

MULTI-STATE MEDIUM- AND HEAVY-DUTY ZERO EMISSION VEHICLE

MEMORANDUM OF UNDERSTANDING

WHEREAS, the Signatory States and the District of Columbia¹ recognize the importance of state leadership and coordinated state action to ensure national progress in the effort to reduce greenhouse gas (GHG) emissions and stabilize global warming;

WHEREAS, the Signatory States have statutory obligations or otherwise seek to significantly reduce statewide GHG emissions by 2050, consistent with science-based targets;

WHEREAS, transportation is now the nation's largest source of GHG emissions, and, after lightduty vehicles, medium- and heavy-duty trucks are the next largest source of transportation sector GHG emissions;

WHEREAS, the Signatory States have a statutory obligation to provide their citizens with air quality that complies with national health-based air quality standards, which are required to be protective of health and the environment with an adequate margin of safety;

WHEREAS, fossil fuel related emissions from medium- and heavy-duty vehicles (MHDVs) are a major source of nitrogen oxides (NOx), particulate matter, and toxic air emissions, which are preventing many densely populated areas from achieving compliance with federal ambient air quality standards;

WHEREAS, emissions from MHDVs are a widely acknowledged, but unaddressed, environmental justice problem that directly and disproportionately impacts disadvantaged communities located near freight corridors, ports and distribution centers;

¹ Except where indicated otherwise, "Signatory States," as used in this document, includes the District of Columbia.

WHEREAS, electrification² of the transportation sector is essential to achieve the GHG emission reductions needed to avoid the worst effects of climate change, and in conjunction with the introduction of low-NOx heavy duty trucks, to reduce harmful emissions of NOx, particulate matter, and toxic air contaminants that adversely impact public health;

WHEREAS, many of the Signatory States have adopted California's zero emission vehicle (ZEV) regulation and are signatories to a 2013 Governors' ZEV memorandum of understanding by which the states committed to collaborative action to accelerate consumer adoption of lightduty electric vehicles through the formation of a Multi-State ZEV Task Force and the subsequent adoption and implementation of a ZEV Action Plan;

WHEREAS, the Signatory States are already implementing market-enabling initiatives to overcome barriers to consumer adoption of electric passenger cars and light-duty trucks ranging from financial incentives to strategic deployment of charging infrastructure to consumer outreach and education programs;

WHEREAS, similar strategies are needed to accelerate adoption of MHDVs as ZEV options for public transit buses and a growing number of high-mileage trucks and vans become commercially available;

WHEREAS, electrification of all classes of MHDVs will help to improve air quality, reduce the use of petroleum-based fuels in the transportation sector, lower total cost of ownership and offer commercial fleets lower and more stable energy prices; and

WHEREAS, investment in electrification of the MHDV sector will help to stimulate economic growth by creating new jobs in the electric vehicle and charging/fueling equipment manufacturing, supply chain and service sectors.

NOW THEREFORE, as Governors of the Signatory States and Mayor of the District of Columbia, through this memorandum of understanding (MOU), we express our mutual understanding and cooperative relationship as follows:

1. OVERALL COMMITMENT

The Signatory States agree to work together to foster a self-sustaining market for zero emission medium- and heavy-duty vehicles through the existing Multi-State ZEV Task Force, which will

² Electric vehicle, as used in this document, means a battery electric (BEV), plug-in hybrid (PHEV), or fuel cell electric vehicle (FCEV).

Multi-State Zero Emission Medium- and Heavy-Duty Vehicle Initiative - Memorandum of Understanding

serve as a forum for state coordination, collaboration and information sharing on market enabling actions, research, and technology developments.

2. ACTION PLAN FOR ZERO EMISSION MHDVs

Within six months following execution of this MOU, the Task Force will develop a multi-state action plan to identify barriers and propose solutions to support widespread electrification of medium- and heavy-duty vehicles (Zero Emission Medium- and Heavy-Duty Vehicle Action Plan). In developing the Action Plan, the Task Force shall give consideration, as appropriate, to the need for:

- Financial vehicle and infrastructure incentives;
- Non-financial vehicle and infrastructure incentives;
- Actions to encourage public transit and public fleet zero emission MHDV deployment;
- Effective infrastructure deployment strategies;
- Funding sources and innovative financing models to support incentives and other marketenabling programs;
- Leveraging environmental and air quality benefits associated with adoption of the California Advanced Clean Trucks rule under Section 177 of the Clean Air Act;
- Coordinated outreach and education to public and private MHDV fleet managers;
- Utility actions to promote zero emission MHDVs, such as electric distribution system planning, beneficial rate design and investment in "make-ready" charging infrastructure;
- Measures to foster electric truck use in densely populated areas;
- Addressing vehicle weight restrictions that are barriers to zero emission MHDV deployment;
- Uniform standards and data collection requirements; and
- Any other initiative the Task Force deems appropriate.

