

June 17, 2024

The Honorable Dan Sullivan 302 Hart Senate Office Building Washington, D.C. 20510 The Honorable Russ Fulcher 1514 Longworth House Office Building Washington, D.C. 20515

Dear Senator Sullivan and Representative Fulcher,

On behalf of the American Truck Dealers (ATD) which represents over 3,200 franchised commercial truck dealers who sell new and used trucks, tractors and trailers, and employ more than 144,000 people nationwide, I am writing in strong support of S.J.Res. 74/ H.J.Res. 133, joint resolutions you have introduced which would disapprove the Environmental Protection Agency's (EPA) "Greenhouse Gas Emissions Standards for Heavy-Duty Vehicles – Phase 3" rule.

In the rule, EPA requires truck manufacturers to convert an annually increasing percentage of their total vehicle sales to zero-emission vehicles (ZEVs), with projected sales percentages for the following categories of vehicle by model year 2032: 60% ZEV for light-heavy vocational vehicles; 40% ZEVs for medium-heavy vocational vehicles; 30% ZEVs for heavy-heavy vocational vehicles; 40% ZEVs for day cab tractors; and 25% ZEVs for sleeper cab tractors. Last year, only 0.3% of commercial vehicle sales were ZEVs.

Aside from the fact that commercial ZEV sales today are almost non-existent, this rule does not address other factors which makes compliance problematic. For example, the U.S. lacks a national commercial vehicle charging network, which makes customer adoption of heavy-duty ZEVs and their day-to-day use impractical until the charging network is built. A <u>study</u> released by the Clean Freight Coalition found that full electrification of the U.S. commercial truck fleet would require nearly \$1 trillion in infrastructure investment and grid network upgrades to meet demand. According to the study, the U.S. would need 6.42 million onsite chargers and 176,000 on-route chargers to meet our nation's commercial charging needs.

Additionally, EPA's rule utilizes overly optimistic assumptions between the upfront vehicle cost differences of diesel and electric vehicles. The EPA estimates that in seven years an electric medium/heavy-duty vocational vehicle will cost \$15,000 more than a comparable diesel vehicle. By comparison, the cost difference between an electric vocational truck today and a comparable diesel-powered vehicle is approximately \$300,000, or two to three times more than a diesel vehicle.

This rule, which EPA only allowed a 50-day comment period for, insufficiently examined the impact of limiting the sale of diesel trucks on the supply chain, inflation, and employment. When emissions standards are too stringent and rushed, they result in business closures, job losses, and delayed environmental benefits.

ATD supports sound policies that increase fuel efficiency and reduce greenhouse gas emissions for America's trucks. In fact, truck dealers are making enormous investments to sell and service ZEVs – to the tune of nearly \$1 billion this decade. But commercial buyers have shown us that they are not ready to purchase ZEVs for a multitude of reasons. First and foremost, trucks must be affordable and reliable so the environmental benefits of these emerging technologies can be realized.

America's small business truck dealers urge Congress to pass S.J.Res. 74/ H.J.Res. 133. Thank you for your consideration.

Sincerely,

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Laura Perrotta President American Truck Dealers