DIESEL TECHNOLOGY FORUM

January 8, 2020

Rep. Frank Pallone
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

Rep. Walden
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
2322 Rayburn House Office Building
Washington, D.C. 20515

Dear Chair Pallone and Ranking Member Walden:

We are writing in regards to the markup of HR 2906 (Clean Commute for Kids Act) and HR 5545 (EXHAUST Act) both of which will come before the Committee for consideration on January 9, 2020. On behalf of the Diesel Technology Forum, we would like to provide perspectives regarding both pieces of legislation.

By way of background, the Diesel Technology Forum is an educational not-for-profit organization whose members include leaders in diesel engines and equipment, vehicle manufacturers and fuel producers. Our organization serves a primary role of education along with the collection and commission of research to raise awareness of the environmental performance of the newest generation of diesel technology, including those that power school buses.

HR 2906 (Clean Commute for Kids Act) is duplicative of existing authorities granted to EPA and may exclude a large number of school district from receiving benefits. The bill prioritizes funding assistance provided by EPA through the National Clean Diesel Grant program for the replacement of older school buses with zero-emissions technologies. Already, the school bus rebate program that operates within the National Clean Diesel Grant Program awards higher funding for the replacement of an older school bus with a battery-electric model relative to other fuel and technology types. Despite the greater funding allowance, only about a dozen of the more than 400 school buses replaced through the program have been all-electric options.

Today, diesel is the technology of choice for the nation's school bus system and 95 percent of school buses are powered by diesel technology thanks to diesel's unique combination of safety (diesel is less combustible than other fuels when spilled), reliability, durability, low cost of maintenance and operation, flexible fueling and routing, and the ability to use advanced biofuels including renewable diesel fuel and biodiesel fuel.

Many school districts operate pupil transportation services on tight budgets and may not have the financial wherewithal to adopt zero-emissions school buses even with the availability of grant funding. These buses come with upfront purchase prices two or three times that of a new diesel option along with much more expensive ancillary investments in a network of charging stations.

Zero-emissions technology may not serve all school districts equally. More rural districts with lengthy routes or those located in regions of the country prone to temperature extremes are often outside of the duty cycle for battery-electric capabilities. These districts must rely on diesel or other internal combustion technologies and would not be eligible if school bus replacements were prioritized to only include battery-electric models.

Research conducted by several state air districts, including the State of Arizona, conclude that far more emissions may be generated by replacing older school buses with new diesel options than with all-electric options[1]. For a fixed investment in new buses, far more older and higher emitting buses may be replaced with new near-zero emissions technologies than choosing the all-electric option thereby generating greater overall reductions.

HR 5545 (EXHAUST Act) should include the most cost effective technologies to reduce emissions and generate needed benefits to disadvantaged communities. The bill subsidizes the installation of electric charging station infrastructure as a needed policy to achieve mobile source emission reductions. While charging stations are needed to support the growth in the battery-electric vehicle segment, research confirms that this infrastructure is among the least cost-effective strategies to reduce mobile sources of emissions. A more technology neutral approach that prioritizes cost effective technologies and strategies to reduce mobile sources of emissions will yield far greater benefits.

More than four in ten Americans live in a region with unhealthy levels of ambient air quality including ground level ozone and fine particle exposure, according to the American Lung Association's *State of the Air Report for 2019*.[2] Far more emission may be reduced by technologies and strategies beyond just installing electric vehicle charging stations and generate benefits to these communities in need. The U.S. Department of Transportation, in analysis of Congestion Mitigation and Air Quality program activities, found that replacing older heavy-duty vehicles and equipment were exponentially more cost effective at reducing sources of ozone and fine particle emissions on a dollar-per-ton of emissions reduced. The chart below, generated by the U.S. Department Transportation's analysis, illustrates the cost effectivity of a variety of technologies and strategies to reduce emissions.[3]

Simply put, far more emissions may be reduced by replacing older trucks and equipment with new diesel models and engines than installing electric vehicle recharging infrastructure. HR 5545 should prioritize cost effective solutions to achieve desired public health outcomes instead of identifying a single technology or strategy.

