

89 South Street, Suite 602 Phone 617-259-2000 Paul J. Miller, Executive Director

August 15, 2022

Mr. Davon Collins, Environmental Counsel United States Postal Service 475 L'Enfant Plaza SW, Office 6606 Washington, DC 20260–6201 Via email: <u>NEPA@usps.gov</u>

Re: Notice of Intent To Prepare a Supplement to the Next Generation Delivery Vehicles Acquisitions Final Environmental Impact Statement

Dear Mr. Collins:

The Northeast States for Coordinated Air Use Management (NESCAUM) is submitting these preliminary comments in response to the United States Postal Service (USPS) "Notice of Intent To Prepare a Supplement to the Next Generation Delivery Vehicles Acquisitions Final Environmental Impact Statement" [87 Fed. Reg. 35581 (June 10, 2022)]. NESCAUM previously submitted a letter to the USPS on February 22, 2022¹ requesting that the USPS hold a public hearing and supplement its December 2021 environmental impact statement (EIS).² Our letter indicated a need for the USPS to have more complete information providing a fuller assessment of the opportunities for zero-emission vehicles (ZEVs) in the Next Generation Delivery Vehicles (NGDV). Based on our review of the EIS at that time, we determined that the USPS would benefit from learning about NESCAUM's work with states on ZEVs and pertinent information on technology capability and cost savings that would support a much higher percentage of ZEVs in the NGDV fleet than previously envisioned by the USPS. NESCAUM appreciates the opportunity to provide that information for the supplemental EIS, and we include the key points from our February 22, 2022 letter in these comments to inform the scope of the supplemental EIS.

As background, NESCAUM is the regional association of state air pollution control agencies in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. NESCAUM serves as a technical and policy advisor to its member agencies on a wide range of air pollution, climate, and clean transportation issues and facilitates multi-state initiatives to improve air quality and mitigate climate change. NESCAUM's focus on clean transportation includes working closely with states on adoption and implementation of California's emission standards for new cars and trucks. NESCAUM also facilitates and guides the Multi-State ZEV Task Force, which now includes 17 states, the District of Columbia, and the Canadian province of Quebec.³ Established in 2013, the Task Force drives ZEV adoption

¹ NESCAUM letter to USPS, Re: USPS NGDV EIS (February 22, 2022),

https://www.nescaum.org/documents/nescaum-usps-ngdv-eis-letter-20220222-final.pdf.

² United States Postal Service, Final Environmental Impact Statement, Next Generation Delivery Vehicle

Acquisitions (December 2021), https://uspsngdveis.com/documents/USPS+NGDV+FEIS_Dec+2021.pdf.

³ Multi-State ZEV Task Force members include the states of California, Colorado, Connecticut, Hawaii, Maine, Maryland, Massachusetts, Nevada, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Vermont, Virginia, and Washington; the District of Columbia; and the Canadian province of Quebec. through analysis and peer-to-peer discussion of innovative policies and programs, rapid dissemination of tested models, and development of consensus recommendations for state action. With NESCAUM's support, the Task Force developed two action plans for light-duty ZEVs and a regional strategy for charging infrastructure deployment.⁴ These activities can provide USPS with additional context on state-level activities that are accelerating the penetration of light-duty ZEVs within their fleets and in other areas.

More recently, NESCAUM has worked over the past two years with the Task Force to develop a *Multi-State Medium- and Heavy-Duty ZEV Action Plan* as required by a Memorandum of Understanding (MOU) signed by a bipartisan coalition of 17 state governors and the mayor of the District of Columbia.⁵ These jurisdictions are working together to promote opportunities and implement policies that will greatly reduce greenhouse gas emissions (GHGs) and harmful air pollution by accelerating the market for zero-emission trucks, vans, and buses. Collectively, they constitute 43 percent of the U.S. population, nearly half of the nation's economy, and 36 percent of the nation's medium- and heavy-duty (MHD) vehicles.

To achieve a timely transition and ensure near-term progress, the MOU jurisdictions committed to strive to make 100 percent of sales of new MHD vehicles ZEVs by no later than 2050, and at least 30 percent of sales by 2030. The final action plan was released on July 27, 2022.⁶ It provides additional useful information for the supplemental EIS on the status and expected development of the MHD vehicle market, and the many market-enabling initiatives participating jurisdictions will be pursuing to accelerate the introduction of MHD ZEVs.

