## United States Senate

October 26, 2023

The Honorable Pete Buttigieg Secretary U.S Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590 The Honorable Jennifer Granholm Secretary U.S. Department of Energy 1000 Independence Avenue, SW Washington, DC 20024

Dear Secretary Buttigieg and Secretary Granholm:

We write to urge you to direct the Joint Office of Energy and Transportation (Joint Office) to prioritize the deployment of zero-emission medium- and heavy-duty infrastructure as part of its core mission. This is needed to protect public health by reducing climate and air pollution and to accelerate the transition to a zero-emission commercial vehicle transportation sector.

Congress created the Joint Office through the *Bipartisan Infrastructure Law* to be an innovative collaboration that leverages the combined expertise of the U.S. Departments of Transportation and Energy. The Joint Office's purpose is to provide critical technical assistance and strategic guidance to communities and stakeholders as they facilitate the deployment of zero- and low-emission vehicles, as well as the expansion of the necessary infrastructure. The Biden Administration and the Joint Office have already delivered significant advancements in the adoption of light-duty vehicles, which have received nearly \$24 billion in commitments toward charging infrastructure. This crucial work has set the United States on a path to likely exceed President Biden's goal of building out a national network of 500,000 public light-duty vehicle chargers by 2030.

We cannot, however, afford to focus exclusively on light-duty vehicles, as heavyduty vehicles disproportionately contribute to poor air quality in communities along roadways and near goods movement facilities, such as ports and warehouses. Despite comprising only 10 percent of the vehicles on the road, heavy-duty vehicles are responsible for 28 percent of the sector's greenhouse gas emissions, 45 percent of its nitrogen oxide emissions, and 57 percent of its particulate matter emissions. The air quality and public health impacts from old heavy-duty vehicles are severe and welldocumented, and their impact is felt most acutely in environmental justice communities.

While the transition from high-polluting, heavy-duty diesel vehicles towards zeroemission vehicles is already underway, the Joint Office has an opportunity to leverage its expertise to build on state and industry progress and usher in a successful transition across the nation. In July, the California Air Resources Board and the Truck and Engine Manufacturers Association (EMA) reached a historic agreement to achieve 100 percent zero-emission heavy-duty vehicle sales by 2036 in California. As part of the agreement, EMA committed to redoubling their efforts to sell clean trucks and support zero-emission vehicle infrastructure in California and in other states that adopt California's rules. The Joint Office must build on this historic achievement and accelerate the nationwide deployment of the infrastructure that is critical to achieving a zero-emission commercial vehicle future.

There are many areas in which the Joint Office can lead to improved coordination between the federal government and relevant stakeholders to accelerate heavy-duty vehicle infrastructure build-out. Areas to prioritize include:

- 1. **National Vision**: The Joint Office should put forward a national vision for the deployment of zero-emission heavy-duty vehicle infrastructure. The Office can start by convening government, private sector, and civil society stakeholders who are already contributing research and investment in this area. After hearing from stakeholders, the Joint Office should issue findings that identify the highest priority ports, industrial zones, and freight corridors for coordinated investments, as well as the scale of the needed infrastructure. This national vision should also prioritize strong community and stakeholder engagement and investments to advance principles of environmental justice and the goals under President Biden's Justice40 initiative.
- 2. **Coordinated Federal Investments**: The Joint Office should leverage funding across both agencies, as well as other federal incentives, to coordinate investments and maximize impact. Similarly, the Joint Office should work to streamline the project solicitation process and expedite funding disbursement to speed up implementation and avoid delays and potential cost increases. Specific examples of how to better coordinate investment in zero-emission infrastructure include:
  - DOE's Loan Program Office (LPO): The *Inflation Reduction Act* substantially increased the LPO's existing lending authorities by more than \$100 billion and also created a new loan program, the Energy Infrastructure Reinvestment Program (Title 17 section 1706), to provide funds for utility grid modernization projects. Grid capacity expansion is a key infrastructure constraint on the deployment of zero-emission trucks and buses. The Joint Office can help address this constraint by prioritizing outreach and education to eligible utilities to encourage them to apply for loan funds for projects serving critical areas, such as high-priority ports, industrial zones, and freight corridors. DOE could also use the investments allocated to the Grid Deployment Office by the Infrastructure Investment and Jobs Act for utility capacity expansion and improvement that enables the deployment of heavy-duty vehicle infrastructure.
  - DOT's National Electric Vehicle Infrastructure Formula Program (NEVI): The *Bipartisan Infrastructure Law* established the NEVI program to provide funding to States to strategically deploy electric vehicle charging infrastructure and to establish an interconnected network to facilitate data collection, access,

and reliability. Despite the fact that electric heavy-duty vehicles are an eligible expense, no state has included detailed information outlining their plans for the adoption of zero-emission heavy-duty vehicles and infrastructure. The Joint Office should prioritize outreach and education to show states how their plans can include heavy-duty charging stations and related zero-emission supporting infrastructure. It is especially important for states with areas in severe and extreme nonattainment of Clean Air Act standards to prioritize medium- and heavy-duty infrastructure in their plans, given the typically large contribution of these sources to local air pollution.

