

**January 7, 2025**

Dear Chair Calabrese, Vice-Chair Carter, and Assemblymembers Bailey, Barranco, Clifton, DePhillips, Inganamort, Karabinchak, Katz, Kennedy, Lopez, McCann Stamato, and McGuckin:

Advanced Energy United appreciates the opportunity to provide comments opposing Assembly Bill 4967 and Senate Bill 3817, which propose to delay the implementation of the Advanced Clean Trucks (ACT) regulation to 2027. United is a national association of businesses working to accelerate both transportation electrification and to grow clean energy industries in the United States. Our membership includes a broad coalition of vehicle manufacturers that produce light-, medium-, and heavy-duty electric vehicles (EVs); charging infrastructure providers; vehicle fleet operators; and firms that provide supportive technologies, and services to identify electrified transportation solutions.

We respectfully request that you maintain the Advanced Clean Trucks Rule as it was passed in New Jersey and pass neither A4967 nor S3817. Delaying the ACT implementation would jeopardize economic benefits, send a counterproductive signal to the market, and disrupt compliance planning from businesses.

### **Economic and Industry Impacts**

The ACT rule is a cornerstone of New Jersey's clean transportation future, poised to deliver tangible benefits. With the ACT rule's original timeline, by 2050, it is projected to generate \$446 million annually in net fleet cost savings through lower fuel and maintenance expenses for zero-emission vehicles<sup>1</sup>. A delay to 2027 would defer these savings, leaving businesses to endure higher costs for an extended period.

Beyond direct financial savings, the ACT rule supports job creation and economic growth. Transitioning to zero-emission vehicles generates demand for skilled labor in manufacturing, infrastructure development, and vehicle maintenance. Delaying the rule undermines these opportunities, weakening New Jersey's ability to attract investments and stifling the economic momentum required for clean energy leadership.

### **Regulatory Certainty and Flexibility**

The years-long rule development process included robust stakeholder input, technical

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<sup>1</sup> M.J. Bradley & Associates. *New Jersey Clean Trucks Program: An Analysis of the Impacts of Zero-Emission Medium- and Heavy-Duty Trucks on the Environment, Public Health, Industry, and the Economy*. Prepared for the Natural Resources Defense Council and the Union of Concerned Scientists, 2021.  
<https://www.ucsusa.org/sites/default/files/2021-10/nj-clean-trucks-report.pdf>

feasibility assessments, and cost-benefit analyses. The regulation provides gradual, vehicle class-specific sales targets, flexibility such as credit averaging, banking, and trading. Compliance options also include hybrid truck sales and secondary market credit trading. Recent enhancements to the ACT regulation add even more flexibility, including provisions allowing manufacturers up to three years to resolve compliance shortfalls before enforcement. Delaying the ACT implementation would undermine these carefully crafted mechanisms and create unnecessary uncertainty, destabilizing compliance planning and investment.

## **Compliance Feasibility**

The ACT regulation has been carefully designed to ensure both feasibility and adaptability, offering manufacturers a realistic and structured pathway toward compliance. If implementation begins with Model Year 2027 instead of 2025, manufacturers will face a steep 15% zero-emission sales mandate for Class 8 trucks immediately, compared to the more gradual 7% requirement beginning in 2025. This compressed timeline risks overwhelming supply chains, utilities, and fleet operators, creating barriers to the successful adoption of clean technologies.

Experience from other ACT states demonstrates that the industry is well-positioned to meet the regulation's targets. In California and Oregon, truck manufacturers are already earning early credits and exceeding compliance schedules<sup>2</sup>. These states illustrate that the market is prepared for the transition and that maintaining ACT timelines drives innovation and investment. New Jersey has provided manufacturers with early credit opportunities since 2021, ensuring readiness for compliance. Delaying the rule would disrupt credit accrual systems, eroding the market stability necessary for manufacturers to achieve long-term compliance.

The phased approach in the rule's original timeline also allows for measured growth in the transportation industry as a whole, ensuring that infrastructure deployment and workforce readiness keeps pace with vehicle adoption. Delaying the rule threatens this alignment, jeopardizing critical investments in charging stations and electrified fleets while sending mixed signals to the market about New Jersey's commitment to a clean transportation transition.

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<sup>2</sup> Oregon Department of Environmental Quality, *Advanced Clean Trucks Reporting*, available at [www.oregon.gov/deq/air/programs/pages/mdhdzev.aspx](http://www.oregon.gov/deq/air/programs/pages/mdhdzev.aspx); California Air Resources Board, *Advanced Clean Trucks Compliance and Incentive Update*, available at [www.arb.ca.gov/resources/documents/advanced-clean-trucks-compliance-and-incentives-update](http://www.arb.ca.gov/resources/documents/advanced-clean-trucks-compliance-and-incentives-update).

## **Conclusion**

Advanced Energy United urges the New Jersey Legislature to uphold the ACT rule's current timeline. This regulation reduces costs for businesses and consumers, fosters economic growth, and cements New Jersey's position as a leader in growing clean energy industries. A delay would jeopardize these benefits, creating unnecessary challenges for stakeholders across the state.

We appreciate your attention to this critical issue and would be happy to provide additional information regarding our concerns about A4967 and S3817. We look forward to New Jersey's continued leadership in accelerating the transition to zero-emission transportation.

**Sincerely,**

**Elizabeth Stears**

Electrified Transportation Policy Principal

Advanced Energy United

**Katie Mette**

New Jersey Policy Principal

Advanced Energy United

**CC:**

Assemblymember Spearman

Assemblymember Torrissi

Assemblymember Kanitra

Assemblymember Flynn

Assemblymember Rumpf

Assemblymember Myhre

Assemblymember Simmons

Assemblymember Auth

Assemblymember Miller

Assemblymember Peterpaul

Assemblymember Donlon

Assemblymember Park

Assemblymember Schnall

Assemblymember Marengo

Assemblymember Matsikoudis

Assemblymember DiMaio

Assemblymember Scharfenberger

Assemblymember Assariti