

July 22, 2021

Re: Support for Multi-State Zero Emission Medium- and Heavy-Duty Vehicle Initiative

Dear Governors considering signing the multi-state zero emission medium- and heavy-duty vehicle memorandum of understanding:

As major businesses, institutions, healthcare systems, and employers, we write to urge you to join the multi-state initiative to accelerate the deployment of zero-emission medium- and heavy-duty vehicles (MHDVs) recently announced by 15 states and the District of Columbia in a governors' memorandum of understanding (MOU).¹ The participating jurisdictions have pledged to work collaboratively to develop and implement a multi-state zero-emission vehicle (ZEV) Action Plan for MHDVs. This multi-state effort is vitally important to enable cost-effective electrification of commercial vehicles at the pace and scale needed to meet state climate and air quality goals and deliver public health and economic benefits for communities and businesses alike.

With ever more urgency as businesses navigate a shifting economy and business model in the wake of COVID-19, we support the MOU and forthcoming Action Plan as a means to strengthen the clean transportation market, boost economic development, and improve public health.

Our companies have significant commitments to reduce our greenhouse gas (GHG) emissions to protect the health and economic well-being of the communities in which we live and operate and prevent disruption of the value chains upon which we rely.² Just as transportation is now the largest emitter of GHG emissions across the nation, it is also a major component of our carbon footprint and a significant cost center.

Moreover, transportation is a major contributor to emissions of harmful air pollutants, which can disproportionately impact low-income communities. Improving air quality is not only the right thing to do for public health and for these communities, it also makes economic sense. Fewer instances of respiratory illness, missed days of work and hospitalizations will increase personal disposable income and help reduce the financial pressure on state-funded healthcare programs.

Increased access to cost-effective zero emission commercial transportation options helps us stay competitive in a market where our customers, investors, patients, students, and employees increasingly expect us to lead on sustainability. While a growing number of electric vehicles offer significant cost savings through lower fuel and maintenance costs, as well as avoided risks associated with the volatility of fossil fuel prices and supply, electrification of many commercial vehicle applications still face significant challenges around higher upfront costs, range, weight, charging time, and infrastructure deployment. A coordinated multi-state approach to implementation of market-enabling initiatives is required to rapidly unlock the long-term savings, climate, and clean air benefits of MHDV electrification.

The unprecedented national public health and economic crises precipitated by the COVID-19 pandemic

¹ The 15 state signatories to the MOU include California, Connecticut, Colorado, Hawaii, Maine, Maryland, Massachusetts, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Vermont, and Washington. <https://www.nescaum.org/topics/zero-emission-vehicles>.

² Ceres. "Power Forward 3.0: How the largest U.S. companies are capturing business value while addressing climate change" April 15, 2017. <https://www.ceres.org/resources/reports/power-forward-3>. See also: <https://noharm-uscanada.org/healthcareclimatecouncil/>; and <https://secondnature.org/climate-action-guidance/network/>.

presents states across the country with an important opportunity to rebuild a more sustainable and resilient economy. Electrification of the commercial MHDV transportation sector will support a cleaner, more energy efficient economy through local innovation and investment in clean technology development and manufacturing – creating new jobs, driving long-term cost savings for our value chains, mitigating climate risk, improving public health, and reducing health care costs.

Bold action by state leaders is urgently needed to send the clear, long-term economic signals to manufacturers and fleets that are essential to achieve market transformation. We strongly support the execution of a multi-state zero-emission MHDV MOU and the development and implementation of a ZEV Action Plan to accelerate MHDV electrification. We applaud Oregon for joining this collaborative effort that will allow both manufacturers and fleet operators to capture savings from economies of scale and provide more cost-effective emissions reductions for all.

Sincerely,

As You Sow	Nature's Path Foods*
Bemis Associates	NEI Investments*
Ben and Jerry's*	Nestlé*
Blue Cross Blue Shield of Massachusetts*	New Belgium Brewing*
Boston Common Asset Management*	New York State Common Retirement Fund*
Boulder Organic Foods	Numi Organic Tea
Burton*	Pax World Funds*
Capricorn Investment Group*	PepsiCo*
Change Finance, PBC	Repurpose, Inc.
CommonSpirit Health/Dignity Health*	Rivanna Natural Designs, Inc.
DHL*	Sant Charitable Foundation
Domini Impact Investments, LLC*	Saunders Hotel Group
DSM North America*	Schneider Electric North America*
Ecos Corporation	Seventh Generation*
EILEEN FISHER*	Seventh Generation Interfaith
Etsy*	Siemens*
Friends Fiduciary Corporation	Sierra Nevada Brewing Co.*
IKEA Retail U.S.*	Sisters of St. Dominic of Caldwell, NJ
Impax Asset Management LLC*	Stonyfield Organic*
Inherent Group	Studio G Architects
Legacy Vacation Resorts	Summit Charitable Foundation
Levi Strauss & Co.*	The Green Engineer, Inc
Lime*	Trillium Asset Management*
Kendall Sustainable Infrastructure	TripZero
M&E Engineers	Unilever*
Metis Consulting Group	Worthen Industries*
Miller/Howard Investments, Inc.*	

* Denotes over \$100 million in annual revenue or \$1 billion or more in assets under management.

For more information or to connect with the signatories, please contact Emily Duff at Ceres (duff@ceres.org).