



Good for the Economy.
Good for the Environment.

November 16, 2021

New York State Department of Environmental Conservation
625 Broadway, 11th Floor
Albany, NY 12233-3250

RE: Business Support for Adopting the Advanced Clean Trucks Rule

Dear Department of Environmental Conservation Staff:

On behalf of E2 (Environmental Entrepreneurs) and our network of over 500 business leaders who work or live in New York, we are writing to express strong business support for New York's adoption of the Advanced Clean Trucks (ACT) rule before the end of 2021. This smart, clean vehicle policy will drive job growth and investment in New York's clean energy economy, reduce business costs, and mitigate the toxic, local transportation pollution that negatively impacts New York's economy.¹

E2 is a national, nonpartisan group of business leaders, investors, and other professionals from every sector of the economy who advocate for smart policies that are good for the economy and good for the environment. Our members have founded or funded more than 2,500 companies, created more than 600,000 jobs, and managed more than \$100 billion in venture and private equity capital.

E2's community of business leaders work throughout the state's economy and understand that climate change is a business risk. With transportation representing New York's largest source of greenhouse gas emissions, meaningful action to decarbonize the state's medium- and heavy-duty vehicles is paramount. Adopting the ACT will slash transportation pollution by accelerating the shift towards zero-emission medium- and heavy-duty vehicles, create the market structures needed to drive local job growth and investment and spur the innovation needed to address our looming air pollution and climate crises.

Thanks to smart state clean energy policies, emissions from New York's electric sector have been cut in half from 1990 levels² and clean energy employs New Yorkers in all 62 counties. In fact, as E2's recent Clean Jobs America 2021³ report shows, New York now ranks third in the nation for clean energy jobs with more than **153,000 New Yorkers working in the clean energy industry**. Yet this economic growth and job creation represents only a fraction of New York's clean energy potential.

By adopting the ACT to complement existing clean transportation policies, like the Transition to 100% Zero-Emission Vehicles legislation recently signed into law and the Truck Voucher Incentive Program, New York can establish an even stronger foundation to further accelerate job growth while simultaneously meeting the emission reduction goals as mandated by the Climate Leadership and Community Protection Act (CLCPA).

¹ https://e2.org/wp-content/uploads/2021/09/ACT_NY_E2_7.29.2021_FINAL.pdf

² New York State Energy Research & Development Agency, New York State Greenhouse Gas Inventory: 1990-2016 at S-10 (2019)

³ <https://e2.org/wp-content/uploads/2021/04/E2-2021-Clean-Jobs-America-Report-04-19-2021.pdf>

A recent study found that if New York adopts the ACT in 2021, the state will unlock over \$3.3 billion in private and public investment in charging infrastructure through 2050. Additionally, plugging in thousands of new electric trucks and buses will spread an increasing amount of electricity demand over the largely fixed costs of the system. Utility net revenue from increased electricity sales from the ACT rule is projected to be about \$325 million by 2050. These savings would be passed directly to New York customers, resulting in reduced utility bills with annual savings of \$32 per household and \$152 per business per year by 2050.⁴

Electric trucks are also less expensive to service, maintain, and fuel over the lifetime of the vehicle, providing significant long-term cost savings to New York's businesses and fleet managers and owners. Accounting for capital costs needed to transition New York's fleet, these rules will result in \$318 million in net fleet savings by 2050. In fact, the total savings for the owner of a zero-emission truck or bus over its lifetime is expected to be almost \$13,000, on average. Importantly, the transition to domestically produced electricity would insulate fleet operators and owners from the volatile global oil market.

The ACT will also provide major public health benefits. Toxic, local air pollution caused by internal combustion engines poses a significant risk to public health and therefore considerable economic costs in the form of additional hospital visits and healthcare expenses, decreased work productivity, and missed workdays. In fact, a robust economy is predicated on a healthy workforce and a healthy consumer population. Coupled with policy direction provided from the adoption of the Heavy-Duty Omnibus (HDO) rule, it is projected that the ACT will result in \$6.3 billion in avoided health costs by 2050.⁵

In considering the proposed rules, we urge staff to prioritize the following:

- Adopt the ACT before the end of 2021 to maximize economic, health and environmental benefits and avoid missing key compliance deadlines that, if missed, would allow thousands of new diesel vehicles onto New York roads that would not transition to zero-emission models for decades to come;
- Adopt a Fleet Reporting requirement for fleet operators with five vehicles or more to gather more granular information on New York's medium- and heavy-duty fleets;
- Ensure the rules' enforcement penalty is identical to the California versions.
- Consider additional complementary policies (such as the HDO and Advanced Clean Fleet Rules) to ensure direct emissions reductions in environmental justice communities.

Adoption of the ACT provides an opportunity for New York to drive economic development and ensure our state meets our CLCPA goals. On behalf of our network of business leaders, we thank the Department of Environmental Conservation staff for their effort working to adopt this rule. We look forward to continuing to engage in the state's efforts to decarbonize our transportation sector and develop the clean truck market.

Sincerely,

Uchenna Bright
Northeast Advocate
E2 (Environmental Entrepreneurs)

⁴ <https://www.ucsusa.org/sites/default/files/2021-09/ny-clean-trucks-report.pdf>

⁵ IBID