

## DELAWARE LEAGUE OF LOCAL GOVERNMENTS

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President Lew Killmer

Executive Director Marcia S. Scott

December 2, 2022

Mr. Kyle Krall, Engineer DNREC Division of Air Quality 100 W. Water Street, Suite 6A Dover, DE 19904

RE: EV Infrastructure, Clean Transportation Initiatives: Nov. 2022 Public Workshop Comments

Dear Kyle -

I am writing on behalf of members of the Delaware League of Local Governments (DLLG), a nonprofit organization that is dedicated to protecting and restoring local control to provide for the public health, safety, and welfare of their residents, and enhancing the quality of life for all Delawareans. DLLG members greatly appreciated the opportunity to participate in the November public workshop sessions that were hosted by DNREC and DelDOT, which provided an overview of proposed electric vehicle (EV) infrastructure and clean car regulations that the state is pursuing to reduce transportation-related emissions.

DLLG supports the State's efforts to reduce greenhouse gas emissions in the transportation sector. However, the proposed regulatory changes ignore existing market realities, as well as sufficient time to develop and ramp up supportive infrastructure for local government fleets. DLLG member communities are concerned that proposed regulations will overburden and add to the mounting regulatory costs of achieving Delaware's rigorous goals and aggressive timeframe. Upfront costs, limited EV options for heavy-duty and police vehicles, issues with in-house maintenance/servicing are among the obstacles for Delaware local governments to fully transition to EV vehicles. Should the State go forward with proposed regulatory changes, DLLG has several questions and concerns about these proposed mandate, specifically:

- 1. What is the State's plan for backup power for EV charging during emergency events like hurricanes? If the power grid goes offline and many or all our vehicles are EV's, we will need some "black start" option for charging vehicles to get emergency vehicles back on the road. The state should consider investing in microgrids and backup generators for EV charging stations at facilities for first responders, government, hospitals, and utility companies at a minimum. This is going to be critical along the coastline and should be a priority.
- 2. Many local government fleets use fuel in two types of vehicles: police and refuse. As the EV market stands today (and what we can see in the near future) there are no reasonably priced vehicles in either category that can do what we need them to do. EV trash trucks are about 3-4x as much as a diesel version and there are no patrol capable vehicles available. Most patrol vehicles are "hot seated" 24-hours a day. Using any vehicles that are currently available would require move to a 1:1 policy for police EV's to allow officers to charge overnight or at home. This is going to be very expensive and may result in local governments having to pay their employees electric bills at home for vehicle charging.

