addressed. We strongly encourage CDOT to resolve these requests and make the information available to the public as soon as possible and prior to the conclusion of the public comment period.

For additional information on the provisions of the proposed rule and analysis of relevant datasets informing the NFRMPO's recommendations, recordings of four presentations by NFRMPO staff are available at <a href="https://nfrmpo.org/air-quality/ghg-rulemaking/">https://nfrmpo.org/air-quality/ghg-rulemaking/</a>. These recordings are available as a resource for decision makers and stakeholders who wish to develop a greater understanding of the proposed rule and its implications.

# **Recommended Improvements**

There were 13 recommendations to improve the clarity, effectiveness, and feasibility of the proposed rule which were submitted by the NFRMPO on October 11, 2021. As indicated in **Table 1**, most of these recommendations were **not** incorporated into the updated proposal released by CDOT on October 19, 2021. The NFRMPO continues to support all submitted recommendations and associated redline edits; please refer to the NFRMPO's letter submitted on October 11, 2021 for information on all 13 original recommendations. Some of the unimplemented recommendations are repeated in this letter with additional clarifications or new supporting analysis.

In addition to continuing to support the 13 original recommendations, the NFRMPO has identified three additional recommendations which are listed below and described in full in this letter. Because of the substantial number of recommendations for the proposed rule, the NFRMPO has identified four recommendations as critical for improving the rule. **These four critical recommendations are marked with a blue highlight** and the NFRMPO strongly encourages the Transportation Commission to consider and implement these critical improvements to the rule. See the bulleted lists below for the three new recommendations and the four critical recommendations, and please see the remainder of this letter for an explanation of these recommendations.

#### New recommendations:

- Recommendation 14: Remove Requirement for TC to Consider Revising the Rule based on Changes in VMT per Capita
- Recommendation 15: Remove GHG Mitigation Measure principles from the Rule Preamble
- Recommendation 16: Clarify How Plans can Demonstrate Compliance with GHG Reduction Levels for Compliance Years Beyond the Plan's Horizon Year

<sup>&</sup>lt;sup>1</sup> The reason this correction is important for developing data-driven comments is described in the NFRMPO's comment letter dated September 13, 2021, which is available on pages 61-63 at <u>https://www.codot.gov/business/rules/documents/08\_redacted-written-comment\_ghg-pollution-standard-10-22-21.pdf</u>.



#### **Critical Recommendations:**

- Recommendation 3: Develop Practicable GHG Reduction Levels
- Recommendation 6: Expand Implementers of GHG Mitigation Measures
- Recommendation 7: Include Operations Strategies in the GHG Mitigation Measures
- Recommendation 14: Remove Requirement for TC to Consider Revising the Rule based on Changes in VMT per Capita

The NFRMPO is not submitting comments on the Draft "GHG Mitigation Policy Overview" or the Draft "Greenhouse Gas Modeling Process" in this letter but plans to engage with CDOT on the development of these documents outside of this rulemaking.

NFR	MPO Recommendation	Status in Updated Proposed Rule
1	Remove or Update GHG Baselines	Implemented
2	Set Per Capita GHG Reduction Levels	Not Implemented
3	Develop Practicable GHG Reduction Levels	Not Implemented
4	Correct Errors in GHG Reduction Levels	In Progress
5	Require Reassessment of GHG Reduction Levels	Not Implemented
6	Expand Implementers of GHG Mitigation Measures	Not Implemented
7	Include Operations Strategies in the GHG Mitigation Measures	Not Implemented
8	Require a Vote of the TC to Deny Waiver and Reconsideration	Implemented
	Requests	
9	Remove or Modify Requirement for TIPs	Not Implemented
10	Remove Restrictions on CMAQ-Funded Projects	Not Implemented
11	Allow Non-Regionally Significant Projects Funded with STBG to	Not Implemented
	Proceed	
12	Additional Clarifications to Processes	Partially Implemented
13	Clarify and Update Assumptions in the Cost-Benefit Analysis	In Progress

#### Table 1: Status of NFRMPO Submitted Recommendations in the Updated Proposed Rule

#### 2. Set Per Capita GHG Reduction Levels

#### Original Comments:

The GHG Reduction Levels in Table 1 of the proposed rule were developed based on current MPO boundaries and current projections for population and employment growth, both of which are subject to change. MPOs may choose to expand their planning area or may be required to expand their planning area due to updates to Urbanized Areas after a Decennial Census. Per federal planning requirements, MPOs obtain the latest population and employment growth forecasts prior to updating the long-range transportation plan. The updated forecasts may be higher or lower than the previous forecast.