Widespread rapid electrification of light-duty and MHD vehicles is needed to avoid the worst effects of climate change and improve air quality and health outcomes, especially in frontline and overburdened communities near freight hubs, bus depots, and trucking corridors that are disproportionately impacted by emissions from diesel trucks and buses and more vulnerable to the effects of climate change. As one of the largest vehicle purchasers in the United States, the USPS has a tremendous opportunity to lead the way. By transitioning to ZEVs, the Postal Service fleet can provide significant public health and environmental benefits to communities across the country and advance environmental justice for frontline and overburdened communities, while also stimulating substantial economic growth and creating new employment opportunities.

Development of the *Medium- and Heavy-Duty ZEV Action Plan* was informed by input from public and private sector experts and stakeholders, including equity and environmental justice organizations, truck and bus manufacturers, industry and technology experts, charging and fueling providers, utility companies, public and private fleet representatives, commercial financing experts, environmental advocates, and others.⁷ This broad input helped shape and

⁷ A summary of the engagement and development process is available at: https://www.nescaum.org/documents/multi-state-mhd-zev-action-plan-development-process-summary.pdf.

⁴ The most recent action plan for zero-emission light-duty vehicles was released in 2018. *See* ZEV Task Force, *Multi-State ZEV Action Plan* (2018), <u>www.nescaum.org/documents/2018-zev-action-plan.pdf</u>. *See also* NESCAUM, *Northeast Corridor Regional Strategy for Electric Vehicle Charging Infrastructure 2018 – 2021* (May 2018), <u>www.nescaum.org/documents/northeast-regional-charging-strategy-2018.pdf</u>.

⁵ Multi-State Medium- and Heavy-Duty Zero Emission Vehicle Memorandum of Understanding (updated March 29, 2022), <u>https://www.nescaum.org/documents/mhdv-zev-mou-20220329.pdf</u>.

⁶ ZEV Task Force, *Multi-State Medium- and Heavy-Duty Zero-Emission Vehicle Action Plan* (July 27, 2022), <u>https://www.nescaum.org/documents/multi-state-medium-and-heavy-duty-zev-action-plan.pdf</u>.

refine the Action Plan's recommendations and inform the participating jurisdictions on a number of key issues, including off-the-shelf ZEV technology capabilities and the realistic potential cost savings in specific fleet applications. This information would be invaluable to the USPS in its decision-making process. For example, the final EIS scenarios were bounded by 10 percent ZEV and 100 percent ZEV scenarios, with no clear consideration of other ZEV percentage scenarios in between the two bounds. Additional scenarios would be more informative of near-term cost and economic benefits by considering a greater share of ZEVs on local mail routes most amenable to current ZEV technologies.

Many of USPS's competitors have announced plans for significant ZEV purchases for their future fleets in recognition that current ZEV technologies and their associated lower total costs of ownership improve the economics of fleet operations. These applications are well suited for electrification because many fleet vehicles serve predictable routes, travel less than one hundred miles per day, and return to a centralized depot, which enables fleets to strategically deploy vehicles and manage vehicle charging operations.

The jurisdictions that worked with NESCAUM on the *Multi-State Medium- and Heavy-Duty ZEV Action Plan* are considering adopting a range of market-enabling policies to encourage the rapid deployment of electric truck fleets, such as regulatory sales and fleet purchase requirements, vehicle and infrastructure purchase incentives, electric utility charging infrastructure investment programs and rate reform, and public charging/fueling infrastructure planning and deployment. Several states already have legislative or other requirements to transition their agency and transit fleets to ZEVs and may also consider adopting policies to promote or require third-party zero-emission shipping. Many local jurisdictions are considering policies to policies to provide ZEVs with special access to loading and unloading zones and dedicated road lanes in congested locations. At the same time, it is anticipated that federal and state emissions requirements for new and existing MHD vehicles will continue to increase in stringency as the market transitions to ZEVs. Companies that recognize and embrace the transition-in-progress will be best situated to take advantage of the opportunities it presents.

There are currently 79 ZEV models available in the light-duty vehicle segment⁸ and more than 125 different zero-emission models currently available across Class 2b-8 vehicle segments in North America, with this number expected to exceed 240 models by 2023.⁹ USPS should be able to find suitable off-the-shelf vehicles for its operations among the many available options. Statewide vehicle contracts are a useful starting point to find model availability and price. For example, Massachusetts offers several electric vehicles on their statewide contract, including sedans, SUVs, pickup trucks, cargo vans, and more.¹⁰

Many of the NESCAUM states recognize the increasing availability of ZEVs in the market to serve their needs and have adopted, or are pursuing, ZEV fleet purchase requirements and goals. The state efforts include the following:

⁸ Alliance for Automotive Innovation. *Get Connected: Electric Vehicle Quarterly Report* (1st quarter 2022), <u>https://www.autosinnovate.org/posts/papers-</u>

reports/Get%20Connected%202022%20Q1%20Electric%20Vehicle%20Report.pdf.

