Testimony on House Bill 2592 Joint Committee on Transportation May 8, 2019

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Good evening, chairs and co-chairs and members of the committee. My name is Bill Stites, and I'm the owner of Truck Trike, a small firm that designs and manufactures cargo trikes in Portland. I'd like to share a bit about electric cargo trikes, who uses them, their benefits, and their potential.

Sometimes called eTrikes, these small human + electric powered vehicles are all about moving cargo in an efficient manner. They are used by small and large businesses to move freight more efficiently, especially in dense urban cores. The emphasis is on commercial operations.

Their intended function is to complete the last leg of a delivery – with the driver handing a package to the end customer. So-called "last-mile freight" is exploding with online sales, especially by companies like Amazon and Walmart. Ordering just about anything online and expecting delivery in a day or two has become the new normal.

This presents a tremendous strain on delivery companies – not just during the holidays, but now everyday. While there are major players in the delivery industry, such as UPS, Fed Ex, and the US Postal Service, there are many more players getting into business, Postmates and Instacart are prime examples. And lots of food delivery.

You might think of last-mile freight as the fine capillaries, or tips of the branches, representing a light load to the final destination.

Please recognize that this makes tremendous economic sense. The cost of running larger trucks into downtown areas is prohibitive; congestion is terrible, and increasing. More efficiency leads to less cost to achieve the task of delivery.

Please note that most of our customers are smaller companies – the best example being B-Line Sustainable Delivery in Portland. Their fleet is comprised mostly of imports, with a similar design and capacity to Truck Trikes. These companies need support as they contribute to the solutions of freight mobility. eTrikes in general tend to be expensive and will continue to be so until economies of scale are achieved.

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An important characteristic that I believe is very important to support on a societal level, is the notion that eTrikes are "right-sized" vehicles – where their size and capacity is well-matched to the intended load. In contrast, larger trucks require more space on the road and for parking, and often are not filled to capacity. Indeed, there is a Golden Ratio in transportation where true efficiency is only achieved when the vehicle is lighter than the cargo it can carry. For example, a 30 lb. bicycle can carry a 150 lb. person easily. That's a ratio of 5X cargo to vehicle weight. By extension, tricycles also carry significantly more cargo (750 lbs.) than their vehicle weight (250 lbs.), yielding a 3X Golden Ratio.

And they're clean – zero emissions. And the driver gets exercise – a clear health benefit. There are many reasons to move the needle in this direction, and the time is now.

In summary, eTrikes are:

- Small and appropriately sized for last-mile urban delivery
- Quicker, more efficient, based on penetrating traffic and facilitating parking
- Economical, including eliminating fossil fuel costs
- Contribute to the solution for Climate Change, with zero emissions

Finally, there is precedent showing the success of this model - Europe is at least 10 years ahead of us. I submit that the United States needs to catch up – and I would be proud for Oregon to lead the way. We need to act quickly to tackle congestion, reduce pollution, and reduce costs of delivery. Products like these need to become more mainstream.

I think the Oregon EV rebate would help us succeed in priming the market, and would bring the societal benefits I've mentioned.