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August 28, 2023

rulecomments.dep@maine.gov Lynne Cayting, Chief Mobile Sources Section, Bureau of Air Quality Department of Environmental Protection 17 State House Station Augusta, ME 04333-0017

RE: Chapter 128: Advanced Clean Trucks Program

Dear Ms. Cayting:

On behalf of the Maine Automobile Dealers Association ("MADA"), this letter provides comment to the Board of Environmental Protection ("BEP") and the Maine Department of Environmental Protection ("DEP") regarding proposed Chapter 128: Advanced Clean Trucks Program ("ACT").

To be clear, MADA is not opposed to the goals of reducing greenhouse gas emissions via the increased purchase in Maine of on-road EV trucks of over 8,500 pounds gross vehicle weight rating ("EV Trucks"). MADA's members are ready and willing to sell EV Trucks, along with any other desired trucks, to interested Maine customers. MADA does take issue with incorporating the requirements of the California-based ACT regulations. It is going to take a long time to make EV Trucks commercially feasible. Instead of mandates, more investments are necessary to make EV Trucks feasible, available, and ready for general use.

Attached is our letter commenting on Chapter 127-A: Advanced Clean Cars II Program ("ACCII"). The concerns raised in that letter are equally applicable the ACT rule and are incorporated herein by reference. We encourage the Board to review our comments on ACCII in detail. For your convenience, these MADA concerns are briefly summarized as follows:

- ACT should be treated as a "major substantive" rule.
- In the absence of registration denial, ACT will serve to incentivize Mainers to purchase non-EV trucks out of state and bring them into Maine.
- Proponents for ACT elevate hope over reason by relying on speculative assumptions about the electrical grid.
- ACT is not tailored to Maine circumstances; Maine does not have the financial capacity to create a substantial incentive program.
- Proponents have not directly or completely addressed EV technical challenges.

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The following comments are specific to the ACT:

1. There are numerous EV Truck design issues still under development, making the ACT premature.

The proponents suggest electrification is being worked on and will be resolved. That is at best highly speculative, particularly since the 2027 model year is actually coming up on us fairly quickly because Dealers generally place orders for the 2027 model year in 2025 and 2026, with construction of most vehicles of the 2027 model year taking place in 2026.

As testified to by Todd Cotier, who works for Bison Transportation in Bangor and is the Chairman of Technology & Maintenance Council of American Trucking Association ("TMC"), there are multiple stakeholder groups at TMC that have been established to consider technical issues (including 18 separate EV subcommittees). While this and other studies are underway, to date solutions have exceeded the grasp of these efforts. There is no consensus on how to resolve the technical challenges presented by EV trucks. Mr. Cotier noted that, nationally, we aren't even close to having the EV technology in place to respond to the varied demands of the marketplace, much less to the proposed rule.

For example, Class 7 and 8 EV Trucks "grind" up tires after as little as 9,000 miles owing to the raw torque of EV engines. Tire manufacturers have not yet addressed this. And, as testified to by Randy Hutchins of the O'Connor GMC truck dealership in Augusta, the marketplace will not be able to make EV dump trucks available at all because the dump truck frames can't handle the weight of the EV batteries needed to power the truck. Further, the weight of EV battery packs sharply limits the amount larger trucks can carry. Class VII and VIII tractors require battery packs that weigh up to 18,200 lbs. to run these tractor trailer tracks. Ironically, adoption of EV Trucks would mean that <u>more</u> trucks will be needed to transport the identical amount of load. Maine's roads and bridges, already in bad shape, will pay the price. Further, long haul EV trucks lack the necessary range. To the extent alternatives are developed in the future, likely they will rely on hydrogen fuel cell technology; they will not be EVs.

2. EV Trucks are not sufficiently available to support the aggressive goals set in ACT.

At the hearing, the Board heard from two reputable sources about the lack of available EV trucks and how even when the designs are completed it still will take years before these trucks are available for purchase from the lot.

As testified to by Mr. Hutchins, when he asked GM specifically about Class 2 through 5 EV trucks he was advised that they would not be available in 2027. Further, when he pressed GM, it could not even provide a specific date beyond 2027 when they would be made available. And, as testified to by Ryan Daigle of Freightliner Maine, Inc - the largest Class 8 truck dealer in the state – there are no Class 8 EV trucks for sale currently. He also

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noted that when such a truck is designed, it will take at least 18 to 48 months to get to the dealer lots.