The NFRMPO recommends the rule account for these two sources of change by setting GHG Reduction Levels on a per capita basis, thus allowing the GHG Reduction Levels to remain relevant regardless of changes to MPO planning area boundaries and growth forecasts. The per capita approach is used in



California, under SB 375, which requires MPOs meet GHG reductions in terms of percentage reductions in per capita emissions compared to 2005 levels.<sup>2</sup>

#### Additional Comments:

This recommendation is still important even with the removal of the baseline projections in the updated proposal. Without accounting for emissions per capita, the GHG Reduction Levels in the rule will be easier or more difficult to achieve as population forecasts are updated and boundaries change.

#### 3. Develop Practicable GHG Reduction Levels \*\*CRITICAL COMMENT\*\*

#### Original Comments:

The GHG Reduction Levels in the proposed rule were developed from "illustrative policy choice packages"<sup>3</sup> intended to represent feasible reductions related to transportation policy/investment choices available to MPOs and CDOT. Some of the policy choices informing the GHG Reduction Levels include measures that are not within the control of MPOs or CDOT and/or reflect market forces instead of policy choices, such as:

- Changing land use to be more transportation-efficient. According to the CBA, this strategy is "assumed to be achieved mainly through the operation of market forces."<sup>4</sup> In addition to assuming the strategy will be implemented without any substantive policy changes, authority over land use decisions in the State of Colorado belongs to counties and municipalities, not to MPOs or CDOT. While there are some limited opportunities for MPOs and CDOT to encourage adoption of land use and zoning codes to reduce reliance on driving, such as through revised requirements or scoring criteria in Calls for Projects, these efforts should count in the GHG Mitigation Measure process instead of being factored into the GHG Reduction Levels. An additional benefit of removing the land use assumptions from the GHG Reduction Levels is it ensures the benefits from the two land use-related transportation strategies in the GHG Roadmap are not double counted (i.e. Indirect Source Rule and land use incentives).
- Increasing the share of workers teleworking by a factor of 3, from 6.3% to 18.9%. According to the CBA, this strategy "reflect[s] a continuation of trends observed during the COVID pandemic."<sup>5</sup> In addition to assuming the strategy will be implemented without any substantive policy changes, MPOs and CDOT do not have the authority to require employers to offer telework. Instead, the role of MPOs and CDOT is limited to providing information and grants to support telework efforts, the potential impact of which would be much less than tripling telework rates statewide.
- Expanding broadband access from 82.6 percent of households (as of 2019) to 97 percent of households by 2030, thus allowing households with new access to broadband to replace 10 percent of personal business trips such as banking or medical appointments with teletravel. The CBA states this strategy is anticipated to be implemented with federal and State funds and through the efforts of the Colorado Broadband Office.<sup>6</sup>

<sup>&</sup>lt;sup>2</sup> California Air Resources Board, "SB 375 Regional Plan Climate Targets", accessed on 10/4/2021 at <u>https://ww2.arb.ca.gov/our-work/programs/sustainable-communities-program/regional-plan-targets</u>.

<sup>&</sup>lt;sup>3</sup> CDOT, Cost-Benefit Analysis For Rules Governing Statewide Transportation Planning, 8/31/2021, accessed from <u>https://www.codot.gov/business/rules/documents/cdot-cost-benefit-analysis-for-ghg-rule-sept-2021.pdf</u>, page 2. <sup>4</sup> IBID, page 15.

IBID, page 15.

<sup>&</sup>lt;sup>5</sup> IBID, page 18.

