

**DRAFT**

***Transforming Transportation:***

***A Road Map for Governor Inslee's Signature Issue***

December 2012

By Steve Marshall

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**Introduction**

We represent a coalition of public, private and non-profit groups supporting the transformation of transportation 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.

Chapter 2 in Governor-elect Inslee's book, *Apollo's Fire: Igniting America's Clean Energy Economy*, is called "*Reinventing the Car*," which envisioned a new transportation future. With the help of our coalition and others, this can be one of the signature accomplishments of a Governor Inslee administration. As the book states, "we can take money that would otherwise flow to foreign emirates and invest those same dollars in local jobs."

Although *Apollo's Fire* said "we need a crash national program," 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.

Just after the election, we hand delivered a letter to the expected Governor-Elect Inslee. (A copy of that letter is attached.) In it we said that we are at the start of a transformation of transportation, as potentially important to Washington State as the personal computer and internet revolution. We said "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."

**Summary of Recommendations**

On September 7<sup>th</sup>, coalition members and others participated in a conference that Mr. Inslee 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.

Also, on the 7<sup>th</sup>, the Seattle Times published an op-ed (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 automated 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.

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 while providing maximum benefits. (It is important to emphasize that we are a diverse and broad coalition open to all alternatives to oil in transportation including CNG, LNG, advanced biofuels as well as electricity.) Those recommendations, in addition to the ones above, include:

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

- 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 automated vehicles.
- Advocate for federal DOD/DOE funding for a large-scale JBLM pilot project as an automated vehicle proving center as well as alternative fueled vehicles.
- Advocate for federal funding of CNG 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.
- 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 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 a policy coordination office on transforming transportation reporting 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 and other state agencies.

A key member of the Coalition for Transforming Transportation is the Puget Sound New Energy Solutions, originally created by then Congressman Inslee and King County Executive Ron Sims and now chaired by Mike Grady. So, in addition to making this a signature issue for the Governor Inslee, it will be largely influenced by the very group he initially created for this purpose.

One of our coalition members 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.

We look forward to meeting as soon as possible with Governor-elect Inslee, so that we may be able to discuss the road map in more detail and work to 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.

Dated this \_\_\_\_ day of December 2012

The Transforming Transportation Coalition's Interim Steering Committee

Steve Marshall  
Kathleen Petrich  
Mike Grady  
Leo McCloskey  
Tom Ranken  
Jan Greylorn

## Attachments

[http://seattletimes.com/html/opinion/2019087019\\_gueststevemarshallxml.html](http://seattletimes.com/html/opinion/2019087019_gueststevemarshallxml.html)

# What the next governor can do to reduce oil dependence

The next Washington governor should start thinking about how to reduce our dependence on oil, writes guest columnist Steve Marshall.

September 7, 2012

By [Steve Marshall](#)

Special to The Times

A REFINERY fire in California early in July pushed gasoline prices back into the \$4 a gallon range. It shows again that we are hostage to oil prices.

Washington state imports all of the oil we use; we have no oil resources of our own to tap. According to the 2012 Washington State Energy Strategy, drivers in our state spent \$16 billion in 2009 on gasoline, diesel and oil. Because oil has a virtual monopoly on transportation fuels, when gasoline prices go up, we have no choice but to pay up. High oil prices harm the state's economy.

The next governor should start thinking about how to reduce our dependence on oil and accelerate the transition to smart, connected vehicles.

Fortunately, we are on the threshold of a new era of personal transportation of smart, connected, autonomous, electric and alternative-fuel vehicles.

Ford, General Motors, Nissan, Toyota, Mitsubishi, Tesla, Fisker, VIA Motors, and a dozen others are selling electric vehicles with more to come. Although initial prices are high, they are coming down, just as the cost of any new technology from cellphones to laptops.

Washington has one of the cleanest and cheapest electric-power-supply systems in the country. Electric-car owners here pay the electric-power equivalent of 75 cents a gallon. Replacing imported oil with electricity makes special sense in Washington.

GM reported that last year owners of the Chevy Volt collectively saved a supertanker full of gasoline. Jay Leno has driven his Volt 18,000 miles on 12 gallons of gas. Although below high

expectations, electrical-vehicle sales are ahead of the curve compared to the initial sales of the hybrid Prius, which is now the third best-selling car in the world.

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. Cars are now on the road that avoid rear-end collisions, lane drift and can self-park.

We are moving from assisted driving to a future of even safer self-driving mobility. Google, GM and the U.S. military are testing fully autonomous vehicles, which could save thousands of lives.

Given these challenges and opportunities, what can the next governor do to help reduce our dependence on oil and accelerate the transition to smart, connected vehicles? 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. (King County's diesel buses, for example, average only 44 miles per gallon per passenger -- which is actually less efficient than a Prius with a single occupant).

- \*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.

*Steve Marshall is executive director of the Center for Advanced Transportation and Energy Solutions and chair of the Friday conference at Seattle Center: "Beyond Oil: Transforming Transportation in Century 21." ([bit.ly/nexfifty](http://bit.ly/nexfifty))*