⁹ CALSTART, *Global Commercial Drive to Zero, Zero-Emission Technology Inventory Tool*, Version 5.9, <u>https://globaldrivetozero.org/tools/zero-emission-technology-inventory/</u>.

¹⁰ Electric & Hybrid Electric Vehicles on MA Statewide Contract, <u>https://www.mass.gov/doc/greening-your-fleet-with-statewide-contracts-32522/download</u>.

- Connecticut
 - Under Connecticut General Statutes § 4a-67d (2022), the state has set the following state purchase requirements for its cars and light-duty trucks:
 - 50% will be battery electric vehicles starting in 2026;
 - 75% beginning in 2028; and
 - 100% beginning in 2030.
 - Also under Connecticut General Statutes § 4a-67d (2022), beginning in 2024, the state will no longer buy or lease diesel-fueled transit buses.
 - Under Connecticut General Statutes § 22a-202 (2022), the state has set the following requirements for school buses:
 - Beginning in 2035, 100% of school buses for all school districts in the state are to be zero-emission or alternative fuel school buses;
 - As of 2040, 100% of school buses for all school districts in the state will be zero-emission school buses; and
 - Beginning in 2030, 100% of the school buses that provide transportation for school districts in environmental justice communities will be zeroemission school buses.
- Maine
 - Under 5 Maine Revised Statutes §1830, sub-§12 (2022), the state has set a goal of 50% of annual light-duty vehicle leases or purchases for state fleets to be plug-in hybrid electric vehicles and ZEVs by 2025, and 100% by 2030.
 - Under 20-A Maine Revised Statutes §5401, sub-§15-A (2022), at least 75% of annual school bus acquisitions are to be ZEVs by 2035, to the extent practicable.
 - Under 30-A Maine Revised Statutes §125, sub-§2 (2022), and 30-A Maine Revised Statutes §3111 (2022), Maine counties and municipalities by 2035 are to increase the share of their light-duty vehicle purchases or leases to be 100% plugin hybrid electric vehicles and ZEVs annually, to the extent practicable.
- Massachusetts
 - Under Massachusetts Executive Order No. 594 (2021), state agencies have the following fiscal year targets to acquire ZEVs so that the total state fleet consists of:
 - 5% ZEVs in 2025;
 - 20% ZEVs in 2030;
 - 75% ZEVs in 2040; and
 - 100% ZEVs in 2050.
 - Starting in the following fiscal years, all listed vehicle acquisitions must be ZEVs:
 - Fiscal year 2023, all vehicles with a gross vehicle weight rating (GVWR) of 8,500 pounds (lb) or less;
 - Fiscal year 2025, all vehicles with a GVWR of 14,000 lb or less; and
 - Fiscal year 2030, all vehicles with a GVWR of more than 14,000 lb.
- New Jersey
 - Under New Jersey Statutes 48:25-3 (2022), the following ZEV fleet purchase goals apply:

- 25% of state-owned non-emergency light-duty vehicles must be ZEVs by December 31, 2025; 100% of these vehicles must be ZEVs by December 31, 2035 and thereafter; and
- 10% of new buses purchased by the New Jersey Transit Corporation must be ZEV by December 31, 2024; 50% of new buses must be ZEV by December 31, 2026; and 100% must be ZEV by December 31, 2032.
- New York
 - The New York State 2022-2023 budget¹¹ requires that:
 - Beginning on July 1, 2027, New York State school districts may only purchase or lease zero emission school buses when entering new purchase or lease contracts; and
 - No later than July 1, 2035, every New York State school district shall only operate and maintain zero emission school buses.
- Rhode Island
 - Rhode Island Executive Order 15-17 (December 8, 2015) sets a goal of a minimum of 25% of new light-duty state fleet purchases and leases will be zero-emissions vehicles by 2025.

Local communities also are increasingly deploying ZEVs in their municipal fleets. These include ZEVs in high demand applications, such as police vehicles and ambulances.

