

January 31, 2025

Sent via OLIS.

TO: Chair Lively, Vice Chairs Gamba and Levy, and Members of the House Committee on Climate, Energy and Environment

RE: **Opposition to HB 3119 – An Unnecessary Detour on Oregon’s Road to a Clean Economy**

FR: Oregon Business for Climate

Dear Members,

Oregon Business for Climate is a league of businesses across the state in a range of industries from manufacturing to agriculture to transportation to healthcare. We believe climate leadership is critical to the health of Oregon’s industries and communities, and will help our state re-emerge as a leader thriving in the growing clean economy. To that end, our mission is to advance urgent, ambitious, equitable climate policies and programs designed to help spur innovation and economic opportunity while effectively and responsibly reducing emissions.

In short, we are a statewide group of businesses that see both the **imperative** and the **opportunity** of taking bold action to address climate change. We believe Oregon can and must do more to address climate change, that business plays a critical role in this progress, and that aggressive action is good for Oregon.

We oppose HB 3119 and any delays in moving Oregon toward clean economy leadership.

Businesses Want Electric Trucks in All Classes

As part of our work with Oregon businesses, in partnership with the Breaking Barriers Collaborative, we run a 12-week workshop program to help companies electrify their fleets – moving business leaders from ‘interested’ to having a full fleet decarbonization plan. We’re now in our 5th cohort, with companies from grocery to construction to landscaping and others. From this broad business community engagement, we know there is **STRONG** interest in electric trucks – companies want the cost savings, employee health, and brand benefits. This interest is for **ALL** classes of trucks, not just class 8 tractors.

A delay in the ACT not only will delay delivery of Class 8 electric trucks to Oregon (including from multiple manufacturers who are ramping production), but will also interrupt the buildout of charging infrastructure, and prevent widespread access to all the other classes of trucks and savings that Oregon businesses want.

Self-interested Misinformation is Rampant in this Discussion

Regarding the talking point about there being only 1 public charging station for trucks – we encourage the Committee to see through this and other distracting bits of confusion and disinformation. As one of our program participants, a prominent local grocery chain, confirmed flatly: Most companies do and will charge their trucks on their own lots. Public charging is a future issue – something to be enhanced, for sure, but NOT a hindrance to the initial waves of adoption that will enable manufacturers to meet and exceed the Advanced Clean Trucks rules (ACT).

Regarding other misinformation in this discussion, another expert who runs a fleet of 45 trucks explained to us that most in-town routes are not running trucks at 100% full loads, so the idea that electrics can't run at 100% loads is an absolute red herring.

Another distraction is the idea that electric trucks can't go over mountain passes. That's NOT the application that companies will use electric trucks for in the near term. In the ACT, **no companies are required to adopt electric trucks**. Businesses with these use cases can capture the benefits of electric trucks when the range and infrastructure supports these use cases – or can simply choose to stick with diesel.

We Can Address Market Adoption Hurdles Without Stalling Progress

There are indeed challenges as we look to a future of higher adoption levels. Yes, we've got to work on the time it takes to put in chargers (siting, permitting, power supply). We have millions flowing into our state to build chargers. Along with smart policy, that volume of implementation will help drive experience and remove barriers (while creating Oregon jobs across the state).

Titan Freight has demonstrated that electric Class 8 trucks are a winning solution for shorter routes today. For long haul decarbonization in the short to medium term, we've got renewable diesel (and soon expect to have our own plant in Oregon).

For broader adoption in the larger classes, we also need stronger incentives to improve the economics, along with financing to address upfront costs. But that does NOT mean taking our foot off the accelerator.

Market driving signals like the ACT push innovation, marketing, and competition. And Oregon is part of a broader movement; this conversation is happening and solutions are emerging in 11 other states as well.

The Success of Clean Cars Shows the ACT Will Work

An example from personal experience: Six or seven years ago, before there were dozens of models, I was in the market for an affordable electric car. I learned that some dealers were offering incredible deals on Chevy SPARK ev's.

In one sense, this tiny car is the exact opposite of a medium or heavy duty truck. At the same time, aspects of this deal are exactly the same as with today's electric trucks.

I asked the dealer how they could offer such a great price on this car, and they explained that the Clean Cars rules require manufacturers to sell a certain percentage of these electric cars, so they made these great deals possible.

The point is that with requirements like this, and like today's ACT, manufacturers can find solutions to support adoption. They can work with dealers, government incentives, financing companies, utilities, and infrastructure providers to make it happen. They've got product mix strategies and other tools at their disposal. In business, we all know that sometimes mature, highly profitable products carry the load while new products ramp and gain market share. In this case, the strategically critical share of electric trucks.

For Oregonians, that results in cost savings for businesses, good clean tech jobs, and healthier communities.

Oregon Business for Climate OPPOSES HB 3119. We need to keep Oregon on the road toward a clean economy.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Miller", with a stylized flourish at the end.

Tim Miller
Director
Oregon Business for Climate