



June 18th, 2021| Submitted Electronically

NJ Department of Environmental Protection
Office of Legal Affairs
401 East State Street, 7th Floor
Trenton, NJ 08625-0402

RE: DEP Docket No. 05-21-03; DSM North America, eBay, Etsy, IKEA, and Unilever Support for Adoption of the Advanced Clean Truck (ACT) Rule and Fleet Reporting Requirements in New Jersey

Dear Commissioner LaTourette and Ms. Hanna:

We are **committed** to conducting our business in a way that **supports a sustainable future**. A livable climate and healthy communities will need to include **100% zero-emission last mile deliveries**.

We need policies that support ambitious emissions reduction targets. Multiple measures are needed to decarbonize the transportation sector, as they strengthen our ability to operate sustainably over the long term. We welcome an ambitious policy agenda that rapidly decarbonizes goods transport, with health and equity as a core priority of policy design and implementation.

Transportation is the number one source of greenhouse gas emissions in the country, and shipping is projected to play an increasing role in these emissions. We don't own or manage vehicles directly. In this lack of control, we are similar to many companies, including other retailers, home goods, clothing, consumer products, and many food and beverage firms. Our companies have seen the potential of buyer-driven innovations like virtual power purchase agreements (VPPAs) to enable companies to help their supply chains adopt cleaner technologies. We are inspired to see whether we could create a scalable solution for corporate shippers to accelerate zero-emissions vehicle adoption at carriers, modeled on VPPAs.

As a start, we have **assessed** shipping emissions in our own operations and in our supply chain. We believe taking responsibility for supply chain shipping is critical for companies like ours that depend on goods transport as part of our business models. We have, or are working on, **goals** that include emissions from shipping:

- By 2030, DSM North America will achieve a 30 percent reduction in all Scope 1 and Scope 2 GHG emissions and is investing in zero-emission solutions, like solar-powered roofs [specifically designed](#) to be integrated with EVs.

- By 2030, eBay will reach a 75 percent reduction in all Scope 1 and Scope 2 greenhouse gas emissions.
- Etsy announced their goal of reaching net zero emissions by 2030, including through partnerships with sustainable vendors and suppliers and by furthering its advocacy for the decarbonization of the logistics and transportation sector.
- All IKEA customer deliveries and services across 30 markets, including New York City, will use electric vehicles or other zero-emission solutions by 2025.
- Unilever is committed to electrifying its 13,300+ vehicle fleet by 2030 as part of its goal to achieve net zero emissions across the company's value chain by 2039.

Consumers are asking for sustainability from business. 56% of millennials [avoid](#) home delivery of goods due to concerns about environmental impact. [Two-thirds](#) of North Americans prefer eco-friendly brands. Nearly [six in 10](#) consumers are willing to change their shopping habits to reduce environmental impact. Nearly [eight in 10](#) indicate sustainability is important for them. We have heard positive feedback from our customers about the value of zero-emissions shipping, which reinforces our belief that zero-emissions shipping is part of the future of our business.

We have tried to work with our supply chain directly, but we are seeing market failures that impede our ability to drive impact. IKEA and Unilever, which have a greater degree of influence over some of their deliveries, have started shifting volume to carriers that are using zero-emission vehicles (ZEVs). We have asked numerous carriers for zero-emission services. We offered that corporate-level support for new ZEVs would not require that our parcels traveled on dedicated ZEVs, at least to start. Even with that expression of demand and flexibility, the vast majority of carriers are not yet offering zero-emission shipping options. Our experience convinces us of the need for policy certainty to move the market to the point where zero-emissions services are available and affordable.

For these reasons we believe policies such as the Advanced Clean Truck (ACT) rule will be essential to driving the transition to decarbonized transportation past these market failures. In 2020, New Jersey passed and signed into law an ambitious [electric vehicle law](#) requiring the establishment of medium- and heavy-duty ZEV adoption targets. This is entirely consistent with the state's overall climate plans and the [Energy Master Plan's](#) roadmap for an 80% reduction in greenhouse gas emissions by 2050. These comprehensive plans include [incentives](#) and infrastructure investments which will complement the sales requirements of ACT.

As a major transportation corridor with significant port facilities, New Jersey communities are burdened not only by greenhouse gases, but by [criteria pollutants](#) with severe [detrimental public health effects](#). Despite making up only around 5% of New Jersey's vehicles, heavy-duty vehicles (HDVs) are responsible [for over 40% of NOx and 60% of SO2 pollution](#) from the transportation sector. By adopting ACT alongside other policies, New Jersey can ensure zero-emission trucks are deployed in the state at a pace and scale that the private sector cannot achieve on its own.

We, as the customers, continue to work with policy makers and creative parcel carriers to deploy zero-emission delivery solutions. We especially look forward to working with **policymakers, coalitions** and all stakeholders to advance solutions that will make our zero-emission vision a reality.

For more information, please do not hesitate to contact Aileen Nowlan with Environmental Defense Fund at anowlan@edf.org and Jennifer Helfrich with Ceres at helfrich@ceres.org.