

Select Committee on Energy Independence and Global Warming

*“Constructing a Green Transportation Policy:
Transit Modes and Infrastructure”*

March 19, 2009

9:30 am

2203 Rayburn House Office Building

Witness Questions for the record

Questions for all witnesses:

1. How would unilateral U.S. restrictions on carbon emissions affect the international competitiveness of our transportation sector? Do you believe that major emitters, specifically China and India, must be a part of an international system that limits carbon emissions?

Questions for Mr. Ruccolo:

1. You note the efficiency gains John Deere has made in response to customer demand. Is there a necessity for the government to legislate further regulations to improve efficiency? Isn't improving efficiency good business?
2. How have previous changes in the equipment depreciation schedule influenced the purchase of new construction machines? How would you change the existing depreciation schedule to stimulate investment in construction machinery?
3. On average, how much time is required to complete Environmental Impact Statements and other regulatory permits prior to beginning new transportation-related construction? How can this process be streamlined to shorten the project timeline?
4. US CAP advocates "a significant portion of allowances should be distributed free to capped entities" despite claims and European experience that free allocation will create windfall profits for firms. What is John Deere's position on allocation vs. auctioning of permits? How would John Deere spend the revenue that would be associated with a free allocation of emission credits?
5. Regardless of greenhouse gas emissions, do you believe that the existing transportation infrastructure needs investment? How do you propose to generate the revenue to pay for projects?

Questions for Mr. Boesel:

1. Where are the batteries that are used in plug-in hybrid trucks manufactured? How can the U.S. avoid moving from reliance on Middle Eastern oil to dependence on Chinese batteries?
2. What infrastructure challenges impede a transition from to a fleet composed of hybrid trucks or of trucks fueled by natural gas, hydrogen, and biofuels? How long would it take to build the necessary infrastructure to power the next generation of heavy-duty trucks?
3. You note that any policy must be “technology neutral, rewarding high performance against goals, innovation, and efficiency.” How can Congress enact technology neutral policies and avoid picking winners and losers in the market?
4. In your testimony, you stress how price fluctuations in oil drastically impact the trucking industry. Do these fluctuations encourage the private development of hybrid technology without direct government investment?
5. If Congress were to enact a cap-and-tax program, when should fuels be regulated: upstream or downstream? How would these costs be passed through the market?
6. In your testimony you note how a low-carbon fuel standard may contribute to a reduction of greenhouse gas emissions. Have you examined how a low-carbon fuel standard would affect various regions? For example, because Wisconsin gets more of its fuel from Canada, which is more energy-intensive, wouldn't it be more difficult for Wisconsin to attain a low-carbon fuel standard than California?
7. Is there a trade-off in performance from plug-in hybrid trucks compared to existing trucks?
8. What opportunities exist to export new technology to developing countries? Would this address the low production volume difficulty that the market currently faces?
9. What specific steps can Congress enact to spur the growth in technology? Tax breaks? R&D funding credits?
10. Is there the potential for crossover technology between the newer transit vehicles coming online and the medium and heavy duty truck technology? Is there a process in place in place in which we can apply the technology development advancements and standards to both transit and heavy duty vehicles?

Questions for Ms. Guerra

1. How has Europe's experience with the ETS impacted the costs associated with your 27 cement production facilities in Europe? How much do you anticipate Holcim will have to spend to purchase emission credits? Do you support free allocation of permits or auctioning of permits? How much do you expect Holcim will pay for emissions credits?
2. How would enactment of a cap and tax scheme in the United States without comparable international actions, affect domestic production of cement and concrete? Will the consequences of international action be comparable in other energy-intensive industries?
3. How does cement contribute to urban heat island effects? Considering the possible consequences of global warming, shouldn't cities focus on using less cement and increasing green space?
4. Isn't the goal of using cement more efficiently and "using fewer resources and producing less waste" simply good business practice?
5. The development of carbon capture and sequestration for the electric utility is widely seen as necessary to reduce carbon emissions. Could this technology be adapted to capture CO₂ that is released during cement production?
6. How would a mandatory cap on carbon emissions affect the cost of energy for the cement industry?
7. Do you support Congress legislating technical standards for performance-based cement or should those technical issues be reserved for agencies that have the necessary expertise in the appropriate field?

