

**STATE OF CALIFORNIA  
AIR RESOURCES BOARD**

**Public Hearing to Consider the Proposed                    )           Agenda Item: 20-6-3**  
**Advanced Clean Trucks Regulation                         )           June 25, 2020**

**ORAL STATEMENT OF THE  
TRUCK AND ENGINE MANUFACTURERS ASSOCIATION**

I am Jed Mandel, President of the Truck and Engine Manufacturers Association (EMA). At the December Board Hearing, I testified

- that EMA members were investing substantially in the development of ZEV commercial vehicles and, thus, fully supported developing a ZEV market in California;
- that the staff’s proposal was fundamentally flawed in that it only mandated the sales of ZEVs, with no requirement that anyone buy them or that a charging infrastructure or incentive funding be in place; and
- that there was a better alternative that would assure a greater penetration of ZEVs: a targeted approach geared towards developing “beachheads.”

A significant number of you commented favorably on EMA’s recommended approach and instructed the staff to consider it. Instead, today’s proposal doubles down on the flawed naked sales mandate approach.

We urge the Board to adopt one of two additional approaches that will help to assure the successful development of a ZEV commercial vehicle market in California.

Option one: Direct the staff to cut-off the first two years of the sales mandate and begin it in 2026 (with the staff’s proposed 2026 and beyond percentages). That approach will allow time for:

- the staff to develop and implement the promised fleet rule,
- fleets to develop the necessary charging infrastructure,
- the state to recover from its current budget crisis and allocate funds for the needed incentives, and
- manufacturers to recover from the impacts of the COVID crisis and the recession and continue to invest in the commercialization of ZEV products.

Option two: Direct the staff to fully link the ZEV sales mandate with ZEV purchase requirements.

Without one of the above solutions, commercial vehicle customers – who invest capital in trucks to make a profit – will not buy ZEVs because

- traditionally fueled trucks will cost substantially less,
- there is no charging infrastructure (and developing one is very expensive, and not a likely investment for fleets that rent rather than own their facilities), and
- there is inadequate incentive funding available.

All of those factors are exacerbated by the current COVID pandemic, the recession that we're now in, the state's budget, and the double, simultaneous whammy imposed on manufacturers by the upcoming Omnibus Low-NO<sub>x</sub> rule.

We urge you to start the rule in 2026 or link the sales mandate to a purchase requirement.