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[1] https://vwsettlement.az.gov/sites/default/files/media/VWBeneficiary-Mitigation-Plan.pdf
[2] https://www.lung.org/assets/documents/healthy-air/state-of-the-air/sota-2019-full.pdf
[3] https://www.fhwa.dot.gov/environment/air_quality/cmaq/reference/cost_effectiveness_tables/#Toc445205110

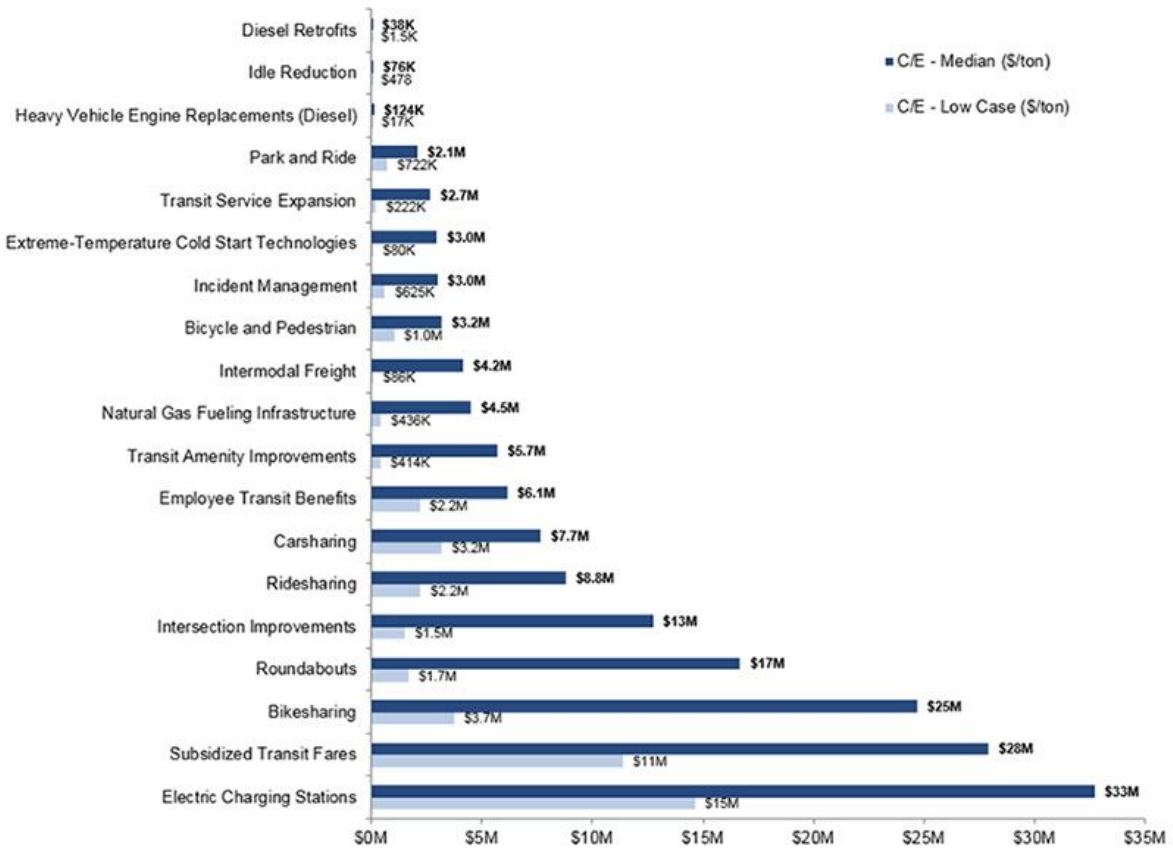

Figure 2 . Median Cost-Effectiveness Estimates (Cost per Ton Reduced) of PM2.5 Emission Reductions.

We thank you for the opportunity to provide these insights into this legislation that will come before the Committee on January 9. 2020.

Please feel free to contact me with any questions or concerns at (301) 668-7230.

Very truly yours,

Allen R. Schaeffer
Executive Director

CC: Committee on Energy and Commerce

Rep. Cardenas
Rep. Rush