



King County

Department of Transportation

Metro Transit Division

General Manager's Office

201 S. Jackson Street

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Seattle, WA 98104-3856

July 10, 2015

Peter Moulton

Washington Department of Commerce

PO Box 42525

Olympia WA 98504

RE: King County Metro Transit Comments on Proposed Rules for Use of Alternative Fuels & Vehicles by Local Governments – Chapter 194-29 WAC

Dear Mr. Moulton,

King County Metro Transit concurs with the response provided by the Washington State Transit Association (WSTA). We support the points articulated in the WSTA response and want to provide additional background and recommendations regarding the “social cost of carbon” criterion in the decision-making process.

King County has been a leader in promoting the reduction of carbon emissions. Metro Transit has not only made direct investments in its operations to reduce carbon, but has also led the region in reducing emissions from changes in transportation and land use. We have also used a cost of carbon to compare alternative vehicles and transportation plans.

The social cost of carbon as it relates to transportation is a commendable objective. Purchasing decisions should support reducing carbon emissions, especially from the transportation sector. However, it's a complex topic with many aspects, such as how transit affects travel and land use. For this reason, we believe the transit agencies should work more closely with the Departments of Commerce and Ecology to develop a specific methodology for calculating not only the bus life cycle costs, but also how the social cost of carbon is related to public transit. Bus life cycle costs are well addressed in a much more sophisticated model developed by TCRP Report 146 and we would suggest that model form the basis for evaluating bus life cycle costs. King County is also working on a vehicle life cycle cost model which includes carbon emissions. This model would be based on actual vehicle costs from King County's fleet and could be the basis for a generalized model.

The RCW specifically addresses the purchase of “local government vehicles, vessels, and construction equipment”. The specified intent of the State's analytical tool is to assist agencies

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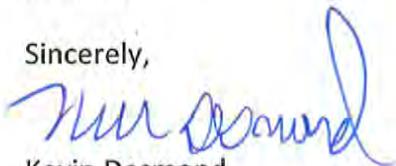
in determining life cycle costs of vehicle ownership. The rulemaking appropriately allows local agencies to make a local decision as long as all the factors provided in the tool are "considered". This is a reasonable approach provided that all factors are unambiguously related to the agency's cost to purchase and operate those vehicles.

The "social cost of carbon" is not specifically related to an agency's cost of ownership. We need to work together to better define how we would use this measure and compare it to other internal and external investments which could be made to reduce carbon. When evaluating carbon benefits, we take a comprehensive look not only at the bus purchase and fuel decisions, but also at how other transit actions can reduce carbon emissions. Any carbon calculator should give us flexibility to make an overall evaluation of the best carbon benefit for the investment. There are many factors which play into decisions which include not only emissions, but also the many public benefits transit service provides.

The concerns articulated above were raised when "social cost of carbon" was introduced late in the process of writing the draft rules. Together we might embark on a pilot process to evaluate how this cost can affect an agency's overall vehicle purchase evaluation. There is no value to include a factor that either introduces critical uncertainties or provides only nominal value.

King County Metro Transit appreciates the opportunity to participate in this stakeholder process to create rules which meet the intent of the legislation and can be applied in a practical manner.

Sincerely,



Kevin Desmond

General Manager

King County Metro Transit