<sup>&</sup>lt;sup>6</sup> IBID, page 12.



- Revising State health care regulations to permit or encourage more telehealth visits to the degree feasible and appropriate.<sup>7</sup>
- Expanding transit service by 151 percent between 2019 and 2050<sup>8</sup> (as compared with a population growth forecast of around 50 percent) and reducing transit fares by 50 percent.<sup>9</sup> Strategies to expand transit service and reduce transit fares are more closely related to the strategies available to MPOs and CDOT than the strategies listed above, but there are important caveats. MPOs and CDOT work cooperatively with transit agencies in the metropolitan and statewide planning process, respectively; however, service expansion and transit fare decisions are ultimately determined by each independent transit fares is a possibility through CDOT. In contrast, MPOs are severely restricted in the funding they can provide to transit agencies for those two strategies. None of the federal funding programs available through MPOs can provide ongoing transit fare subsidies and none can provide ongoing funding for transit operations.<sup>10</sup>

CDOT developed three scenarios to assess feasible ranges of GHG Reductions. The proposed rule uses the "Travel Choices + Transit + Land Use" scenario to set the GHG Reduction Levels, which is a collectively exhaustive list of all tested strategies, including the strategies listed previously that are assumed to occur through market forces and/or are not within the control of MPOs or CDOT. Instead of using the "Travel Choices + Transit + Land Use" scenario to set the GHG Reduction levels, the NFRMPO recommends setting the GHG Reduction Levels using policies and investment choices available to MPOs and CDOT, not on strategies outside their control or changes anticipated to occur through market forces.

#### Additional Comments:

The strategies identified above, which the NFRMPO still contends should be removed from the model scenario used to set the GHG Reduction Levels, are strategies that can be effectively implemented by mechanisms outside of the proposed rule. For example, the transportation-efficient land use strategy is addressed through two separate strategies in the GHG Roadmap that are both in development, including incentivizing land use to increase housing near jobs and the proposed Indirect Source Rule. Other strategies have clear implementers, as stated in the CBA, such as the Colorado Broadband Office for the expansion of broadband and State health care regulators for the expansion of telehealth trips.

Regarding the transit expansion strategy, upon review of the Energy and Emissions Reduction Policy Analysis Tool (EERPAT) documentation and the EERPAT\_Scenario\_Inputs.xlsx file provided by CDOT the NFRMPO is concerned the strategy is assuming a 151 percent increase in transit service *per capita*, not a 151 percent increase in transit service. When combined with an anticipated population growth of 50

https://www.codot.gov/business/rules/documents/00\_2ccr60122\_exhibits\_redacted.pdf, See page 275.

<sup>&</sup>lt;sup>7</sup> IBID.

<sup>&</sup>lt;sup>8</sup> IBID, page 20.

<sup>&</sup>lt;sup>9</sup> Permanent Rulemaking Exhibits, "Rules Governing Statewide Transportation Planning Process and Transportation Planning Regions," GHG Pollution Standard GHG Reduction Targets & GHG Policy Paper, 7/13/2021, Exhibit 8, accessed on 10/4/2021 at

<sup>&</sup>lt;sup>10</sup> The Congestion Mitigation and Air Quality (CMAQ) program allows intermittent or limited funding for these strategies, including fare subsidies only during ozone action days and transit operations funding for new service for up to five years. The Surface Transportation Block Grant (STBG) program cannot subsidize transit fares or fund transit operations.



percent statewide, the resulting increase in transit service is 276 percent over 2019 levels, equivalent to a 3.76-fold increase. This level of increase is unprecedented. As shown in the redacted exhibits, a CDOT presentation notes transit service (specifically, vehicle revenue miles) increased by a factor of 1.75 between 2000 and 2019, while the scenario CDOT tested increased transit service by a factor of 2.3 between 2022 and 2050.<sup>11</sup> A 2.3-fold increase is less than the 151 percent increase described in the CBA and less than the 3.76-fold increase calculated based on the EERPAT input files and projected statewide population growth. CDOT should clarify if the transit expansion growth of 151 percent is per capita or total and ensure the operations costs identified in the CBA align with the projected growth in service.

