

Submitter: John Schmitz
On Behalf of: Premier Truck Group of Oregon
Committee: House Committee On Climate, Energy, and Environment
Measure, Appointment or Topic: HB3119
Subject: Support to HB 3119

Chair Lively and Members of the Climate, Energy, and Environment Committee,

Premier Truck Group is a class 4-8 OEM truck dealership with multiple locations that sell and service vehicles produced by Daimler Truck North America. Our team of 145 Oregon-based team members are responsible for the sale of over 700 new trucks annually and generate over \$175M in annual revenues. These sales represent approximately \$1M/year in CAT tax revenue to the state of Oregon.

In 2023, we delivered six zero-emission Freightliner electric trucks. To maintain compliance with CARB's ACT rules adopted by the state, DTNA has allocated internal combustion powered vehicles on a ratio to EV units registered. Based on their policy, PTG's six EV sales have generated our ability to order 57 ICE units.

Selling only 57 ICE engines represents an unsustainable 81.4% reduction in unit sales and revenue for 2025. This policy will be disastrous for our business, our employees, our customers and all Oregonians.

ACT will negatively impact critical infrastructure in the State of Oregon. To maintain the infrastructure the state and municipalities require the use of ICE Daimler vehicles. These government vehicles include snowplows, sewer vacuum trucks, street sweepers, utility trucks, garbage and recycling trucks, bridge inspection units and many other types of trucks critical to the operation of state and local government. Zero emission vehicles, like battery electric trucks, are not an option to serve these needs because the technology does not exist to support the specialty bodies and equipment that allow these trucks to do their work.

Zero emission vehicles including the government applications noted above as well as on-highway transportation are not a viable option for the foreseeable future due to the lack of infrastructure to support their operations in Oregon. There is almost no availability in the state to charge a battery electric vehicle. On-highway and municipal operators will not purchase EV units until sufficient infrastructure exists to assure their ability to operate them.

We support Representative Boshart Davis HB 3119 to delay DEQ implementation and align with the EPA. Our OEM and customers are forced to navigate a myriad of state and federal regulations that are not aligned. This lack of alignment and clarity adds to the resistance to purchase these vehicles. Alignment with the EPA also gives the OEMs time to finalize and properly test the electric options needed to operate the complex equipment mounted on state and municipal trucks. It also provides additional time to implement and support infrastructure upgrades and the funding

programs that will be needed to develop the infrastructure and aid adoption of zero emission vehicle technology.

It is critical to understand the full impact of Oregon being a CARB opt-in state on all Oregon entities, businesses, communities and consumers. The significant adverse impact to Oregonians of substantial increased costs of goods and impact of public infrastructure that will result from this policy will be financially catastrophic. The increase in costs associated with ZEV's will result in Oregon registered fleets passing the additional costs on to Oregonians and is expected to have a negative impact on employment within the transportation industry in Oregon.

Thank you for your time and consideration.

John Schmitz