U.S. House of Representatives Committee on Energy and Commerce
Subcommittee on Environment and Climate Change

Hearing on Building a 100 Percent Clean Economy:
Solutions for Planes, Trains and Everything Beyond Automobiles

Testimony of Timothy A. Blubaugh, Executive Vice President,
Truck and Engine Manufacturers Association

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Thanks to the subcommittee for having me here today. My name is Tim Blubaugh, and I am with the Truck and Engine Manufacturers Association. I would like to share with you a little bit about our industry, our successes in reducing both criteria pollutant and greenhouse gas emissions, and our investments to develop zero-emission truck technologies.

EMA is made up of the United States' leading manufacturers of heavy-duty trucks and engines. The products EMA member companies design and build are not just big cars. The annual sales of heavy trucks in the United States is a small fraction of passenger car sales, yet they come in an extremely wide variety of sizes and configurations. Commercial vehicles are highly customized for many diverse applications, including: parcel delivery vans, pickup and delivery trucks, refuse trucks, construction vehicles, regional freight tractors, and long-haul tractors. Heavy trucks are purchased by sophisticated business entities as a capital investment – one that must return a profit. A commercial fleet will specify the details of the truck they want the manufacturer to build, so that it will serve the needs of their unique trucking operation with the lowest possible life-cycle cost.

For more than fifty years, EMA member companies have worked cooperatively with regulators to dramatically reduce the environmental impacts of their products. The emissions from today's heavy-duty trucks and engines have been reduced by 99 percent from those built thirty years ago. That remarkable success does not happen without enormous capital investment and incredible technological innovation. The success of those investments and innovations were maximized because the target emission regulations were aligned nationwide and provided the regulatory certainty needed for a level competitive playing field. Key to implementing the regulations, government and industry worked collaboratively to update the nation's diesel fuel supply to ultra-low sulfur diesel (for particulate matter filters) and to establish a nationwide retail market for diesel exhaust fluid (for NO_X aftertreatment systems).

After successfully implementing EPA's near-zero criteria pollutant emission standards, EMA member companies shifted gears to implementing EPA and DOT's historic heavy-duty greenhouse gas and fuel efficiency rules, and we later collaborated again to develop the more stringent Phase 2 rules that will go into effect in 2021 -- with further reductions in 2024, and yet more in 2027.

Our industry continues to innovate. We have advocated for EPA to pursue the Cleaner Trucks Initiative announced last year, to both further reduce NO_X emissions and to modernize

the regulatory program. In doing so, we have cautioned that any additional NO_X reductions must not undermine the existing greenhouse gas and fuel efficiency program, or the nationwide regulatory alignment that has consistently existed for the heavy-duty program. The inherent trade-offs between NO_X and greenhouse gas reductions demand that any standard to further reduce NO_X emissions must be carefully crafted to avoid undermining the nation's greenhouse gas emission goals.

EMA members are not just working in the regulatory space. Independent of any regulatory push, and on top of the enormous investments needed to meet the stringent Phase 2 greenhouse gas standards, our members are investing billions of dollars to develop zero-emission powertrains and trucks. However, converting a commercial fleet to battery-electric technology is nothing like convincing a consumer to purchase a zero-emission passenger car. Attractive styling or effective marketing will not persuade a trucking fleet's business managers (who are forced to operate on razor thin profit margins) that battery-electric trucks make financial sense.

Converting the commercial vehicle marketplace to zero-emission will require a coordinated effort by government, industry and other stakeholders. Not only must manufacturers find the resources to develop battery-electric technology for low-volume sales in a wide variety of vehicle configurations, but fleets will need to adapt their entire trucking operations to such paradigm-shifting new technology. Fleets may need to adjust truck routes, utilization, maintenance, and other practices; and they will need to invest in training, new maintenance facilities, and new parts inventories. Most importantly, fleets must invest in developing the infrastructure needed to charge the trucks. The transformation that the commercial vehicle industry went through to convert to ultra-low sulfur diesel fuel, and to establish the nationwide availability of diesel exhaust fluid, were challenging; but they pale in comparison to the enormous challenge of converting the industry to battery-electric trucks and establishing the infrastructure needed to charge them.

Our members are proud of what they've accomplished in implementing stringent emission standards -- and we embrace future challenges. We look forward to continuing to supply the trucking industry with the products they need to cost-effectively and efficiently move freight, while balancing the need to minimize impacts on the environment. While we work to increase the acceptability and deployment of zero-emission commercial vehicles, we also caution that there will be unprecedented challenges. Success will require time, enormous investment, cooperative efforts by all stakeholders, and, ultimately, marketplace acceptance.

Thank you. I will be happy to answer any questions.

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