In addition, the transit expansion strategy does not account for reduced transit service and reduced transit ridership due to COVID. These impacts are substantial and transit providers in the North Front Range are experiencing 20 to 60 percent reductions in ridership compared to pre-COVID levels. The transit expansion strategy should be revised to consider impacts from COVID to enable realistic assumptions about transit service and transit ridership.

#### 6. Expand Implementers of GHG Mitigation Measures \*\*CRITICAL COMMENT\*\*

#### **Original Comments:**

The proposed rule defines GHG Mitigation Measures as "non-Regionally Significant Project strategies *implemented by CDOT and MPOs* that reduce transportation GHG pollution" (See §1.19, emphasis added). However, the illustrative examples of GHG Mitigation Measures in §8.03 of the proposed rule include several measures that cannot be implemented by MPOs, such as:

- Adding transit resources to displace VMT (see page 8 of this comment letter),
- Adopting parking policies, and
- Establishing clean construction policies.

The NFRMPO recommends the rule not restrict implementers of GHG Mitigation Measures to only CDOT and MPOs. Many of the illustrative examples of GHG Mitigation Measures are implemented by transit agencies and local governments and the efforts of those entities should count toward the region's transportation GHG emissions reductions targets.

#### Additional Comments:

The proposed rule creates a distinction between implementers of non-regionally significant projects and implementors of regionally significant projects without any legitimate basis for the distinction. Regionally significant projects must be included in the MPO Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) regardless of which entity is sponsoring the project. In many cases, regionally significant projects are sponsored by local governments. Conversely, the rule restricts implementers of GHG Mitigation Measures to only CDOT and MPOs and does not provide credit to projects implemented by local governments that could otherwise be considered as GHG Mitigations. The NFRMPO continues to recommend expanding the implementers of GHG Mitigation Measures to additional entities; and specifically recommends agencies required to be consulted during the planning process as specified in CFR 23 §450 be considered eligible implementers of GHG Mitigation Measures.

<sup>&</sup>lt;sup>11</sup> Permanent Rulemaking Exhibits, "Rules Governing Statewide Transportation Planning Process and Transportation Planning Regions," GHG Pollution Standard GHG Reduction Targets & GHG Policy Paper, 7/13/2021, Exhibit 8, accessed on 10/4/2021 at

https://www.codot.gov/business/rules/documents/00 2ccr60122 exhibits redacted.pdf, See page 275.



#### 7. Include Operations Strategies in the GHG Mitigation Measures \*\*CRITICAL COMMENT\*\* Original Comments:

The illustrative examples of GHG Mitigation Measures in §8.03 of the proposed rule should include representative examples from the full range of strategies available to CDOT and MPOs to reduce GHG emissions from transportation, including operations strategies. As explained on page 4 of this comment letter, the CAA includes operations improvement strategies in the list of TCMs, and the CAA's TCMs should serve as a template and resource for the State's GHG rule.

Specifically, the NFRMPO recommends adding the following example to the illustrative list of GHG Mitigation Measures in §8.03 of the proposed rule:

"Implementing or encouraging the implementation of operations improvements such as ramp metering, signal timing, intersection improvements, access control plans, antiidling programs, incident management, and Intelligent Transportation Systems (ITS) strategies that result in GHG reductions."

#### Additional Comments:

The preamble of the updated proposed rule states "capacity expansion or technology measures that primarily benefit the flow of vehicular traffic without improving alternatives to driving single occupancy vehicles are not allowable for the purposes of approved mitigation." However, there is no technical basis for this decision provided in any of the rule's supplementary documents or in the rule itself. As noted in the Draft GHG Mitigation Policy Overview, these types of improvements can "reduce idle time in traffic, which --particularly for less efficient vehicles -- can reduce per vehicle emissions, though they also allow for the flow of more traffic, which can cause greater total emissions."<sup>12</sup> Because the net effect on GHG emissions vary based on the project type and the context for implementation, it is important for decisions on projects to be data driven and reflect the totality of anticipated impacts. The rule ought to follow the footsteps of the Clean Air Act (CAA), which identifies a wide range of transportation strategies that reduce emissions by one of three mechanisms (emphasis added):

