BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

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IN THE MATTER OF:

PROPOSED CLEAN CAR AND TRUCK STANDARDS: PROPOSED 35 ILL. ADM. CODE 242 R24-17 (Rulemaking – Air)

NOTICE

TO: Don Brown Clerk Illinois Pollution Control Board 60 E. Van Buren St., Suite 630 Chicago, IL 60605 <u>don.brown@illinois.gov</u>

ATTACHED SERVICE LIST

PLEASE TAKE NOTICE that I have today filed with the Office of the Clerk of the

Illinois Pollution Control Board the ILLINOIS ENVIRONMENTAL PROTECTION

AGENCY'S PRE-FILED QUESTIONS, a copy of which is herewith served upon you.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

By: <u>/s/ Gina Roccaforte</u> Gina Roccaforte Assistant Counsel Division of Legal Counsel

DATED: February 18, 2025

2520 W. Iles Ave. P. O. Box 19276 Springfield, IL 62794-9276 217/782-5544

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IN THE MATTER OF:

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ILLINOIS ENVIRONMENTAL PROTECTION AGENCY'S PRE-FILED QUESTIONS

NOW COMES the Illinois Environmental Protection Agency ("Illinois EPA" or

"Agency"), by one of its attorneys, and submits the following questions for Steven Douglas, on

behalf of the Alliance for Automotive Innovation, Mike Stieren, on behalf of the Illinois

Automobile Dealers Association, Mary Tyler, on behalf of the Indiana, Illinois, Iowa Foundation

for Fair Contracting, Matthew Hart, on behalf of the Illinois Trucking Association, and Matt

Wells, on behalf of the Mid-West Truckers Association, Inc.:

Questions for Steven Douglas

1. In your testimony, you state, in part, "Meeting the most-likely ZEV mandate scenario with all flexibilities and automakers purchasing credits from Tesla and other EV-only automakers still requires a 620 percent increase from 2024CY ZEV sales (see *Figure 13*)." R24-17, Pre-Filed Testimony of Steven Douglas in Opposition of Rule Proponents' Regulatory Proposal, January 21, 2025, at 36.

What is the current average price of a ZEV credit if a manufacturer needs to purchase credits?

2. At the first hearing in this rulemaking, Rule Proponents' witness testified:

So I think it's important to clarify that [the ACC II rules] will not limit the sale of plug-in hybrid electric vehicles. It will just limit the amount that they can be counted towards compliance. So if manufacturers are seeing profit in that market, they can sell as many as they like. But only 20 percent of the total sales can be attributed to credits coming from plug-in hybrid EVs. So, no, there is necessarily no limitation on how many they can sell or the Board would not be limiting how many plug-in hybrid EVs they can sell.

Transcript of December 2, 2024, Hearing at 169:6-15.

In your testimony, you state, "Proponents of ACC II have claimed the policy is somehow technologically neutral and will not limit the market to only EVs. While there is a very limited option to sell advanced, long-range plug-in hybrid electric vehicles (PHEVs), of which no

current PHEVs can comply, this policy will ultimately ban combustion engine vehicles and even advanced hybrids (about 92 percent of the vehicles currently being purchased in Illinois)." R24-17, Pre-Filed Testimony of Steven Douglas in Opposition of Rule Proponents' Regulatory Proposal, January 21, 2025, at 5.

Please elaborate on how the ACC II rules could, in practice, limit the sale of plug-in hybrid electric vehicles.

3. Do you agree with Rule Proponent Natural Resources Defense Council's previous statement that plug-in hybrid electric vehicles "have the potential to improve air quality and to substantially contribute to meeting . . . long term GHG reduction goals of 80% below 1990 levels by 2050"? *See Environmental Assessment of Plug-In Hybrid Electric Vehicles Volume 1: Nationwide Greenhouse Gas Emission* (July 2007), *available at* https://www.energy.gov/sites/prod/files/oeprod/DocumentsandMedia/EPRI-

NRDC_PHEV_GHG_report.pdf, at PDF page 14 (last accessed Feb. 17, 2025).