Questions for Mr. Varga:

1. How much does the city of Grand Rapids annually budget for Interurban Transit? How many additional riders would have to use the system to no longer need public funding?
2. How much funding did the Rapid receive from the ARRA? What is the timeline to complete the projects associated with the stimulus?
3. How much does constructing a LEED certified facility add to the baseline cost of construction? Considering the current economic situation facing many state and local municipalities, shouldn't projects focus first and foremost on the most efficient use of available funds?
4. Did Grand Rapids pass the additional property tax mileages via referendum? What is the total additional tax burden per capita as a result of the 2003 and 2007 increases?
5. You propose a user fee on vehicle miles traveled to fund investment in public transportation infrastructure. How much do you think this tax should be? How would mileage be reported? Would someone in rural Wisconsin pay the same tax per mile as an individual who lives in Manhattan? Would a vehicle miles traveled tax replace the per gallon gas tax or be in addition to existing taxes?
6. How much would "100% funding for the acquisition of alternatively fueled vehicles" cost? Where would Congress find the funding for this program?
7. As Congress examines funding for public transportation projects, what factors should be considered? How can Congress balance funding between the most high-use systems with the largest ridership and municipalities that have minimal ridership?

Questions for Andy Clarke, President of League of American Bicyclists:

1. What factors do you suggest using to establish Vehicle Miles Traveled (VMT) reduction targets for states? Who should determine these reduction targets for the myriad of states and localities throughout the nation, each with their unique set of circumstances to consider?
2. In your testimony, you repeatedly ask for significant funds from the federal government to enable people to ride bicycles. In our current economic situation, with high unemployment and home foreclosure rates, would it be responsible for the government to spend scarce resources and funds on programs to encourage bicycle riding over the other issues I just mentioned?
3. How do you address the safety issues of children on bikes on their way to school on dark winter mornings?
4. Do you have any information on percentage of fatalities of children and adults on bikes involved in accidents versus the percentage of fatalities of people in cars involved in accidents?
5. Is it a coincidence that you encourage levels of biking and walking to increase by 20% by 2020? Why not 30% or 50%? What methodology or calculations did you use to reach the 20% figure for 2020?

Questions for Don Weaver, of Weaver-Bailey Contractors, on behalf of AGC:

1. In your testimony, you extol the value of recycling by explaining how much money, resources and transportation/fuel costs you save. Yet, you ask for incentives from the federal government. What incentive could the government provide more powerful than the one you, as a businessman, have already realized through reduced costs, and thus, increased profits?
2. Why are some states reluctant to use recycled asphalt pavements? Does your suggestion that the government provide incentives for states to adopt this practice conflict with your earlier comment that the federal government should not mandate one-size-fits-all solutions?

Question for Mr. Zimmerman, Arlington County

1. What percentage of WMATA's budget does Arlington contribute? What percentage of WMATA's riders are from Arlington? Of the shareholders in WMATA, which jurisdictions are net contributors to the system and which are net beneficiaries?
2. Arlington has seen an explosion in the amount of apartments and condominiums constructed close to the Metro, which has enabled the growth rates you note in your testimony. For metro areas that do not have the same level of federal funding, is it realistic to expect a fully developed public transportation system that can enable this sort of growth?
3. In your testimony, you say, "the resources are simply not available at the regional or local level to provide for transit operating expenses while at the same time making the appropriate capital investments to ensure our transportation networks have coverage, integration, and reliability." Other than federal funding, have you examined other funding mechanisms? At what point will public transportation be self-sufficient and provide adequate operating revenue to move away from funding by taxpayers?
4. What unique factors contributed towards Arlington's successful expansion of public transportation?