As an additional example, on August 18, 2023, Proterra, which made some of the electric buses in Maine, filed for bankruptcy stating that "While our best-in-class EV and battery technologies have set an industry standard, we have faced various market and macroeconomic headwinds that have impacted our ability to efficiently scale all of our opportunities simultaneously."¹ The companies that are designing and creating these EV Trucks are facing their own difficulties because of market conditions, chip availability and other challenges, which are only going to further delay availability of these vehicles.

3. The costs associated with EV Trucks, the carrying costs on the dealer lots and the costs to end users, such as municipalities, are too high right now to support the goals set in ACT.

As testified to by the New England Bus Association, a regular school bus as currently configured costs \$665,000, but an electric school bus will cost \$1.4 million. Obtaining financing and insurance for electric school buses will be difficult and expensive due to concerns lenders and insurers have about liability issues that could arise out of a bus engine fire, general operating safety and functionality, and uncertainty regarding how long these buses will last. It is anticipated that total EV bus acquisition costs will be 2 to 3 times as much as current buses. This is not good news for municipalities and school districts.

Both Mr. Hutchins and Mr. Daigle testified that floor plans and other carrying charges for a dealer to keep such trucks on their lots are about \$12,200 per unit. Additionally, Mr. Daigle testified that the cost to the consumer of an EV Class 8 truck will be 2-3 times the cost of a non-EV Class 8 truck.

4. The ACT ignores the fact that many EV Trucks are specialty vehicles with unique feasibility concerns, and that the EV infrastructure is not set up yet to support EV Trucks and their unique needs, especially in remote locations.

A point raised by Dana Doran of the Professional Logging Contractors of Maine cannot be ignored. He stated that, "Our membership hauls and delivers raw forest products throughout the state from the forest to the mill. The majority of the product that our members haul is derived from remote forested areas and is delivered by heavy duty trucks to other rural areas. *These trucks generally operate in areas without access to electrical infrastructure, must be able to function 24 hours a day and must be reliable at all times of year, especially in the winter.*"

¹ <u>https://www.bangordailynews.com/2023/08/18/news/proterra-portland-transit-electric-bus-manufacturer-bankruptcy/</u>.

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There are three levels of EV chargers – Level One (120 Volt) is used for residential charging and costs around \$600 dollars. Level Two (240 Volt) is for light-duty trucks and passenger vehicles in a fleet and costs around \$2,500 to \$5,500. Level Three (480 Volt, DC Fast Charging) is required for medium-and heavy-duty fleet vehicles and costs around \$40,000 for a single port.² No one has yet determined how many truck chargers will be needed and where they will be located. There is unrebutted testimony before the Board, however, that Maine currently has under 2,000 chargers. Further, the heavy battery packs for trucks require an extensive time to recharge and it depends on the size of the battery. However, a large EV with 90 kWH battery with a power output charging station of 150kW would take 24 minutes.³ Even if EV Trucks have the range to travel to remote locations, they cannot be recharged there without the infrastructure in place.

Further, some trucks, such as heavy snowplows, must be available on a 24/7 basis to clear municipal roadways, the Maine Turnpike and Maine highways. Taking them off roadways to get to a charging station and to recharge could take hours. This is not feasible in the middle of a snowstorm. The cost of having enough charged trucks in reserve to meet snowplowing needs is not sustainable.

5. As MADA noted in its comments on the draft ACCII rule, while the Board cannot dictate to the Legislature on budgeting matters, given the expense of EV trucks of all kinds, the Legislature might well decide to prioritize elsewhere. Board comments should emphatically urge the Legislature to stay the course. If advocates, dealers, consumers and others are going to strain under the yoke of this proposal, so too should the state.

In conclusion, Maine is not ready to move forward with EV trucks. The Board recognized this in 2021 and shelved the rule. Nothing has changed. This informs the Board as to how much time and effort is required. Pandering to any interest groups will not make things move faster. To the contrary, it will only refocus current research and development and bollox up the works. The proposed ACT rule must be jettisoned until such time as a proposed rule of this nature is feasible.

Sincerely yours,

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² <u>https://www.samsara.com/guides/electric-car-charger-cost/; https://futureenergy.com/ev-charging/how-much-do-ev-charging-stations-cost/</u>.

³ <u>https://blog.evbox.com/level-3-charging-speed</u>.