Questions for Mike Stieren

Steven Douglas, on behalf of the Alliance for Automotive Innovation, discusses Environmental Justice credits under the proposed rulemaking in his testimony and the three ways to generate EJ credits: (i) Community-based clean mobility programs ("CBCMP"), (ii) Sold at End of Lease to Participating Dealership, and (iii) Low-Cost ZEVs. R24-17, Pre-Filed Testimony of Steven Douglas in Opposition of Rule Proponents' Regulatory Proposal, January 21, 2025, at 21-23. As to ZEVs or PHEVs initially leased in Illinois and sold at the end of lease to an Illinois dealership, which qualify for one tenth of a vehicle credit, Mr. Douglas states, in part, "California has allocated \$436 million to its Clean Cars for All (CC4A) program that provides up to \$12,000 for replacing an older gas vehicle with a new ZEV. Dealerships that participate in this program are considered 'participating in a dealer financial assistance program' under ACC II." *Id.* Furthermore, Mr. Douglas states "it is not clear that Illinois has dealerships 'participating in a financial assistance program." *Id.*

Mr. Douglas also discusses the provision of one tenth of a vehicle credit for 2026+ model year ZEVs with a manufacturers' suggested retail price ("MSRP") of less than \$20,275 for passenger car ZEVs and with an MSRP of less than \$26,670 for light duty truck ZEVs. *Id.* at 22-23.

- 1. To your knowledge, do any Illinois dealerships currently participate in a dealer financial assistance program? If so, how many? If so, will the financial assistance program assist the automobile manufacturers' compliance obligations under the proposed rule? If not, what type of investment would be needed to incentivize dealerships to participate in a dealer financial assistance program?
- 2. For Illinois automobile dealerships, what is the current lowest MSRP of a model year 2025 ZEV and a model year 2025 light-duty truck ZEV in Illinois?

3. To your knowledge, as to Illinois automobile dealerships that have electric vehicle chargers available for public use, do the dealerships charge drivers? If so, what is the current average rate per kilowatt hour?

Questions for Mary Tyler

In your testimony, you state, in part, "Data from the Comptroller shows that revenue from the MFT [motor fuel tax] generated 57% of total transportation revenues in fiscal year 2024, totaling \$2.8 billion for the year." R24-17, Pre-Filed Testimony of Mary Tyler in Opposition of Rule Proponents' Regulatory Proposal, January 21, 2025, at 7. Furthermore, you state, "For fiscal year 2024, from the motor fuel tax revenue, Illinois counties received \$350 million, Illinois townships received \$159 million, and Illinois municipalities received \$490 million." *Id.* at 11. Your testimony also includes one of your reports, *The Impact of Electric Vehicles and Increased Fuel Efficiency on Transportation Funding*, Illinois Economic Policy Institute (January 2023), that sets forth various policies that could be implemented in Illinois to address future transportation funding shortfalls.

In your opinion, which type(s) of alternative funding would have the highest likelihood of addressing transportation funding shortfalls that would result if this proposed rule is adopted?

Questions for Matthew Hart

1. In your testimony, you state, in part, "For instance, Illinois would need to achieve at least 20% electric truck sales by 2028 when there are virtually zero electric trucks available for sale in the state today. As of today, there are 355,000 interstate trucks registered in Illinois and another 216,000 intrastate trucks registered here. Of the 571,000 trucks registered in this state, there were 272 new Electric Trucks registered in Illinois in 2024. That's 0.05% of all trucks." R24-17, Pre-Filed Testimony of Matthew Hart, January 21, 2025, at 2.

- a. For the statistic that there are 355,000 interstate trucks registered in Illinois, you cite to a custom report from the Federal Motor Carrier Safety Administration's website. Can you please provide a copy of that report?
- b. For the statistic that there are 216,000 intrastate trucks registered in Illinois, you cite to an Illinois Secretary of State report. Could you please explain what this report is and how it supports your contention?
- c. For the statistic that there were 272 new electric trucks registered in Illinois in 2024, you cite to "ATP/S&P Global Mobility, 2024 Data through November." Could you please provide a copy of that data? Further, could you please advise how many new trucks, overall, were registered in Illinois in 2024?
- d. In your view, why have Illinois businesses registered only a relatively small numbers of electric trucks to date? What concerns do your members have about electric trucks relative to other vehicles? Cost? Range?

e. What is the average mileage range on a single charge for an electric truck?