- The New York City Police Department is buying up to 250 Tesla Model 3 vehicles and placed an order for 184 all-electric Mustang Mach-E vehicles for law enforcement and emergency response use;¹²
- Paterson, New Jersey, is purchasing two electric ambulances and two fast charging stations, along with a number of other electric vehicles for the city's fleet;¹³
- Westport, Connecticut found that a Tesla Model 3 police vehicle saved the city money over the purchase of a conventional police vehicle when accounting for operational savings despite the higher upfront purchase price;¹⁴
- Numerous Massachusetts towns and cities are adding electric vehicles to their police departments and other municipal fleets;¹⁵ and

¹¹ New York State Bill No. S8006-C/A9006-C, Subpart A, § 3638 (2022).

¹² StreetsBlog NYC, *City Moves Ahead with Plan to Buy 250 Tesla Squad Cars* — *And Just Bought 184 Electric Ford Mustangs!* (December 21, 2021), <u>https://nyc.streetsblog.org/2021/12/29/city-moves-ahead-with-plan-to-buy-250-tesla-squad-cars</u>.

¹³ Tap into Paterson, *Paterson Officials Unveil First Electric Vehicle Charging Station* (June 30, 2022), <u>https://www.tapinto.net/towns/paterson/sections/green/articles/paterson-officials-unveil-first-electric-vehicle-charging-station</u>.

¹⁴ CleanTechnica, *Tesla Police Vehicle Brings Huge Monetary Savings To Westport, Connecticut* (June 2, 2021), https://cleantechnica.com/2021/06/02/tesla-police-vehicle-brings-huge-monetary-savings-to-westport-connecticut.

¹⁵ Wicked Local North, *Mass. cities are adding electric vehicles to their fleets: How it's going* (January 5, 2022), https://www.police1.com/vehicle-incidents/articles/mass-cities-are-adding-electric-vehicles-to-their-fleets-how-itsgoing-eOZRQ8kh4qQZ25wI/; Daily Hampshire Gazette, *Easthampton police get OK for Tesla vehicles* (May 23, 2022), https://www.gazettenet.com/Easthampton-Police-receives-City-Council-approval-for-appropriation-of-\$89ktoward-the-purchase-of-two-Teslas-46445449.

• Bangor, Maine is adding electric vehicles to its police fleet.¹⁶

The USPS's recent announcement to deploy a greater percentage of electric vehicles in the NGDV fleet is an important step forward, but it still falls well short of achieving the full benefits from electrifying a much greater portion of the NGDV fleet. The USPS supplemental EIS is now an opportunity to revisit the final EIS's assumptions in order to meaningfully evaluate the potential for electric vehicles to cost effectively serve most, and potentially all, of USPS needs in the NGDV fleet. NESCAUM recommends that the supplemental EIS take a sufficiently broad view of the capabilities of ZEVs that includes updated assumptions of fuel, maintenance, and battery costs, driving range, infrastructure cost and availability, utility recharging incentives, state policy trends, realistic operational needs, and other key factors. The assumptions should reflect a reasonable range of scenarios that fairly consider technology, infrastructure, and policy trends over the decadal procurement period envisioned by NGDV. The supplemental EIS should provide sufficient detail on its assumptions, basic data, and methodologies that will allow others to independently recreate the USPS analyses and conclusions. This would include distributions of route lengths, data about locations and infrastructure of postal facilities, service cost assumptions, utility rate structures and electricity cost, grid mix assumptions, utility rate information for reasonable recharging scenarios (e.g., incorporating flexible demand charge structures rather than fixed-rate), and other detailed information needed for meaningful evaluation of the supplemental EIS results.

To further inform the supplemental EIS, we are attaching to these comments the *Multi-State Medium- and Heavy-Duty Zero-Emission Vehicle Action Plan* (July 2022) and our most recent light-duty vehicle *Multi-State ZEV Action Plan, 2018-2021* (June 2018). These will provide the USPS with a greater understanding of the level of activity and commitments being undertaken across multiple states that will significantly influence the future of transportation electrification in the United States. NESCAUM and the states we work with welcome this opportunity to provide additional information on technology readiness and the economic, public health, and environmental benefits of ZEVs that could serve the USPS fleet and provide a healthier and cleaner environment for all.

Sincerely,

Paul J. Miller Executive Director

cc: NESCAUM Directors EPA Regions 1 & 2

Encs: <u>Multi-State Medium- and Heavy-Duty ZEV Action Plan (July 2022)</u> Multi-State ZEV Action Plan, 2018-2021 (June 2018)

¹⁶ Bangor Daily News, *A new Bangor police car is piquing interest as the department's 1st electric vehicle* (September 16, 2021), <u>https://www.bangordailynews.com/2021/09/16/news/bangor/a-new-bangor-police-car-is-piquing-interest-as-the-departments-1st-electric-vehicle/</u>.