

## COALITION FOR TRANSFORMING TRANSPORTATION

January 16, 2013

HAND DELIVERED

Hon. Jay Inslee  
Governor of the State of Washington  
P.O. Box 4002  
Olympia, WA 98504-0002

Dear Governor Inslee:

As Steve Marshall reported to you at the Climate Solutions meeting last week, we have formed a coalition of public, private and non-profit groups called the Coalition for Transforming Transportation. Our goal is to support you in moving toward a safer, greener, cleaner, faster and more affordable transportation future. We believe Washington State can take the lead in this transformation, creating jobs in our state, while helping the environment and reducing the \$16 billion cost of importing oil into Washington State.

As your book, *Apollo's Fire*, envisioned, especially in the chapter on *Reinventing the Car*, we can create a new transportation future. Our coalition can help you to make this vision one of your administration's signature accomplishments, while also being consistent with the lean management principles you have emphasized. In doing so, as your book states, "we can take money that would otherwise flow to foreign emirates and invest those same dollars in local jobs." More and better jobs linked to helping the environment is the key.

There is no better place to start such a program than Washington State, where we must import all the oil we use, and where we have the local resources and talent to replace oil in transportation and to create the smart, connected, increasingly accident free transportation systems of the future.

In November, we hand delivered to your campaign team a letter addressed to Governor-Elect Inslee. (A copy of that letter is attached.) Transforming transportation in Washington State is as potentially important to our area as the personal computer and internet revolution was (and still is). To take full advantage of the opportunities, it is important to realistically assess the role Washington State could take and then to prepare systematically for those opportunities.

On September 7<sup>th</sup>, coalition members and others participated in a conference that you also addressed in a video presentation. The conference, a major part of the 50<sup>th</sup> anniversary celebration of the Seattle World's Fair, was called "*Beyond Oil: Transforming Transportation in Century 21*," which highlighted the advantages and talent Washington State has to make that transformation.

That same day, the Seattle Times published an op-ed (also attached) about the conference called *"What the Next Governor Can Do to Reduce Oil Dependence."* The article said "we are on the threshold of a new era of personal transportation of smart, connected, autonomous, electric and alternative-fuel vehicles." In addition to reducing oil use, the article continued, "We can also make cars now that avoid accidents and reduce congestion. INRIX, Microsoft, VoiceBox and Airbiquity are working with Ford and others to make cars smarter, safer and greener."

The op-ed recommended that the next governor start with five steps:

- Join with federal and neighboring state fleet managers to buy replacement fleet vehicles that plug into our clean state power grid -- after performing a rigorous life-cycle cost analysis.
- Remove regulatory roadblocks and ensure consistency in state policy, including regulatory reform that would give utilities flexibility to meet renewable-energy goals. For instance, the state could give utilities green-energy credits for encouraging use of electric vehicles.
- Develop pilot congestion-relief projects, such as one in cooperation with Joint Base Lewis-McChord, to demonstrate how to connect commuters with advanced transportation options and to test communication standards for connected, increasingly autonomous vehicles.
- Facilitate a system to enable commuters to reserve parking places at expanded high-tech park-and-ride lots, reserve seats on buses and create flexible ride-sharing programs to make bus systems more fuel-efficient.
- Build on the partnership with West Coast states that launched the I-5 electric highway and work to create common standards, pool research results and develop joint economic-development opportunities.

Regarding the last point, the Coalition has been meeting with key political and business leaders in Oregon and they have indicated a strong willingness to support Washington's goal of transforming transportation. We are happy to make introductions with our Oregon contacts and help build a regional transformational transportation vision with defined goals and action steps.

Further, the Coalition has been working on an expanded list of action steps for Transforming Transportation that is mindful of the need to minimize the cost to the state and the economy while providing maximum benefits in jobs and in helping the environment. (It is important to emphasize that we are a diverse and broad coalition open to all alternatives to oil in transportation including CNG, LNG, propane autogas, and advanced biofuels as well as electricity.) Those recommendations, in addition to the ones above, include:

- Adopt the ZEV (Zero Emission Vehicle) mandates and associated regulations that California and several other states have enacted.

- Adopt by Executive order a cost-effective low carbon fuel standard that will trigger incentives to move from oil to electricity, advanced biofuels, propane and natural gas.
- Authorize self-driving vehicles, as California, Nevada and Florida have done.
- Authorize for a limited time HOV use by qualifying vehicles, as in California.
- Authorize public/private partnerships for a system of easy-to-use, high-tech park-and-ride facilities to encourage more transit use into the most congested urban areas.
- Create a State Green Infrastructure bond program in connection with the financial optimization of current transportation infrastructure assets.
- Reform state insurance regulations to accommodate increasingly autonomous vehicles.
- Advocate for federal DOD/DOE funding for a large-scale JBLM pilot project as an autonomous vehicle proving center as well as alternative fueled vehicles.
- Advocate for federal funding of CNG, propane autogas and LNG truck fueling facilities in cooperation with PACCAR, Washington State ports, PSE and others.
- Support a gasoline tax revenue stabilization plan to offset declines from decreased gasoline use from increasingly efficient and oil free vehicles.
- Design and enact a revenue neutral “fee-bate” system for new vehicle sales.
- Work with the Advanced Composite Development Center to promote Washington State as a center for composite research and manufacturing.
- Reform state legislation on energy conservation to measure progress with a broader standard, such as BTUs or Barrels of Oil Equivalent (BOE) in order to focus on reduction of petroleum use.
- Establish tax incentives and low interest loans for corporate fleets and other businesses to use low-emission vehicles. Establish regulatory incentives for utility fleet purchases.
- Establish low emission vehicle tax incentives for car leasing companies and car rental companies. Encourage buying by short term rental companies by providing incentives such as premium public facility pick up and drop off locations.
- Help companies create low-carbon vehicle buying programs using commute trip reduction plans and local congestion requirements as leverage. Provide regulatory incentives and offsets for companies that encourage employees to purchase carbon-free cars and to park them at park and ride hubs in order to reduce commuter traffic in the most congested urban areas.

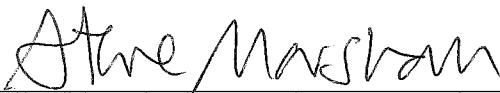
- Advocate a federal grant program to provide an equivalent to the individual \$7,500 EV income tax credit for public agency fleet purchases.
- Create an executive director for transforming transportation position that reports directly to the governor to identify and help implement legal and regulatory issues and policies between the State Department of Transportation, the Utilities and Transportation Commission, the Department of Ecology, the Department of Commerce and other state agencies.

A key member of the Coalition for Transforming Transportation is the Puget Sound New Energy Solutions, originally created by you and King County Executive Ron Sims and now chaired by Mike Grady. Our coalition will be focused on this signature issue of yours with the influence of the very group you initially created for this purpose.

One of our coalition members, CATES, is also working with the Graham Environmental Sustainability Institute on a grant that is preparing an integrated assessment to identify in a systematic way emerging technologies to advance transportation solutions for a safer, greener, more affordable and less congested transportation future in the region.

At the meeting last week you invited us to meet with you in Olympia to hear the details of our recommendations and ideas for coalition support. We are looking forward to such meeting as soon as possible to discuss our road map and recommendation in more detail and work to help draft the executive orders, prepare executive request legislation and to create public and legislative support for a coordinated set of early initiatives to transform transportation.

The Coalition for Transforming Transportation Steering Committee:



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Enclosures: (2)