- reducing VMT (e.g., trip-reduction ordinances, improved public transit),
- improving operations (e.g., programs to control extended idling in vehicles, traffic flow improvement programs *that achieve emission reductions)*, or
- fleet improvements (e.g., programs to voluntarily remove pre-1980 vehicles from use).<sup>13</sup>

As with the CAA, the GHG rule should allow for operations improvements to count as GHG Mitigation Measures *as long as they achieve emission reductions*, which will be determined through appropriate modeling. Ensuring that all the tools in the toolbox are available to address GHG emissions from transportation will enable MPOs and CDOT to more effectively reduce GHG emissions.

<sup>&</sup>lt;sup>12</sup> CDOT, GHG Transportation Planning Standard: Mitigation Policy Overview, October 19, 2021, accessed on November 3, 2021 at <u>https://www.codot.gov/business/rules/documents/draft-ghg-transportation-planning-standard-mitigation-policy-directive-10-19-21.pdf/</u>.

<sup>&</sup>lt;sup>13</sup> Clean Air Act, 42 U.S.C. §7408(f) (1990).



# **11.** Allow Non-Regionally Significant Projects Funded with STBG to Proceed Original Comments:

As explained in Recommendation #10, the proposed rule imposes restrictions on the types of projects eligible to receive CMAQ, STBG, and some 10-year Plan funds in the event the GHG Reduction Levels cannot be achieved. The 10-Year Plan fund restriction in the proposed rule applies only to regionally significant projects, whereas the CMAQ and STBG restriction applies to all projects. STBG funding is awarded to projects that meet needs identified in the federally required metropolitan planning process, such as safety, mobility, and operations.

The NFRMPO recommends non-regionally significant projects funded with STBG, such as important safety and operations improvements, be able to proceed without a waiver in the event the GHG Reduction Levels cannot be achieved, similar to non-regionally significant projects funded with the State's 10-Year Plan funds.

#### Additional Comments:

In the updated proposal, MPO areas that cannot achieve the GHG Reduction Levels will have all 10-Year Plan funds restricted to projects or GHG Mitigation Measures that reduce GHG emissions instead of only restricting the portion of 10-Year Plan funds anticipated to go toward regionally significant projects, as originally proposed. However, the updated proposal retains the allowance of non-regionally significant projects to proceed in non-MPO areas in the event the non-MPO area cannot achieve the GHG Reduction Levels. Important safety and maintenance projects occur in both rural and urban areas, and all areas of the State should be able to advance non-regionally significant projects without receiving a waiver from the Transportation Commission.

#### 12. Additional Clarifications to Processes

#### **Original Comments:**

There are a variety of other process clarifications recommended in the attached redline, including, but not limited to the following:

- Allowing a waiver to be requested at any time, including concurrently with the submission of a GHG Transportation Report.
- Allowing up to sixty (60) days to submit a request for reconsideration instead of thirty (30) days.
- Clarifying which projects are subject to funding restrictions based on project implementation status.
- Allowing conflicts to be resolved through the Governor, similar to the process used in federal air quality conformity.
- Clarifying the timing and requirements of the Mitigation Action Plan.
- Ensuring the APCD Verification is available to the TC.
- Streamlining the Annual Status Report on GHG Mitigation Measures by allowing measures to be grouped.
- Identifying additional responsibilities for the State Interagency Consultation Team.
- Requiring TC Action on GHG Transportation Reports within sixty (60) days, instead of allowing an unlimited time for TC Action.



#### Additional Comments:

Many of the process clarifications the NFRMPO suggested were implemented in the updated proposed rule. Two of the process clarifications were partially implemented and two were not implemented.

