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MEMORANDUM

To: CMAP Board

From: CMAP Staff

Date: Thursday, February 29, 2024

Subject: Regional Climate Action Planning

Action Requested: Information

The Metropolitan Mayors Caucus (MMC) and the Chicago Metropolitan Agency for Planning (CMAP) are partnering to update and expand existing regional climate mitigation plans to assess greenhouse gas (GHG) emissions and establish GHG reduction measures throughout the Chicago Metropolitan Statistical Area (MSA), including parts of Illinois, Indiana, and Wisconsin. The work is required via the region's participation in the Climate Pollution Reduction Grant (CPRG) program, a U.S. Environmental Protection Agency (EPA) initiative to fund state and MPO development and implementation of GHG reduction plans with a goal of achieving net zero GHG emissions by 2050. CMAP seeks to inform and update the CMAP Board on the planning process and context, including implementation funding opportunities, exploratory work with Argonne and Oak Ridge National Laboratories, and required USDOT GHG reduction performance measures.

Climate Action: Planning for the Chicago MSA

The Inflation Reduction Act, phase 1 of the CPRG requires the State of Illinois and the Chicago MSA separately to complete three phases of planning:

- A **priority climate action plan (PCAP)** outlining a focused list of quantified near-term, high-priority, implementation ready measures to reduce GHG pollution. With CMAP support, MMC will update its 2021 Climate Action Plan to serve as the Chicago MSA's PCAP by March 1, 2024.
- A comprehensive climate action plan (CCAP) that addresses all significant GHG sources, sinks, and sectors; establishes near and long-term GHG emission reduction goals; and identifies strategies and measures to achieve those goals. CMAP will lead the MSA's CCAP process, including data analysis and modeling, development of policy proposals, and engagement with stakeholder and subject matter experts. <u>The CCAP must be</u> <u>completed by July 2025</u>.
- A **status report** on implementation of CCAP GHG reduction strategies. CMAP will lead development of the status report by mid-2027.

The CCAP will address the following sectors: industry, electricity generation, passenger transportation, freight transportation, commercial and residential buildings, agriculture, natural and working lands, water and wastewater, and waste and materials management. The CCAP will include a GHG inventory, projections, and reduction targets, as well as quantified GHG reduction measures to meet federal reduction targets. It will also analyze strategy co-benefits, such as reductions to other pollutants, and benefits to low income and disadvantaged (LIDAC) communities. For each sector, CMAP will engage implementers, community organizations, advocates, and subject matter experts to establish decarbonization strategies, measures, and community benefits. ON TO 2050 commits the region to reduce greenhouse gas emissions by 80 percent, relative to 2005 levels, by 2050. The CCAP will set a net-zero goal by 2050, raising challenges and opportunities for our region to meet the federal greenhouse gas reduction targets.

Climate Action: Implementation funding

USEPA's CPRG program has \$4.3 billion to fund GHG reduction implementation measures at the state and local levels. Eligible projects must be explicitly or implicitly included in a relevant PCAP. To facilitate the region's access to implementation funding, CMAP, MMC, and IEPA have engaged with regional stakeholders to identify priorities and project ideas. CMAP's CPRG briefing will explore the priority mitigation measures around which the region is coalescing.

Clean Energy to Communities In-Depth Technical Assistance

CMAP and its partners — ComEd and the Respiratory Health Association — received a \$500,000 award through the federal Clean Energy to Communities (C2C) initiative. The award pairs the partners with Argonne and Oak Ridge national laboratories to better understand the types and scale of action needed to foster a clean energy transition for the region's transportation system. Achieving net-zero emissions in the transportation sector will require a combination of strategies, including system-wide vehicle electrification (public and private cars, busses, and trucks), mode shift to lower-energy forms of transportation (such as walking, biking, and transit), and operational changes to improve and harness existing efficiencies in the system.

Upcoming GHG performance measure

USDOT's recent rulemaking adds a federal performance measure requiring states and MPOs to set non-binding reduction targets for GHG emissions on the national highway system (NHS) relative to 2022 emissions. On February 1, IDOT established a target of a 2.6 percent reduction for tailpipe CO2 emissions on the NHS from 2022 to 2026. MPOs have 180 days to set their own targets and CMAP anticipates adopting targets at the June MPO and Board meetings. There is no penalty for failure to meet targets. CMAP's targets will be in effect until 2026 at which time they will be updated to align with the Climate Action Plan and the Regional Transportation Plan that will be considered for adoption in 2025 and 2026 respectively.

For discussion:

As part of an ongoing climate conversation, CMAP seeks Board input on:

- Organizations, including public agencies, local governments, non-governmental organizations, community-based organizations, advocacy groups, and subject matter experts, to engage in the CCAP process.
- Plans, policies, and programs to consider as emissions reduction strategies.