

June 18, 2020

Re: Multi-State Medium- and Heavy-Duty Zero Emission Vehicle Initiative

Dear Governor Charlie Baker, Mayor Muriel Bowser, Governor Kate Brown, Governor Andrew Cuomo, Governor Larry Hogan, Governor David Ige, Governor Jay Inslee, Governor Ned Lamont, Governor Janet Mills, Governor Phil Murphy, Governor Gavin Newsom, Governor Gina Raimondo, and Governor Phil Scott,

As major businesses, investors, institutions, healthcare systems, and employers, we write to urge you to join the multi-state initiative to accelerate the deployment of zero emission medium- and heavy-duty vehicles (MHDVs) recently announced by eight states and the District of Columbia in a jointly issued Statement of Intent.¹ The participating jurisdictions have pledged to develop a governors' memorandum of understanding (MOU) and to work collaboratively to develop and implement a multi-state zero emission vehicle (ZEV) action plan for MHDVs. This multi-state effort is vitally important to enable cost-effective electrification of commercial vehicles at the pace and scale needed to meet state climate and air quality goals and deliver public health and economic benefits for communities and businesses alike.

With ever more urgency as businesses navigate a shifting economy and business model in the wake of COVID-19, we support the MOU and forthcoming rulemaking as a means to strengthen the clean transportation market, boost economic development, and improve public health.

Our companies have significant commitments to reduce our greenhouse gas (GHG) emissions to protect the health and economic well-being of the communities in which we live and operate and prevent disruption of the value chains upon which we rely.² Just as transportation is now the largest emitter of GHG emissions across the nation, it is also a major component of our carbon footprint and a significant cost center.

Moreover, transportation is a major contributor to emissions of harmful air pollutants, which can disproportionately impact low-income communities. Improving air quality is not only the right thing to do for public health and for these communities, it also makes economic sense. Fewer instances of respiratory illness, missed days of work and hospitalizations will increase personal disposable income and help reduce the financial pressure on state-funded healthcare programs.

Increased access to cost-effective zero emission commercial transportation options helps us stay competitive in a market where our customers, investors, patients, students, and employees increasingly expect us to lead on sustainability. While a growing number of electric vehicles offer significant cost savings through lower fuel and maintenance costs, as well as avoided risks associated with the volatility of fossil fuel prices and supply, electrification of many commercial vehicle applications still face significant challenges around higher upfront costs, range, weight, charging time, and infrastructure deployment. A coordinated multi-state approach to implementation of market-enabling initiatives is required to rapidly unlock the long-term savings, climate, and clean air benefits of MHDV electrification.

¹ State signatories to the Statement of Intent are California, Connecticut, Maine, Massachusetts, New Jersey, Oregon, Rhode Island and Vermont; see: http://www.nescaum.org/documents/nescaum-press-release_12-12-19.pdf.

² Ceres. "Power Forward 3.0: How the largest U.S. companies are capturing business value while addressing climate change" April 15, 2017. <https://www.ceres.org/resources/reports/power-forward-3>. See also: <https://noharm-uscanada.org/healthcareclimatecouncil>.

The unprecedented national public health and economic crises precipitated by the COVID-19 pandemic presents governors across the country with an important opportunity to rebuild a more sustainable and resilient economy. Electrification of the commercial MHDV transportation sector will support a cleaner, more energy efficient economy through local innovation and investment in clean technology development and manufacturing – creating new jobs, driving long-term cost savings for our value chains, mitigating climate risk, improving public health, and reducing health care costs.

Bold action by state leaders is urgently needed to send the clear, long-term economic signals to manufacturers and fleets that are essential to achieve market transformation. We strongly support the execution of a multi-state MHD ZEV MOU and the development and implementation of a ZEV action plan to accelerate MHDV electrification. We urge you to join this collaborative effort that will allow both manufacturers and fleet operators to capture savings from economies of scale to provide more cost-effective emissions reduction for all.

Thank you for your consideration.

Sincerely,

As You Sow	Miller/Howard Investments, Inc.*
Bemis Associates	NEI Investments*
Boston Common Asset Management*	New York State Common Retirement Fund*
Burton*	Pax World Funds*
Capricorn Investment Group*	PepsiCo*
CommonSpirit Health*	Rivanna Natural Designs, Inc.
Devon Funds Management*	Sant Charitable Foundation
DHL*	Seventh Generation*
Domini Impact Investments LLC*	Seventh Generation Interfaith*
DSM North America*	Sierra Nevada Brewing Co.*
EILEEN FISHER, Inc.*	Sisters of St. Dominic of Caldwell, NJ
Etsy*	Stonyfield Organic*
Friends Fiduciary Corporation	Summit Charitable Foundation
IKEA North American Services LLC*	Trillium Asset Management*
Impax Asset Management LLC*	TripZero
Inherent Group	Unilever*
Kendall Sustainable Infrastructure	Worthen Industries*

*** Denotes over \$100 million in annual revenue or \$1 billion or more in assets under management.**

For more information or to connect with the signatories, please contact Jennifer Helfrich, Senior Manager for State Policy at Ceres (helfrich@ceres.org).