In developing the Action Plan, the Task Force shall consult with and solicit input from key partners and stakeholders.

3. FOCUS ON DISADVANTAGED COMMUNITIES

The Signatory States will seek to accelerate the deployment of zero-emission medium- and heavy-duty trucks and buses to benefit disadvantaged communities that have been historically burdened with higher levels of air pollution.

4. MEASURABLE MHDV SALES TARGETS

The Signatory States agree to strive to make sales of all new medium- and heavy-duty vehicles in our jurisdictions zero emission vehicles by no later than 2050. In order to ensure adequate progress toward the 2050 goal, the Signatory States will strive to make at least 30 percent of all

new medium- and heavy-duty vehicle sales in our jurisdictions zero emission vehicles by no later than 2030. Each Signatory State will report, within its available capabilities and on a schedule agreed to by the States, medium- and heavy-duty vehicle registration data needed to track progress toward meeting these targets. In 2025, the Signatory States agree to assess progress toward meeting the 2030 and 2050 targets and determine whether an adjustment to the 2030 interim sales target is appropriate.

5. PUBLIC FLEET PURCHASES AND FUELING STATIONS

To lead by example, each Signatory State will progress toward electrification of its government and quasi-governmental agency fleets and explore opportunities for coordinated/aggregated vehicle and infrastructure procurement.

6. INTER-AGENCY COORDINATION WITHIN STATES

The Signatory States will seek to support and facilitate the successful commercialization of zero emission MHDVs and maximize the use of renewable energy for ZEV charging and hydrogen fueling through inter-agency consultation and coordination with state public utility commissions, and environmental, energy, planning and transportation agencies, as appropriate.

7. PARTNERSHIPS WITH KEY STAKEHOLDERS

The Signatory States will explore opportunities to cooperate, coordinate and partner, as appropriate, with truck manufacturers, charging and fueling providers, community and environmental advocates, utilities, corporate fleet owners, financial institutions, Clean Cities Coordinators, and others to accelerate electrification of the MHDV sector.

8. NO LEGAL OBLIGATIONS, RIGHTS OR REMEDIES

This MOU is a voluntary initiative. It does not create any legally binding rights or obligations and creates no legally cognizable or enforceable rights or remedies, legal or equitable, in any forum whatsoever. In addition, the pledges in this MOU are not conditioned upon reciprocal actions by other Signatory States; each Signatory State retains full discretion over implementation of its pledges in light of the Signatory State's individual circumstances, laws, and policies; and each Signatory State is free to withdraw from the MOU.

9. ADDITIONAL PROVISIONS

- a. A Signatory State may terminate its participation in this MOU with a written statement to other Signatory States.
- b. Other states that commit to the conditions of this agreement may sign on to this MOU.
- c. This MOU may be amended in writing upon the collective agreement of the authorized representatives of the Signatory States.

[Signatures on following pages]

THE STATE OF CALIFORNIA

By:

Gavin Newsom Governor

THE STATE OF COLORADO

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THE STATE OF CONNECTICUT

By: Med Canad

Ned Lamont Governor

THE DISTRICT OF COLUMBIA

By:

Muriel Bowser Mayor

THE STATE OF HAWAII

By: Anid ybe David Ige

Governor

THE STATE OF MAINE

)ar 1 me By:

Janet Mills Governor

THE STATE OF MARYLAND

By:

Larry Hogan Governor

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THE STATE OF MASSACHUSETTS

Charles But

By:

Charles D. Baker Governor

THE STATE OF NEW JERSEY

May By:

Phil Murphy Governor

THE STATE OF NEW YORK

By:

Andrew Cuomo Governor

Multi-State Zero Emission Medium- and Heavy-Duty Vehicle Initiative - Memorandum of Understanding

15

THE STATE OF NORTH CAROLINA

By: <u>Jan Coopen</u> Roy Cooper Govern

THE STATE OF OREGON

nte Brown By: _

Kate Brown Governor

THE STATE OF PENNSYLVANIA

By: Jan Wolf Tom Wolf

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Gina M. Raimondo Governor

THE STATE OF VERMONT

By:

Phil Scott Governor

THE STATE OF WASHINGTON

By: And Jay Inslee Govern