From: Timothy A. French
To: Guilfoil, Elena (ECY)

Cc: Forster, Melanie (ECY); Watson, Dustin (ECY)

Subject: EMA"s Testimony at the Public Hearing on the Washington DOE"s Proposal to Adopt CARB"s ACT Rule

Date: Tuesday, July 27, 2021 2:40:19 PM

Attachments: Oral Statement - WADOE Proposal to Opt-in to CARB's ACT(124816.1).docx

Importance: High

THIS EMAIL ORIGINATED FROM OUTSIDE THE WASHINGTON STATE EMAIL SYSTEM - Take caution not to open attachments or links unless you know the sender AND were expecting the attachment or the link

Dear Elena: I apologize for the audio trouble during my testimony at the public hearing on the proposal of the Washington Department of Ecology to adopt California's Advanced Clean Trucks (ACT) Rule. Attached is a copy of the oral statement that I made on behalf of the Truck and Engine Manufacturers Association (EMA) during the hearing. Please include this oral statement in the rulemaking record for this matter. Thank you. Tim French.

Timothy A. French
Truck and Engine Manufacturers Association
333 West Wacker Drive, Suite 810
Chicago, Illinois 60606
312-929-1954
tfrench@clpchicago.com

Public Hearing on the Washington DOE's Proposal to Opt-In to California's Advanced Clean Trucks Rule

July 27, 2021

Oral Statement

My name is Tim French, speaking on behalf of the Truck and Engine Manufacturers Association. EMA represents the world's leading manufacturers of medium-duty and heavy-duty trucks and truck engines — the types of commercial vehicles covered under the DOE's proposal to opt-in to California's Advanced Clean Trucks Rule. EMA actively participated in the California ACT rulemaking process, and we appreciate the opportunity to present comments today.

EMA and its members fully support a conversion of the commercial trucking fleet to ZEVs and agree that 2045 is a reasonable target date for the broad deployment of ZEV trucks wherever feasible. EMA members are spending billions of dollars toward that end, and already are producing ZEVs for some applications. However, to bring about our shared vision for the future, a comprehensive and coordinated state and federal strategy is required to develop and implement the widespread deployment of ZEV trucks.

A critical first step in that deployment is the need to invest in and develop the infrastructure necessary to recharge or refuel ZEVs. Washington can and must be a leader in those broad-based efforts which, for trucks, will involve longer planning and installation timelines and significantly larger public investments than for passenger cars.

In addition, we all know that the cost of a ZEV-truck is 2-3 times higher than for a conventionally-fueled truck. And under the DOE's proposal, there is no obligation that any fleet operator buy the higher-priced ZEV products that EMA's members would be obligated to sell. As

a result, and as another critical first step, Washington must also provide sustained incentive funding to offset that significantly higher price differential. In addition, Washington should set an example by requiring the purchase of ZEVs and near-ZEV trucks for a portion of any state-funded commercial vehicle purchases going forward.

Given the size and nature of the challenges that relate to a comprehensive infrastructure build-out and an incentivized ZEV-deployment initiative, federal leadership and action is needed. The Biden Administration is poised to provide that leadership. We anticipate that U.S. EPA will be proposing new advanced emission requirements for heavy-duty and medium-duty trucks before the end of the year. Those requirements will include reduced NO_x standards and lower greenhouse gas (GHG) standards, based on the growing deployment of ZEVs. Washington should be a leader in advocating for those federal programs. Without them, there is a significant risk that trucking fleets in Washington will simply keep their older, higher-emitting products longer or will buy out of state. The adverse impacts on Washington's economy and environment could be significant.

In light of what we can anticipate from the Biden Administration before the end of the year, the DOE's proposal should be deferred until such time as all stakeholders can evaluate the steps that the federal government will be taking to build toward a ZEV-based future for the commercial trucking industry. Then the DOE, along with the other relevant state agencies and stakeholders, can supplement those federal efforts, as necessary, in a truly coordinated manner to leverage and accelerate ZEV-truck deployments as appropriate in Washington. Not waiting to see what the federal government will do could short-circuit those national efforts, not advance them.

Importantly, deferring this action for a year would not jeopardize the proposed implementation of the ACT Rule in 2025, since, for this rule, model year and calendar year are the

same. Consequently, if the DOE waits to take action on this rule until 2022, the required two-years of leadtime would still be in effect before implementation in 2025.

Deferral also makes sense to allow the DOE to assess all of the CARB regulations that Washington will be opting into. More specifically, CARB will be significantly revising the ACT Rule next year. CARB's Omnibus Low-NO_x rule is not yet final, and CARB's Advanced Clean Fleets Rule is being delayed until the end of 2022. Given that Washington has another full year to act while still maintaining an implementation date in 2025, it seems clear that Washington should wait for California to finalize all of the other elements of its medium-duty and heavy-duty truck program. Without understanding the costs, benefits and consequences of adopting all three of the relevant CARB rules, the DOE cannot properly assess the impacts of following California's lead.

There are multiple other reasons why the proposed ACT Rule should not be adopted. We have explained those in our preliminary written comments and will include a full set of comments before the close of the rulemaking record.

Thank you for the opportunity to speak on this matter, and I would be happy to answer any questions.