

June 4, 2021

RE: HD Omnibus Regulation

Dear CARB,

As a manufacturer of heavy and medium duty trucks and engines, Daimler Trucks North America (DTNA) is a strong supporter and developer of electric vehicle technology. DTNA envisions a zero emission future and believes the omnibus regulation should incentivize electric vehicle production wherever possible to accelerate progress towards that future.

The rule as proposed provides incentives for conventional engines that do not apply to zero emission technology. For example, the proposed rule allows a conventional engine, which emits NOx, to generate credits through the life of the rule; but only allows a zero emission vehicle, which produces no NOx, to generate credits until the year 2026. The rule also currently allows credits generated from conventional engines to last longer than credits from a zero emission rule.

DTNA has three recommended changes to avoid incentivizing combustion engines over electric vehicles:

First, DTNA recommends CARB removes the expiration date associated with electric vehicle credits, and allow them to expire according to the same schedule as their combustion-engine counterparts.

Second, DTNA recommends electric vehicles continue to generate credits after the 2026 cutoff as currently planned.

Third, DTNA recommends that CARB clarify that credits in a manufacturer's credit pool should be consumed in the order in which they would otherwise expire, rather than in the order in which they were first generated. Otherwise, NOx credits from electric vehicles sold in the later years of the program will likely expire before they could be consumed, and are effectively valueless, providing no incentive to the sale of those vehicles in California.

DTNA is a member of the Truck and Engine Manufacturers Association (EMA), and Daimler supports and incorporates the comments provided by the association as its own.

DTNA believes these recommendations are in line with CARB's desire to further incentivize the design, manufacture, and sale of electric vehicles, and to accelerate their adoption and the vision of a cleaner future.

Sincerely,

A handwritten signature in black ink that reads "Sean Waters". The script is cursive and fluid.

Sean Waters