



July 8, 2015

Peter Moulton  
Washington Department of Commerce  
PO Box 42525  
Olympia WA 98504

Spokane Transit Authority (STA) Comments on Proposed Rules for Use of Alternative Fuels & Vehicles by Local Governments – Chapter 194-29 WAC

Dear Mr. Moulton:

Thank you for allowing the Washington State Transit Association (WSTA) to provide input throughout the rulemaking process on behalf of STA and the other 29 transit agencies across the state. STA concurs with the response provided by WSTA. We feel so strongly about emphasizing two of the points they make that we want to communicate directly with you about them.

Preserve local decision making

The inclusion of the condition, “to the extent practicable” in the evaluation process clearly demonstrates that it is not the state’s intention to make this rule (RCW 43.19.648) a mandate and leaving this responsibility for making that decision in local control. The likely results of such a mandate would be to increase the capital and/or operating cost of public transportation services.

The draft rules preserve the authority of each transit agency’s governing body to apply local decision-making processes to determine if an alternate fuel is “practicable.” The local agency must be able to make a business case that is sensible and cost effective for local taxpayers who provide 70% of our operating revenue through voter-approved local sales tax. Any erosion of this local authority, either in interpretation of these rules or publication of future rules, would make the RCW untenable.

Do not include the “social cost of carbon” as an evaluation factor

This factor and its calculation were introduced late in the discussions and appeared ‘fully baked’ by the time we learned about it. Unlike the rest of the process which has been inclusive and collaborative, this extremely important change didn’t include the transit agencies’ perspectives.

This factor presents a variable that introduces a host of other potential criteria which could override all other factors. It is irrelevant—by your acknowledgement that its effects would be negligible.

***The worst case . . .***

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 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 as long as all the 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 and it is a currently undefined global criterion. Our fear is that the effect of this criterion could be that it outweighs all relevant cost of ownership factors. If that happened, it would effectively invalidate provisions of the rulemaking which preserve local decision making. Once factor are introduced, they could further override and invalidate the factors that truly determine a vehicle's total cost of ownership.

If the rulemaking introduces a global criterion such as the "social cost of carbon," then other, similar global perspectives could be included. For instance, the rulemaking should then include the overall benefit of public transit to the region it serves. Statewide, the use of public transit displaces literally millions of gallons of diesel and gasoline. This benefit exists no matter what fuel is used in the transit vehicles themselves. It is a factor that is geometrically larger than the incremental "social cost of carbon" differences between individual transit vehicles. In fact, if this overwhelming positive factor is included, one could argue that transit should be exempt from the law.

***The best case . . .***

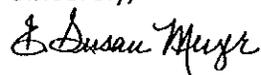
The concerns articulated above were raised when "social cost of carbon" was introduced late in the process of writing the draft rules. In response to those concerns, we were told that this one factor would ultimately have negligible impact on an agency's overall vehicle purchase evaluation. Following this logic, then one must ask why it is even included. If it is not a relevant factor, why include it in the rule.

***The bottom-line . . .***

There is no value to include a factor that either introduces critical uncertainties or is admittedly irrelevant.

In conclusion, Spokane Transit appreciates the opportunity to participate in this process. This type of dialogue is essential to create rules which meet the intent of the legislation and can be applied in a practical manner.

Sincerely,



E. Susan Meyer  
Chief Executive Officer