Written Statement of

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Before the Committee on Environment and Public Works United States Senate

Legislative Hearing on America's Climate Security Act of 2007 (S. 2191)

November 15, 2007

Madam Chairman, Senator Inhofe, and members of the Committee, thank you for inviting me to testify today about the importance of investment in public transportation and other strategies to reduce driving in order to cut the emission of greenhouse gases.

I am King County Executive Ron Sims, and I am proud to serve as the elected leader of the nation's fourteenth largest county government in the country. I am also a board member of the Center for Clean Air Policy, a leading think tank crafting cost-effective climate policy solutions. King County stretches from the Puget Sound shores to the snow-crested peaks of the Cascade Mountains. Between are 2,000 square miles with vibrant urban centers, four major river systems, 760 lakes, 3,000 miles of streams, and 1,000 square miles of forest. Our county is home to 1.8 million people.

With regard to transportation, King County also owns and operates Metro Transit, one of the ten largest bus transit systems in the nation, with an annual ridership of more than 100 million. Recently, King County was a lead in securing designation as a U.S. Department of Transportation "Urban Partnership," which provides significant federal funding to pursue a range of congestion reduction measures, including major new transit improvements, as well as technologies and incentives for changing commuting behaviors. King County was also the first county to join the Chicago Climate Exchange in part to help ensure that regional transit agencies have a voice during the creation of national cap and trade rules and legislation.

My region is growing extremely fast, both in our economy and our population. And our global warming problem also is fast-growing. I know that I will not be in the Puget Sound region in 2050, but 2.5 million people will live there. And I think about how my decisions as an elected official today will shape what our region looks like then, and whether those people – including my children and grandchildren – will enjoy well being and prosperity. That is why I am pleased to speak before you today on the critical issue of America's response to global warming.

King County appreciates the comprehensive approach of S. 2191. We support creating a market cap that sends a consistent economy-wide carbon price signal to all sectors. As

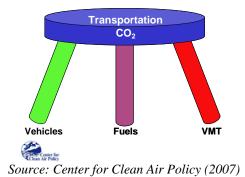
Congress now examines how to reduce the emission of greenhouse gases through national legislation, I urge you to consider that capping carbon emissions and promoting investment in clean energy and fuels alone will not solve this national crisis. It is my hope that you take this opportunity to build on the existing provisions in S. 2191 to prioritize and ensure investments will be made in policies designed to reduce vehicle miles traveled (VMT). That may require being more explicit about the types of VMT reduction activities eligible for funding beyond transit (which is already specifically noted in the bill), increasing available funding dedicated to those purposes, and considering funding VMT reductions from both the allowance and auction sources.

In King County and so many regions in the United States, especially on the west coast, greenhouse gas emissions from the transportation sector are the single biggest source of global warming pollution. Additionally, the single biggest factor in the amount of transportation pollution is the number of vehicle miles traveled. Not surprisingly King County, as the regional transit agency, is confronted each day with the challenge of moving people out of their cars and into cleaner transportation alternatives.

Nationally, the transportation sector is responsible for 33 percent of CO₂ emissions, and those emissions are projected to increase rapidly. Passenger vehicles (cars and light trucks) are responsible for more than three-fifths of transportation sector CO₂ emissions. With the significant reductions in CO₂ emissions needed to protect the climate (e.g., 60 to 80 percent below 1990 levels), the continuing growth of emissions from transportation will undoubtedly put more pressure on other sectors (including refining, manufacturing and electricity) to reduce their emissions.

The transportation sector's CO₂ emissions are a function of vehicle fuel efficiency, fuel carbon content, and VMT (vehicle miles traveled), factors we refer to as a "three-legged stool" (Figure 1). Energy and climate policy initiatives at the federal and state levels (including S.2191) have focused almost exclusively on technological advances in vehicles and fuels, the first two legs. Yet, there is a growing recognition that managing VMT has to be part of the solution -- this third leg is needed to support the stool and should complement vehicle technology and fuels policy.

Figure 1. Transportation CO₂ Emissions: The Three Legged Stool



In fact, expected growth in our driving habits will overwhelm planned reductions in CO₂ emissions from even the most aggressive proposed improvements in vehicle and fuel efficiency. As discussed below, an analysis by the Center for Clean Air Policy (CCAP) finds that current policy proposals on vehicle technology and fuels would leave passenger vehicle CO₂ emissions well above 1990 levels in 2030, significantly off-course for meeting the bill's 2050 target. Reduction in travel demand will be an important element of effective climate policy.

According to forecasts of the U.S. Department of Energy's Energy Information Administration (EIA) VMT already is expected to increase by 59 percent from 2005 to 2030 (the red line in Figure 2), outpacing projected population growth of 23 percent. This growth in VMT is due in large part to sprawling development patterns that require Americans to drive long distances as well as limited transportation alternatives (transit, walk, bike). Over this time period, the EIA projects fuel economy for new passenger vehicles to increase by 16 percent (from 25 to 29 mpg) and the fuel economy of the full stock of vehicles (the green line in Figure 2) to increase by 13 percent, as more efficient vehicles penetrate the fleet. CO₂ emissions would increase by 40 percent over the same time frame (the dark blue line in Figure 2). In this case, transportation CO₂ emissions in 2030 would be 75 percent above 1990 levels (the turquoise line in Figure 2).

