



# NEW GHG PERFORMANCE RULE

## General Summary

- FHWA issued a final rule that establishes a greenhouse gas (GHG) performance measure for state DOTs and MPOs.
- The measure is the percent change in carbon dioxide (CO<sub>2</sub>) emissions on the NHS relative to 2022 levels.

## Requirements

- DOTs and MPOs must set declining GHG emissions targets and report on their progress.
- By February 1, 2024, DOTs must report to FHWA the CO<sub>2</sub> emissions 2022 baseline and initial 4-year target for 2022-2025.
- FHWA will not approve or disapprove targets.
- The rule does not require targets to be achieved nor force investments in specific projects or strategies to reduce emissions.

## Penalties

- The rule does not establish any penalties for failing to achieve targets.
- If significant progress is not made, a DOT must document the actions it will take to achieve that target within 2 years.

## Methodology

- DOTs will measure Annual Tailpipe CO<sub>2</sub> Emissions on the NHS using this formula:

$$CO_2 \text{ emissions} = (\text{Total Fuels Sold}) \times (\text{CO}_2 \text{ Factors}) \times (\% \text{ of VMT on NHS})$$

- The rule defines a standard data source for each component of the formula.

## Implications

- The primary mechanism for a state DOT to reduce the CO<sub>2</sub> emissions measure is to reduce the total fuel consumed/sold in the state.
- States with higher population growth rates will face greater challenges to meet targets to reduce CO<sub>2</sub> emissions.