- Coordination with the Environmental Protection Agency (EPA): The Joint Office should establish an agreement with the EPA to coordinate investment efforts on infrastructure planning; vehicles and equipment; and research, development, and demonstration of zero-emission technologies. Key areas for coordination include EPA's Clean Heavy-Duty Vehicle Program, the Clean Ports Program, the Climate Pollution Reduction Grants, and the Diesel Emissions Reduction Act funds.
- Coordination with Other Federal Agencies: The Joint Office should work with other federal agencies to maximize cross-agency coordination of all funding opportunities and incentives that could accelerate zero-emission heavy-duty vehicle adoption and related infrastructure deployment. For example, the Joint Office should encourage the Internal Revenue Service (IRS) to swiftly finalize guidelines for the 30C tax credit, which provides billions of dollars in funding for eligible infrastructure investments. The guidelines should maximize inclusivity for the use of this credit, and specifically, they should define "urban area" as a census tract in which no more than 10 percent of census blocks are classified as rural by the Census Bureau. This could open up significantly more public and private sector investment in zero-emission truck stops, intermodal facilities, and other facilities such as warehouses.
- 3. Utility Guidance: The Joint Office should immediately prepare guidelines for states and utilities on how to plan to meet the need to power necessary infrastructure for zero-emission heavy-duty vehicles, and the Office should work to facilitate related knowledge and experience sharing across jurisdictions. Utilities, their physical grids, and regulatory environments can vary significantly, and different utilities have had varying degrees of engagement in this area to date. There is significant opportunity for the Joint Office to encourage thoughtful distribution planning and infrastructure build out, while leveraging the experiences of and understanding gained by jurisdictions further along the adoption curve.

Specifically, the Joint Office guidance should include tools and resources to help utilities and developers determine where, when, and how much capacity to supply at private shared depots and in publicly accessible charging locations at overnight truck stops and along high-traffic corridors. The Joint Office should also provide guidance to utilities and their regulators or oversight bodies on how this build out should be planned, supported and incentivized, and implemented, as the process may need to expand beyond more traditional grid planning and investment. The guidance should include best practices on equitable cost allocation measures to minimize the financial burden of grid modernization and capacity projects on utility consumers. The guidance should consider best practices and lessons learned from utilities and jurisdictions that have already enacted policies or implemented new investment frameworks to support the necessary build out. In addition, the Joint Office should provide guidance on investment in needed electric grid upgrades, making least regrets upgrades prior to customer requests, and how to shorten long lead time upgrade projects. This should include a clear indication of equipment needs, including the types and quantities of equipment needed to ensure utilities are able to build out infrastructure at the necessary pace.

4. **Workforce Training:** A trained workforce is critical to building, maintaining, and operating the infrastructure needed to support zero-emission transportation. The Joint Office should advance a national effort to actively recruit and train highly skilled electrical lineworkers, engineers, mechanics, and other technical workers. The Joint Office should coordinate with the Department of Labor to encourage prevailing wages, local hiring and apprenticeship programs for workers deploying infrastructure supporting zero-emission transportation.

The Administration has an immensely important opportunity to lead—building upon the collaboration between California regulators and truck manufacturers—by directing the Joint Office to expand its work to prioritize the adoption of zero-emission medium- and heavy-duty vehicles and infrastructure. Doing so will provide communities, utilities, regulators, and vehicle manufacturers with the guidance and expertise necessary to make this transition successful. We greatly appreciate your ongoing work to decarbonize our transportation sector, and we look forward to your continued collaboration on these critical efforts.

Sincerely,

Alex Padilla United States Senator

Thomas R. Carpen Chairman Committee on Environment and Public Works

Patty Murr

United States Senator

Sheldon Whitehouse United States Senator

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Kirsten Gillibrand United States Senator

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CC: Michael Regan, Administrator, Environmental Protection Agency Gabe Klein, Executive Director, Joint Office of Energy and Transportation