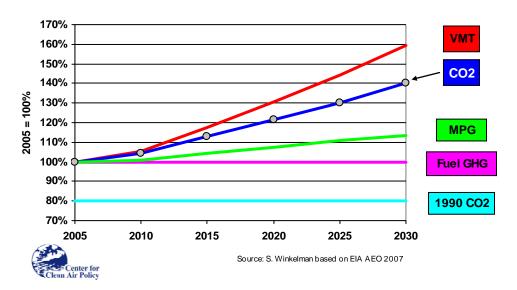
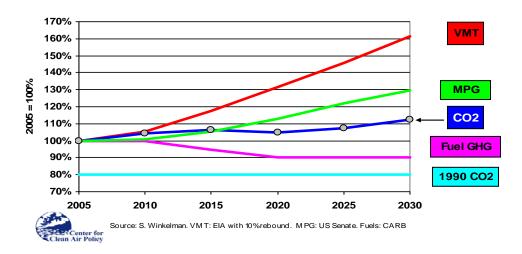


Figure 2. Projected Growth in CO₂ Emissions from Cars and Light Trucks

The more important question is what would happen to CO₂ growth even if we implemented CAFE increases and a low carbon fuel standard. In June 2007, the U.S. Senate passed new CAFE standards that would increase new passenger vehicle fuel economy (cars and light trucks combined) to 35 mpg by 2020. California is implementing a low carbon standard for transportation fuels that calls for a 10 percent reduction in fuel carbon intensity by 2020. If California's low carbon fuel standard were applied at the national level (the purple line in Figure 3), in conjunction with the Senate's CAFE standard of 35 mpg by 2020 (the green line in Figure 3), passenger vehicle CO₂ emissions in 2030 would be 12 percent above 2005 levels, or 40 percent above 1990 levels. In other words, projected

growth of VMT would still overwhelm the CO₂ savings from vehicle and fuel regulations.¹

Figure 3. Projected Growth in CO₂ Emissions from Cars and Light Trucks, Assuming 35 mpg CAFE in 2020 and -10% Low Carbon Fuel Standard in 2020



Clearly, lowering transportation CO₂ emissions to 60 to 80 percent below 1990 levels by 2050 would require even greater improvements in vehicles, fuels and, almost certainly, reductions in VMT per capita.

Therefore, a critical first step in addressing the VMT problem lies in assuring that the scope of this legislation fully recognizes and rewards those governments and institutions that are implementing polices right now to increase transportation choices and reduce the need for driving. Examples of such policies include, rewarding those communities engaged in regional smart growth planning, expanding transit networks, bolstering alternative transportation modes (bike, walk), and promoting infill and transit-oriented development around compact mixed use communities.

The comprehensive approach you are taking now also should provide incentives for those communities that are not currently engaged in regional smart growth planning to adopt these strategies to slow growth in VMT. As the recent legal settlement in California surrounding the land use practices of San Bernardino County exemplifies, local land use decisions can and must be part of the solution to achieve the greenhouse gas reduction goals articulated in this legislation. Now is the time to seize upon the opportunity to craft incentives and develop resources that will enable local governments to find effective solutions to VMT growth.

There are a number of options for providing such incentives to the transportation sector beyond the price signal sent by a cap on refiners in this bill. These include direct

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¹ In this scenario, VMT growth increases by 2 percentage points (61 percent growth by 2030) due to the "rebound effect" whereby driving increases as fuel economy increases (10 percent short-run elasticity).

allocation of allowances to localities and regions engaged in policies to reduce VMT such as making significant investment in public transit, or use of auction revenues through a competitive process to communities that reduce VMT. Such use of allowances or revenues to reduce VMT will also make it easier for refiners to meet their GHG target.

The research shows that if one solo commuter of a household switches from driving to transit for their commute to work, he or she can reduce their household carbon footprint by 10 percent, the equivalent of more than 4,800 pounds of CO₂ for an average commute each year. If the same commuter rides transit to work and their household can give up a second car, a family can reduce its total carbon emissions up to 30 percent.

According to a new report, compact development alone could reduce VMT by 20-40% as compared to typical suburban development.² Shifting 60 percent of new growth to compact patterns could reduce transportation CO₂ emissions by 85 MMTCO₂ in 2030. This is equivalent to the savings from a 28 percent increase in CAFE standards (to 32 mpg) or half the GHG savings from the Senate's 35 mpg CAFE bill. These savings do not include strategic investments in transit or pricing policies such as congestion pricing, pay-as-you-drive insurance, commute trip reduction and alternative work schedule programs, which could potentially double these savings.

In King County we are either doing or promoting each of those local policy options. And we have gone even one step further, requiring through our State Environmental Policy Act that new projects being built where the County is the local government authority account for greenhouse gas emissions prior to being approved. Rewarding local governments engaged in comprehensive approaches that address all sectors of the economy and all three legs of the transportation stool will be an essential element in the national fight against global warming.

Madam Chairman, Senator Inhofe, and members of the Committee, thank you again for the opportunity to speak with you today and play a role in advocating for meaningful federal government action on global warming. We look forward to working with you in the future on the important issue of VMT and climate change.

² R. Ewing, Keith Bartholomew, S. Winkelman, J. Walters, and D. Chen, *Growing Cooler: The Evidence on Urban Development and Climate Change*, Urban Land Institute, in press. Final draft available here: http://www.ccap.org/transportation/smart.htm.