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**July 14, 2021**

The Honorable Ron Wyden  
Chairman  
Committee on Finance  
United States Senate  
219 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Shelley Moore Capito  
Ranking Member  
Committee on Environment and  
Public Works  
United States Senate  
172 Russell Senate Office Building  
Washington, DC 20510

The Honorable Richard Neal  
Chairman  
Committee on Ways and Means  
United States House of  
Representatives  
372 Cannon House Office Building  
Washington, DC 20515

The Honorable Mike Crapo  
Ranking Member  
Committee on Finance  
United States Senate  
219 Dirksen Senate Office  
Building  
Washington, D.C. 20510

The Honorable Peter Defazio  
Chairman  
Committee on Transportation  
and Infrastructure  
United States House of  
Representatives  
2134 Rayburn Office Building  
Washington, DC 20515

The Honorable Kevin Brady  
Ranking Member  
Committee on Ways and  
Means  
United States House of  
Representatives  
1011 Longworth HOB  
Washington, DC 20515

The Honorable Tom Carper  
Chairman  
Committee on Environment and  
Public Works  
United States Senate  
513 Hart Senate Office Building  
Washington, DC 20510

The Honorable Sam Graves  
Ranking Member  
Committee on Transportation and  
Infrastructure  
United States House of  
Representatives  
1135 Longworth HOB  
Washington, DC 20515

**Re. Corporate Support for Zero Emission Medium- and Heavy-Duty Vehicle and Infrastructure Incentives**

Dear Chairman Wyden, Ranking Member Crapo, Chairman Carper, Ranking Member Capito, Chairman Defazio, Ranking Member Graves, Chairman Neal, and Ranking Member Brady,

As companies that are deeply committed to decarbonization and who collectively own, lease, or operate more than one million fleet or networked vehicles in the United States, we are writing to express our strong support for federal policies that will help increase the adoption of zero emission trucks (and cars) in the United States. We share a common goal of electrifying our transportation and logistics fleets and networks, as well as reducing our transportation emissions footprint, and recognize that strong policies will be necessary to effectuate this critical transition throughout the sector.

As part of a 2021 infrastructure bill, Congress has the opportunity to adopt targeted policies that will significantly reduce greenhouse gas (GHG) and criteria pollutant emissions from the freight and delivery sector. Heavy-duty vehicles (HDVs) represent only 10% of the vehicles on the road but currently account for more than 28% of GHG emissions. On top of that, HDVs are responsible for 45% of the transportation sector's oxide of nitrogen (NO<sub>x</sub>) emissions and over half of its particulate matter (PM<sub>2.5</sub>) emissions.<sup>1</sup>

These vehicles include the tractor trailers, box trucks, and step vans used in freight movement and last-mile delivery. Despite the emissions reduction potential of electric trucks and vans, high costs and

<sup>1</sup> <https://ucsusa.org/sites/default/files/2019-12/ReadyforWorkFullReport.pdf>

insufficient charging infrastructure remain significant barriers to their adoption. As a result, the market for these vehicles lags far behind that of the growing market for passenger EVs. We urge Congress to enact the following policies which would help stimulate the market for zero emission MHDVs:

**Establish a zero emission MHDV incentive through an investment tax credit or point of sale program**

Higher upfront costs for electric trucks remain a significant barrier to the adoption of these vehicles by commercial fleets. The purchase price of current commercially available electric semi-tractors is about three to four times the purchase price of a typical diesel semi-tractor.<sup>2</sup> Though semi-tractors and other large electric trucks and vans are generally higher emitting vehicles, electric versions of these vehicles are not eligible for the existing federal tax credit (30D), which provides a tax credit for the purchase of eligible EVs with a gross vehicle weight rating (GVWR) of less than 14,000 lbs. Given that the upfront cost of EVs pose a significant barrier for fleets, establishing a tax credit or point of sale incentive for EVs with a GVWR of 14,000 lbs or greater would create a stronger market for these vehicles. Such a credit or point of sale incentive, combined with the lower fuel and maintenance costs associated with electric trucks, would help make the lifetime ownership costs of EVs comparable to diesel models.

**Expand and improve the Alternative Fuel Vehicle Refueling Property (30C) Investment Tax Credit (ITC)**

In many cases, commercial fleets cannot depend on public EV charging or hydrogen refueling infrastructure (which may not be available when needed and may not suit their duty-cycle), and must install their own infrastructure. The Alternative Fuel Vehicle Refueling Property (30C) Investment Tax Credit (ITC) is an effective incentive to reduce the cost of purchasing and installing infrastructure for zero emission vehicles; however, the purchase and installation of EV charging and hydrogen refueling infrastructure for fleets remains very costly. In fact, commercial fleet EV charging and hydrogen refueling sites can cost millions of dollars. To enable fleets to cost-effectively purchase and install EV charging and/or hydrogen refueling infrastructure, we support expanding and improving the 30C tax credit as laid out in the [Securing America's Clean Fuels Infrastructure Act](#).

First, we support revising the 30C ITC to apply to each charger/refueling equipment rather than per location, and increasing the cap for business investments to \$200,000 per charger/refueling equipment. In addition, we support extending the credit for eight years, so that it applies to refueling property placed into service by December 31, 2029. These measures are necessary to adequately incentivize commercial zero emission vehicle charging installation and support decarbonization of the transportation sector.

**Provide funding for public high-capacity charging stations for long-haul trucks**

To fully realize the carbon reduction potential of heavy-duty EVs, Congress should support the installation of roadside charging infrastructure that enables trips beyond the 250 – 500 miles of range that EV truck manufacturers have stated they will be able to achieve in the near future. Trucks on these longer routes will need to charge at truck stops or other roadside charging stations away from fleet

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<sup>2</sup> <https://californiahvip.org/tco/>;  
<https://www.trucks.com/2018/12/21/daimler-trucks-delivers-first-electric-freightliner-to-penske/>

depots. Charging heavy-duty trucks in a timely manner will require higher capacity chargers (1MW or more in some cases) than those needed for passenger vehicles. The existing -- and very limited -- public charging stations available on freight routes today are not suitable for charging heavy-duty trucks and cannot support the high-capacity battery configurations and charging times required for these trips. Dedicating federal funding for high-capacity chargers suitable for heavy-duty trucks as part of a federal infrastructure bill will enable states to provide this important infrastructure. These public charging stations (in addition to charging stations to support light-duty EVs) should be installed at strategic locations with necessary parking capacity and ingress/egress routes that can accommodate heavy-duty trucks.

Thank you for your consideration of our comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Sara Forni". The signature is fluid and cursive, with the first name "Sara" and last name "Forni" clearly distinguishable.

Sara Forni

On behalf of the Corporate Electric Vehicle Alliance (CEVA), led by Ceres  
Head of CEVA