In the updated proposal, there are internal conflicts regarding the two partially implemented process clarifications. These two clarifications include a) allowing a waiver to be requested at any time, including concurrently with a GHG Transportation Report, and b) allowing up to sixty (60) days to submit a request for reconsideration instead of thirty (30) days. In the updated proposal, the rule specifies a limit of sixty (60) days for both waivers and reconsiderations in §8.05.2 while specifying no time limit for waivers in §8.05.2.1.2 and a thirty (30) day limit for reconsiderations in §8.05.2.2. The NFRMPO recommends updating §8.05.2 and §8.05.2.2 as follows:

8.05.2 If the Commission determines, by resolution, the requirements of Rule 8.02.6 have not been met, the Commission shall restrict the use of funds pursuant to Rules 8.02.6.1.1 or 8.02.6.1.2, as applicable, to projects and approved GHG Mitigation Measures that reduce GHG. Prior to the implementation of such restriction, an MPO, CDOT (upon concurrence with the applicable MPO) or a TPR in a non-MPO area, may, within sixty (60) days of Commission action, pursue one or both of the following actions: seek a waiver or ask for reconsideration accompanied by an opportunity to submit additional information:

8.05.2.2 Request reconsideration of a non-compliance determination by the Commission and provide a written explanation of how the requirements of Rule 8.02.65 have been met. A request for reconsideration must be submitted within thirty (30) sixty (60) days of Commission action.

The NFRMPO continues to support the other two process clarifications that were not implemented in the updated proposal, including:

- Allowing conflicts to be resolved through the Governor, similar to the process used in federal air quality conformity; and
- Streamlining the Annual Status Report on GHG Mitigation Measures by allowing measures to be grouped.

#### 13. Clarify and Update Assumptions in the Cost-Benefit Analysis

#### **Original Comments:**

The Cost-Benefit Analysis is an important resource for the proposed rule by providing an explanation of the policy choices included in the scenario selected to set the GHG Reduction levels and by assessing the costs and benefits of the proposed rule. The NFRMPO suggests clarifying the following assumptions in the CBA:

• The CBA identifies the total cost of projects in the five MPOs' long-range plans and CDOT's 10-Year Plan for 2022 through 2050 as \$28B in 2021 dollars. This value is well below the sum of expenditures identified in the NFRMPO's 2045 RTP and DRCOG's 2050 RTP, which exceeds \$100B. The CBA should clarify which project types were used to calculate the \$28B cost. The CBA should also be updated to clarify that long-range plans are federally required to be fiscally constrained and to account for the cost of operations and maintenance.



- Several of the Tables in Appendix A: Detailed Analysis of Economic Benefits and Costs, appear to have sufficient explanations in the associated "basis for cost estimates" section to calculate the costs displayed in the associated table; however, NFRMPO staff have been unsuccessful in calculating the costs displayed in the table using the provided information. In each case, the values calculated by NFRMPO staff using the information in the "basis for cost estimates" result in costs that are 2.4 to 3.7 times higher than the costs displayed in the associated table. The CBA should be updated to clarify the "basis for cost estimates" and/or correct any errors in the identified costs.
- Several of the unit costs appear to be too low and rely on out-of-state or nationwide sources that may not apply to Colorado. For example, the CBA uses a unit cost of \$170,000 per mile for new or replaced sidewalk sourced from the Florida Department of Transportation (FDOT). For Colorado, a report from CoPIRG Foundation and Southwest Energy Efficiency Project (SWEEP) identifies costs of \$282,691 per mile of new sidewalk and \$192,931 per mile of replaced sidewalk.<sup>14</sup>
- The CBA does not account for the costs of transit electrification or the costs of reducing transit fares but still references these strategies as included in the scenarios and therefore in the GHG Reduction Levels. It appears the benefits of transit electrification and reducing transit fares are included in the rule and CBA without accounting for their costs.
- The CBA estimates cost savings from improved safety by assuming fatality and injury motor vehicle crashes are "reduced in proportion to VMT reduced".<sup>15</sup> This assumption fails to consider the alarming increase in traffic fatalities that occurred concurrently with substantial reductions in VMT in 2020. According to the National Highway Traffic Safety Administration, early data indicate traffic fatalities increased 7.2 percent from 2019 to 2020 in the U.S. even as VMT decreased by an estimated 13.2 percent nationwide over the same time period.<sup>16</sup> The increase in fatalities is suspected to be due in part to speeding occurring when fewer vehicles are on the road.<sup>17</sup> The CBA should be updated to provide a more realistic estimate of the impacts of reduced VMT on safety and/or consider the costs of the necessary street calming efforts to ensure improved safety can be delivered concurrently with reduced VMT.