- 3. Moreover, the current medium- and heavy-duty (MHD) ZEV market is still nascent. While the market will continue to advance in both production capacity and technology innovations, many utility applications are not yet available and may not be for years. Information from the League of California Cities, indicates that medium- and heavy-duty ZEVs routinely cost 400-600 percent more than their ICEV counterparts. Expending taxpayer dollars to meet the proposed deadlines will result in adverse impacts to other critical programs and services for Delaware local governments.
- 4. In speaking with Jeff Horvath, Exec. Director of the DE Assn of Chiefs of Police there are NOT many EV vehicle options that meet uniform police vehicle performance specifications. Additionally:
  - The Tesla Model 3 Performance vehicle is available, but can't be maintained/service in-house;
  - Ford is coming out with a police vehicle EV, but it appears to be undersized (like a Mustang) and likely won't be purchased by most police agencies.
- 5. Another issue about the ultimate transition to all EV vehicles is the availability and expertise of trained service personnel. While it has been said many times that mechanically, EV based cars and trucks are easier to maintain and service, there still is the issue of availability of parts that even now there are supply chain issues from overseas vendors. Moreover, many local governments have in-house vehicle maintenance facilities/garages. In addition to the costs of electrifying municipal fleets, costs of re-tooling maintenance facilities/garages and re-training mechanics to service EVs, needs to be considered.
- 6. Lead times on EV's are extremely long right now. Ideally this will improve in the future but, depending on demand, it may not.
- 7. Has the EV industry indicated they will be able to meet these goals as more state's enact CA's regulation? It seems like rare earth elements may be a limiting factor for EV manufacturing absent some new sources.
- 8. The price differential for many EV's is significantly more than the savings we will realize on the vehicle from reduced O&M expense. Most towns are different than the state in that our vehicles don't see much mileage. Most of our sedans and trucks see 3-5000 miles per year because we only drive around our 9 square miles with the odd trip to Dover or Smyrna. That doesn't mean the vehicle isn't needed though, almost all of our vehicles are used daily and we can't go without them. This means that the fuel savings they use in their models isn't there for us. As such, EV's are just more expensive for municipalities than ICE vehicles unless there is some additional subsidy provided to towns.
- 9. Has the state done any research to make sure there is adequate transmission capacity available to handle new loads from electrification generally but more specifically the accelerated EV transition this is going to cause? Delmarva has already shown via the Indian River situation that they are not being proactive with transmission upgrades to get ahead of the shuttering of the IR coal power plant. That mistake is going to cost the Delmarva transmission zone's electric customers over \$350 million over the next 5 years. Will this transition push out the timeframe that IR will be needed to meet PJM reliability requirements? Will it negate the transmission upgrades being made by Delmarva power to allow IR to go offline? This is an important question.
- 10. As per this <u>article</u>, light-duty EV trucks (a large share of many town's fleets) have very poor range when towing or hauling heavier loads.
- 11. Does the state know what share of the targeted "air pollution" constituents come from vehicles covered by this rule? Diesel vehicles have much higher NOx exhaust levels and all commercial vehicles are not covered by this reg. I would like to know what share isn't being addressed. Similarly, what share of our

air pollution is due to vehicles traveling through DE or into DE from surrounding states daily for work that won't have similar regs in place.

12. This EV transition plan leaves no room for hydrogen-powered vehicles. Hydrogen seems like a better option for commercial vehicles and vehicles with extreme runtime and availability demands (e.g., police patrol vehicles).

13. Many DE local governments purchase their vehicles under state contract. Unless there are EVs available under state contract, local gov purchases of EVs may not happen.

14. Smaller jurisdictions are tempted to keep operating their municipal fleets the "way they've always been operated" and to delay vehicle and equipment purchases, especially during economic downturns. Small municipalities may lack capital budgets and/or vehicle replacement programs to plan for higher EV vehicle replacement costs. Instead, they may incrementally budget a slight increase when a vehicle becomes too costly to maintain and needs to be replaced.

15. Larger jurisdictions with capital budgets and formalized vehicle/equipment replacement programs need clear data on the cost of purchasing AND maintaining an EV fleet, relative to possible cost-savings over time.

16. Liability issues – NTSB has documented incidents of Teslas catching fire following an accident (even days afterwards), it's unclear if this impacts vehicle fleet insurance.

In speaking with Executive Director and CEO of the League of California Cities (Cal Cities) Carolyn Coleman, California cities also shares many of same concerns. As per this article - <u>CARB extends advanced clean fleet rulemaking timeline</u>; orders new draft language | <u>Cal Cities</u> – Cal Cities is working with California Air Resources Board (CARB), California Public Utilities Commission and California Energy Commission craft a more workable rule that addresses infrastructure concerns.

Finally, Delaware municipalities greatly depend on Municipal Street Aid (MSA) to fund improvements in local roadway/transportation infrastructure. There needs to be a viable plan/strategy (like Mileage-Based User Fees and/or a "road infrastructure fee") to replace lost revenue to finance to Municipal Street Aid program by 2030.

Again, thank you for allowing us the opportunity to provide written responses to the proposed regulations. We look forward to working with State representatives to strike an appropriate balance to initiate the development of compliant vehicles, while mitigating the costs to the Delaware residents and businesses we serve.

Warm regards, Marcia

Marcia Scott

**DLLG Executive Director** 

Cc: DLLG Executive Committee Members

DLLG Legislative Advocacy Committee Members