

Carbon Reduction Program (CRP) Funding Proposal

Introduction

The Carbon Reduction Program (CRP) is a new federal transportation program enacted as part of the Bipartisan Infrastructure Law that provides funds for projects designed to reduce transportation emissions, defined as carbon dioxide (CO₂) emissions from on-road highway sources. The law allocates a portion of federal funding (65%) directly to Metropolitan Planning Organizations (MPOs) through a population-based formula for projects in the Albany-Schenectady and Saratoga Springs urbanized areas. The remainder of the funds (35%) will be programmed by NYSDOT. NYSDOT is also required to develop a Carbon Reduction Strategy in consultation with New York's MPOs by November 15, 2023, at which time all CRP funds will need to be spent in a manner consistent with that plan. Funding targets have been provided by NYSDOT allowing the Transportation Council the opportunity to discuss how CRP funds should be spent.

The following funds have been allocated to the Transportation Council's urban areas for federal fiscal years (FFY) 2022 through FFY 2026, with over 2.8 million available in the current FFY. The federal share of CRP funds is 80% of total project costs.

Matched CRP Allocations	2023*	2024	2025	2026	2027	5-Year Total
CRP Lg Urban (Albany Schenectady)	2.573	1.286	1.286	1.286	0.000	6.431
CRP Med Urban (Saratoga Springs)	0.280	0.140	0.140	0.140	0.000	0.700
CRP Totals	2.853	1.426	1.426	1.426	0.000	7.131

* Includes funding allocation from FFY2022

Eligible Projects

Project eligibility includes but is not limited to the following project types. Additional information may be found at

https://www.fhwa.dot.gov/environment/sustainability/energy/policy/crp_guidance.pdf:

- Traffic management center operations and intelligent transportation systems improvements.
- Advanced truck stop and Port electrification systems;
- Construction of a bus rapid transit corridor or dedicated bus lanes;
- Planning, design and construction of transportation alternatives such as on-road and off-road trail facilities for pedestrians, bicyclists, and other nonmotorized forms of transportation;

- Advanced transportation and congestion management technologies such as advanced traveler information systems, advanced safety systems, and integrated corridor management systems;
- Replacement of street lighting and traffic control devices with energy-efficient alternatives;
- Travel demand management projects and programs;
- Deployment of alternative fuel vehicle infrastructure;

Funding Proposal

The Transportation Council staff proposes that CRP funding available in FFY 2023 through FFY 2026 be used to fund cost increases to existing TIP projects that fall within the eligibility of CRP funds. With inflation and higher materials costs, it is anticipated that existing TIP projects will need additional funding. In addition, any cost increases identified during project development for TIP projects funded with TAP/CMAQ funds, which are capped, must be funded locally creating an unexpected financial burden on project sponsors and the potential for delays in project delivery.

The CRP funding would be used on a “first come, first served” basis. If an existing TIP project seeks to utilize CRP funding to address a cost increase, a project amendment request will be required with Planning Committee approval, and possibly Policy Board approval, per the guidelines for TIP changes. If this funding proposal is approved, a new regional block funding project will be added to the 2022-2027 TIP to represent the regional allocations of CRP funds. These funds must be used in their respective urban areas per federal requirements.

PIN: CRTC34

TIP#: RG147

Project Name: Carbon Reduction Program Set-Aside

Project Description: Block of funds for Carbon Reduction Program funding. Drawdowns from this set-aside must be added to eligible and existing TIP projects for cost overruns.

TIP #	PIN	Proposed TIP Data			
		Phase	Fund Source	FFY	Cost (\$M)
RG147	CRTC34	Misc.	CRP Lg Urban	22-23	2.573
		Misc.	CRP Lg Urban	23-24	1.286
		Misc.	CRP Lg Urban	24-25	1.286
		Misc.	CRP Lg Urban	25-26	1.286
		Misc.	CRP Md Urban	22-23	0.280
		Misc.	CRP Md Urban	23-24	0.140
		Misc.	CRP Md Urban	24-25	0.140
		Misc.	CRP Md Urban	25-26	0.140
		Total			