<sup>&</sup>lt;sup>14</sup> CoPIRG and SWEEP, "Colorado's Transit, Biking & Walking Needs Over The Next 25 Years," August 2016, accessed on 10/4/2021 at

<sup>&</sup>lt;u>https://copirgfoundation.org/sites/pirg/files/reports/COPIRG%20Transit%20Report\_Screen.pdf</u>. The report identifies costs of \$36.54 per linear foot of sidewalk and \$34.64 per linear foot of curb and gutter, which are assumed to be required in 50 percent of new sidewalks.

<sup>&</sup>lt;sup>15</sup> CDOT, Cost-Benefit Analysis For Rules Governing Statewide Transportation Planning, 8/31/2021, accessed from <u>https://www.codot.gov/business/rules/documents/cdot-cost-benefit-analysis-for-ghg-rule-sept-2021.pdf</u>, page 26.

<sup>&</sup>lt;sup>16</sup> NHTSA, "2020 Fatality Data Show Increased Traffic Fatalities During Pandemic", 6/3/2021, accessed on 10/4/2021 at <u>https://www.nhtsa.gov/press-releases/2020-fatality-data-show-increased-traffic-fatalities-during-pandemic</u>.

<sup>&</sup>lt;sup>17</sup> Minor, Nathaniel. "Colorado's Roads are Emptier, But Deadlier So Far This Year," 9/2/2021, accessed on 10/4/2021 at <u>https://www.cpr.org/2020/09/02/colorados-roads-are-emptier-but-deadlier-so-far-this-year/</u>.



#### Additional Comments:

To expand upon the NFRMPO finding that many of the strategy costs reported in the CBA appear lower than what is calculated by following the methodology listed in the CBA, **Table 2** shows the costs estimated by the NFRMPO for each strategy, which add up to a total cost of \$18.8B. The NFRMPO used the methodology identified in the CBA except where noted in the "Method Notes" column. Costs for some strategies were not estimated by the NFRMPO due to lack of methodology information in the CBA. In those cases, the reported costs from the CBA were used to calculate the total cost estimated by the NFRMPO. **The total cost estimated by the NFRMPO is four times higher than cost reported in the CBA.** The NFRMPO recommends CDOT clarify and update the CBA to address these cost discrepancies.

Strategy	Cost Reported in CBA	Cost Estimated by NFRMPO Using CBA Methodology	NFRMPO Method Notes
Household-Based Trip Reduction	\$35M	Not estimated	
Teletravel	\$3M	\$5M	
Sidewalk Repair/Expansion	\$431M	\$1.122B	
Bicycle Facility Expansion	\$195M	\$688M	
Sidewalk and Bike Facility Maintenance	\$1.253B	Up to \$3.347B	The CBA does not specify the ratio of sidewalk repair to sidewalk expansion, and maintenance costs of repaired sidewalk should not be counted. The NFRMPO estimate is the high-end assuming 0 percent repair.
E-Bicycles	\$16M	Not estimated	
Transit Vehicle Expansion	\$1.02B	\$2.4B	The NFRMPO accounted for the cost of replacing new buses after they reach the end of their useful life, using an assumed useful life of 15 years.
Transit Operations	\$3.293B	\$12.094B	
Transit Fare Revenue	(\$1,826B)	(\$912B)	The NFRMPO accounted for the 50 percent fare reduction assumed in the modeling.
Land Use	\$39M	Not estimated	
Total Cost	\$4.459B	\$18.843B	

#### Table 2: NFRMPO Calculation of Costs by Strategy

#### 14. Remove Requirement for TC to Consider Revising the Rule based on Changes in VMT per Capita \*\*New\*\* and \*\*CRITICAL COMMENT\*\*

