July 25, 2018

Laurie Berman, Director
California Department of Transportation (Caltrans)
1120 N Street
MS 49
Sacramento, CA 95814
via email: Caltrans.Director@dot.ca.gov

Re: June 2018 Draft Interim Guidance: Determining CEQA significance for Greenhouse Gas Emissions for Projects on the State Highway System

Dear Director Berman:

We, the undersigned organizations, write in support of Caltrans making greenhouse gas (GHG) significance determinations. Given that the Governor and Legislature mandated GHG emissions reductions, Caltrans guidance on determining CEQA significance for GHGs is necessary. Transportation is the largest single emitter of GHGs in California. Caltrans’ decisions regarding the development, operations, and maintenance of the state highway system should be based on robust analysis and the impacts should be fully communicated to the public. This guidance will help ensure that Caltrans reduces emissions, while addressing California’s diverse transportation needs.

As invested stakeholders, we offer the following recommendations to further strengthen the Draft Interim Guidance that was posted in June 2018:

Adopt guidance on analyzing induced travel demand within one year of adopting guidance on GHG significance.
Although we appreciate Caltrans efforts to determine CEQA significance for GHGs, we are concerned that the determinations will be based on faulty data unless Caltrans also adopts
guidance to analyze induced travel demand. Induced travel demand refers to an increase in vehicle miles traveled (VMT) due to increase in roadway capacity where congestion is present. The National Center for Sustainable Transportation Policy Brief on the Caltrans website explains induced travel demand: “The basic economic principles of supply and demand explain this phenomenon: adding capacity decreases travel time, in effect lowering the ‘price’ of driving; and when prices go down, the quantity of driving goes up.”\(^1\) The Policy Brief states: “Increases in GHG emissions attributable to capacity expansion are substantial,” confirming the importance of robust analysis of induced travel demand to accurately model GHG emissions. Without accounting for induced demand, the GHG significance determinations will be based on inaccurate projections of travel behavior.

Fortunately, there are established models for analyzing induced demand. We support the approach to quantitative assessment of induced vehicle travel in the Office of Planning and Research’s “Technical Advisory on Evaluating Transportation Impacts in CEQA”. OPR’s recommended method has already been vetted by transportation professionals and approved by state agencies. OPR recommends estimating induced demand based on elasticities from peer-reviewed literature on the relationship between increases in lane miles and increases in VMT. This method is more accurate than using travel demand models, because the elasticities account for changes in land use, in result of transportation infrastructure such as increased lane miles. In comparison, travel demand models do not account for the changes in land use, which can substantially influence travel behavior.

If Caltrans cannot provide guidance on methods for analyzing induced demand concurrently with releasing the guidance on GHG significance, we recommend Caltrans convene a workgroup with state agencies, such as the Office of Planning and Research, to develop and implement a process to adopt guidance on induced travel demand. The workgroup should include public stakeholders, as well as public health and air quality professionals, and it should be held accountable to a one-year timeline.

**Proactively publicize and invite public participation in creation of guidance documents.**

We greatly appreciate that Caltrans reached out to us directly to provide input on the Draft Interim Guidance; however, we recommend sharing notice more widely to maximize public engagement. In addition, as environmental reviews are technical and complex, we recommend Caltrans clearly communicate the implications of the guidance and provide opportunities, such as workshops in the major regions of the state, for public stakeholders to become involved in shaping guidance documents.

Align the threshold of significance with California’s existing climate policy by replacing the proposed threshold with “net zero increase in VMT”.

If we want to mitigate the catastrophic impacts of climate change, we need dramatic GHG reductions.

The proposed threshold of significance is inconsistent with California’s climate goals. SB 32 requires a 40% reduction below 1990 levels by 2030. The figure to the left shows the dramatic reduction in emissions needed to meet the 2030 target. In comparison, the proposed threshold of significance in the Draft Interim Guidance posted in June 2018 is based on only marginal reduction below existing emission levels, effectively perpetuating business as usual.

In addition, the proposed threshold of significance will allow for a project’s GHG emissions to account for vehicle and fuel efficiency. Due to California’s leadership on mitigating climate change, vehicle fleets and vehicle fuels will become more efficient and can be expected to emit fewer GHGs. This increased efficiency is independent from highway projects; Caltrans does not influence vehicle and fuel efficiency. Therefore, the proposed threshold allows Caltrans to account for efficiencies for which it is not responsible, and those efficiencies can be expected to reduce project impacts to less than significant levels.

We recommend replacing the proposed threshold of significance with a threshold aligned with California’s 2017 Climate Change Scoping Plan that is focused on impacts for which Caltrans is responsible. Specifically, we recommend a threshold of a net zero increase in vehicle miles traveled (VMT). The Scoping Plan, based on ARB’s 2016 Mobile Source Strategy, allows for a 5% increase in VMT by 2030 above existing levels, compared to current growth rates of approximately 11%. It is conceivable that a method could be developed for “allocating” that allowable margin of increased VMT to each project. However, a much simpler and more reliable method would be to set the threshold of significance at a zero net increase in VMT for each project. This would be aligned with the Scoping Plan and would provide a straightforward method for all project types across the state. In addition, using a VMT threshold, instead of a GHG threshold, would focus on the impacts of the

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project, rather than accounting for vehicle and fuel efficiency which are unrelated to the project and its impacts.

Thank you for your consideration of our recommendations. We look forward to working with Caltrans to adopt effective and well-informed Guidance on Determining CEQA significance for Greenhouse Gas Emissions for Projects on the State Highway System through a transparent public process. If you have any questions, please contact Ella Wise <ella@climateplan.org>.

Sincerely,

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cc:
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