#### CARBON REDUCTION PROGRAM

#### **State Departments of Transportation Briefings**

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## What is the Carbon Reduction Program?

- Established by the Bipartisan Infrastructure Law (BIL)
- Two parts:
  - Part 1: Requires states to develop a Carbon Reduction Strategy (CRS)
  - Part 2: Provides funds for "projects designed to reduce transportation emissions, defined as carbon dioxide emissions from on-road transportation sources"
- FHWA developed a <u>fact sheet</u> and <u>program implementation guidance</u>



### **CRP Part 1: Carbon Reduction Strategies**

- States were required to develop a Carbon Reduction Strategy (CRS) by November 15, 2023
- States were to required to consult with any MPO within the state
- States must update CRS at least once every four years
- Federal guidance notes that "States, in coordination with MPOs, are encouraged to develop their Carbon Reduction Strategies as an integral part of their transportation planning processes, such as by integrating them into ... the MPO's Metropolitan Transportation Plan (MTP), or by developing a separate document which is incorporated by reference into the Long-Range Statewide Transportation Plan (LRSTP) and MTP."
- DDOT, MDOT, and VDOT, presented to the TPB in October 2023
- The state Carbon Reduction Strategies can be found on the FHWA website



## **CRP Part 2: Funding**

- \$6.4 billion in formula funding nationally from FY 2022 through FY 2026
- 65% percent of each state's apportionment is to be obligated to areas based on the proportion of the state's population residing in that area
- 35% of the apportionment can be spent anywhere in the state
- Funds are available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized
- Funds can be used on a wide array of eligible projects to reduce carbon dioxide emissions from on-road transportation



# **CRP Funding for Metropolitan Washington Region**

	<u>FY 2022</u> (Lapses Sept 2025)	<u>FY 2023</u> (Lapses Sept 2026)	<u>FY 2024</u> (Lapses Sept 2027)
District of Columbia	\$3,206,817	\$3,270,954	\$3,336,373
Maryland	\$4,084,813	\$4,166,510	\$4,473,950
Washington, DC area	\$3,571,327	\$3,642,754	\$3,888,142
Frederick	\$289,061	\$294,842	\$350,337
Waldorf	\$224,425	\$228,914	\$235,471
Virginia	\$5,786,618	\$5,902,350	\$6,306,966
Total - Metropolitan Washington	\$13,078,248	\$13,339,814	\$14,117,289



### **Projects Eligible for CRP Funds**

#### Identified in statute (with additional specifics):

- Traffic management
- Truck stop electrification
- Certain public transportation projects (including BRT and Bus priority treatments)
- Transportation alternatives projects
- Advanced transportation and congestion management technologies
- Intelligent Transportation Systems
- Development of a Carbon Reduction Strategy
- Travel Demand Management
- Efforts to reduce the impacts of freight movement
- Deployment of alternative fuel vehicles
- Diesel engine retrofits
- Traffic flow improvements that do not involve construction of new capacity; and
- Projects that reduce transportation emissions at port facilities



## MPO Coordination on CRP Project Selection

- Before obligating funds for eligible projects and prior to determining which activities should be carried out in an area, a State must:\*
  - coordinate with any non-Transportation Management Area (TMA) MPO that represents an urbanized area;
  - consult any MPO or Regional Transportation Planning Organization that represents a rural area.
- FHWA's <u>guidance</u> defines coordination as "the cooperative development of plans, programs, and schedules among agencies and entities with legal standing and adjustment of such plans, programs, and schedules to achieve general consistency, as appropriate (23 CFR 450.104)."
- According to FHWA guidance, projects must be identified in the Statewide Transportation Improvement Program (STIP)/Transportation Improvement Program (TIP) and be consistent with the Long-Range Statewide Transportation Plan and the Metropolitan Transportation Plan(s). (23 U.S.C. 134 and 23 U.S.C. 135)



\* Source: Lupes, B (FHWA Office of Natural Environment); "Bipartisan Infrastructure Law: Carbon Reduction Program (CRP)." Presentation to AASHTO Air Quality, Climate Change, and Energy Subcommittee, June 1, 2022.

### **State DOT Project Selection Status**

#### MDOT:

- Worked with TPB staff to developed process for TPB coordination in project selection
- First round of project solicitation complete TPB presentation July 17, 2024
- Presenting TIP amendment to the TPB July 17, 2024

#### DDOT:

- Worked with TPB staff to develop process for TPB coordination in project selection
- VDOT:
  - TPB staff yet to review final process for TPB coordination in project selection
  - First round of project allocations was approved by the Steering Committee in January 2024



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## Appendix: Activities Eligible for CRP Funding



# Activities Eligible for CRP Funding (Slide 1/3)

- A. a project described in 23 U.S.C. 149(b)(4) to establish or operate a traffic monitoring, management, and control facility or program, including advanced truck stop electrification systems;
- B. a public transportation project eligible for assistance under 23 U.S.C. 142 (this
  includes eligible capital projects for the construction of a bus rapid transit corridor or
  dedicated bus lanes as provided for in BIL Section 11130 (23 U.S.C. 142(a)(3));
- C. a transportation alternatives project as described in 23 U.S.C. 101(a)(29) as in effect prior to the enactment of the FAST Act,3 including the construction, planning, and design of on-road and off-road trail facilities for pedestrians, bicyclists, and other nonmotorized forms of transportation;
- D. a project described in section 23 U.S.C. 503(c)(4)(E) for advanced transportation and congestion management technologies;



# Activities Eligible for CRP Funding (Slide 2/3)

- E. a project for the deployment of infrastructure-based intelligent transportation systems capital improvements and the installation of vehicle-to-infrastructure communications equipment, including retrofitting dedicated short-range communications (DSRC) technology deployed as part of an existing pilot program to cellular vehicle-to everything (C-V2X) technology;
- F. a project to replace street lighting and traffic control devices with energy-efficient alternatives;
- G. development of a carbon reduction strategy (as described in the Carbon Reduction Strategies section above);
- H. a project or strategy designed to support congestion pricing, shifting transportation demand to nonpeak hours or other transportation modes, increasing vehicle occupancy rates, or otherwise reducing demand for roads, including electronic toll collection, and travel demand management strategies and programs;



## Activities Eligible for CRP Funding (Slide 3/3)

- I. efforts to reduce the environmental and community impacts of freight movement;
- J. a project to support deployment of alternative fuel vehicles, including—(i.) the acquisition, installation, or operation of publicly accessible electric vehicle charging infrastructure or hydrogen, natural gas, or propane vehicle fueling infrastructure; and (ii.) the purchase or lease of zero-emission construction equipment and vehicles, including the acquisition, construction, or leasing of required supporting facilities;
- K. a project described under 23 U.S.C. 149(b)(8) for a diesel engine retrofit;
- L. certain types of projects to improve traffic flow that are eligible under the CMAQ program, and that do not involve construction of new capacity; (23 U.S.C. 149(b)(5) and 175(c)(1)(L)); and
- M. a project that reduces transportation emissions at port facilities, including through the advancement of port electrification