As noted in the NFRMPO's comment letter submitted on October 11, 2021, SB260 requires CDOT to establish procedures and guidelines to *reduce* GHG emissions from transportation. SB260 also requires the procedures and guidelines *to account* for impacts of transportation capacity projects on Vehicle Miles Traveled (VMT) but does not require reductions in VMT. The proposed rule must remain razor



focused on the reduction of GHG emissions from transportation and any requirement to reconsider the provisions of the rule should be tied to GHG emissions, not to elements of the transportation system which do not have a 1:1 correlation to GHG emissions. VMT is one of many factors that impact GHG emissions from transportation, and reductions in VMT will not lead to reductions in GHG emissions if they are accompanied by increases in congestion that result in net increases in pollution.

#### 15. Remove GHG Mitigation Measure principles from the Rule Preamble \*\*New\*\*

The GHG Mitigation Measure principles listed in the Rule Preamble differ from the principles listed in the GHG Mitigation Policy Overview in two important respects and it is unclear which set of principles CDOT intends to advance.

- In the first instance, the principle titled "Valuing Benefits to Disproportionately Impacted Communities" in the preamble states "[t]o that end, mitigation investments are an important opportunity to provide localized benefit to disproportionately impacted communities" while the GHG Mitigation Policy Overview states "[t]o that end, this policy shall include a methodology for crediting projects that achieve greater localized benefit to disproportionately impacted communities."
- In the second instance, in the principle titled "Holistic Air Quality Planning", the Preamble states "This principle is especially important for ensuring that disproportionately impacted communities that have often, historically, borne a significant share of the negative impacts of highway projects, are able to achieve direct project benefits associated with meeting mitigation requirements." The GHG Mitigation Policy Overview, however, does not include that sentence in the definition of the principle.

The principles identified in the Preamble to the Rule could require much more extensive modeling efforts during the long-range planning process and overly restrict the types of projects eligible for reducing GHG emissions. The NFRMPO recommends removing the principles from the Preamble to the Rule and addressing these principles through a public process and through a Policy Directive.

#### 16. Clarify How Plans can Demonstrate Compliance with GHG Reduction Levels for Compliance Years Beyond the Plan's Horizon Year \*\*New\*\*

The proposed rule requires Plans to meet GHG Reduction Levels in each of the four compliance years, as long as the compliance year is not in the past but does not clarify how plans that do not include a future compliance year within the planning horizon can demonstrate reductions for those future years. For the NFRMPO, the current RTP has a horizon year 2045 and the NFRMPO is required to update this plan by October 1, 2022 in compliance with this proposed rule or restrictions will be imposed on Multimodal Transportation and Mitigation Options Funds (MMOF). Without having projects or funding identified for 2046 through 2050, it is unclear how an update to this Plan can demonstrate reductions in 2050 compared to the currently adopted 2045 RTP. This issue also applies to CDOT because the proposed rule applies to the 10-Year Plan but still requires CDOT to demonstrate reductions for compliance years beyond the horizon of the 10-Year Plan.



# <u>Conclusion</u>

The NFRMPO recognizes the importance of reducing GHG emissions resulting from the implementation of transportation plans and contends that setting GHG reductions at feasible levels will provide meaningful contributions to the State's GHG reduction goals. In addition to helping to achieve GHG reductions, the proposed rule would also provide co-benefits by reducing ozone precursor emissions and expanding transportation options.

The NFRMPO appreciates the time and effort CDOT staff has committed to developing a rule to reduce GHG emissions resulting from implementation of transportation plans. We respectfully request the Hearing Officers, TC Ad Hoc Committee, and the TC consider the enclosed recommendations as well as all recommendations submitted previously. The NFRMPO looks forward to continuing the collaboration with CDOT staff in the development of this rulemaking and in subsequent implementation efforts. If you have any questions, please contact Medora Bornhoft at <u>mbornhoft@nfrmpo.org</u>.

Sincerely,

William

William Karspeck, NFRMPO Chair