2. You state that "[s]tudies from the American Transportation Research Institute show that meeting the same freight demands with electric trucks could require as much as 34.3% more vehicles on the road." R24-17, Pre-Filed Testimony of Matthew Hart, January 21, 2025, at 2-3. Could you please provide a copy of the study, or studies, supporting your contention?

3. Citing to the "Clean Freight Coalition," you state that, nationally, the transition to zeroemission trucks, "is projected to cost \$1 trillion, with Illinois' share estimated at \$36 billion." R24-17, Pre-Filed Testimony of Matthew Hart, January 21, 2025, at 3. Could you please provide a copy of the analysis supporting your contention?

4. You state that the proposal before the Board "affects the industry that transports 95% of the manufactured freight in Illinois." Could you please provide a copy of the analysis supporting your contention? R24-17, Pre-Filed Testimony of Matthew Hart, January 21, 2025, at 3.

Questions for Matt Wells

1. You refer in your testimony to data provided by the Illinois Department of Revenue. R24-17, Pre-Filed Testimony of Matt Wells, January 21, 2025, at 3. Do you know what "distance report" this data was taken from (see 1/13/25 email attached to your testimony)?

2. You state that CARB "has commercial truck regulations that prohibit out of state noncompliant vehicles from entering California." R24-17, Pre-Filed Testimony of Matt Wells, January 21, 2025, at 4.

- a. Are you referring to CARB's Heavy-Duty Vehicle Inspection and Maintenance Regulations? *See <u>https://ww2.arb.ca.gov/our-work/programs/heavy-duty-diesel-inspection-periodic-smoke-inspection-program</u> (accessed Feb. 17, 2025).*
- b. Are you aware whether the Proponents have proposed the Board adopt those California regulations by reference in this proceeding?

3. You state that "[e]very Illinois based for-hire transportation, and logistic company is within 150 miles of another state that does not have Low NOx and ACT rules in their state." R24-17, Pre-Filed Testimony of Matt Wells, January 21, 2025, at 5. Could you please provide a copy of the analysis supporting your contention?

4. You state that "[t]he market is struggling to provide trucks for the state of California currently, let alone the four other states set to implement ACT in 2026." R24-17, Pre-Filed Testimony of Matt Wells, January 21, 2025, at 5. Could you please provide a copy of the analysis supporting your contention?

Respectfully submitted,

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

By: <u>/s/ Gina Roccaforte</u> Gina Roccaforte Assistant Counsel Division of Legal Counsel

DATED: February 18, 2025

2520 W. Iles Ave. P.O. Box 19276 Springfield, IL 62794-9276 (217) 782-5544

CERTIFICATE OF SERVICE

I, the undersigned, an attorney, state the following:

I have served the attached **ILLINOIS ENVIRONMENTAL PROTECTION AGENCY'S**

PRE-FILED QUESTIONS by e-mail upon the following persons at the e-mail address of such

persons:

Don Brown Clerk Illinois Pollution Control Board 60 E. Van Buren St., Suite 630 Chicago, IL 60605 <u>don.brown@illinois.gov</u>

ATTACHED SERVICE LIST

My e-mail address is gina.roccaforte@illinois.gov.

The number of pages in the e-mail transmission is 8.

The e-mail transmission took place before 4:30 p.m. on February 18, 2025.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY,

<u>/s/ Gina Roccaforte</u> Gina Roccaforte Assistant Counsel Division of Legal Counsel

Dated: February 18, 2025

2520 W. Iles Ave. P.O. Box 19276 Springfield, Illinois 62794-9276 (217) 782-5544

Vanessa Horton Carlie Leoni Hearing Officer Illinois Pollution Control Board 60 E. Van Buren St., Suite 630 Chicago, IL 60605 <u>vanessa.horton@illinois.gov</u> <u>carlie.leoni@illinois.gov</u>

Renee Snow Office of General Counsel Illinois Department of Natural Resources One Natural Resources Way Springfield, IL 62702-1271 renee.snow@illinois.gov

Albert Ettinger Law Firm of Albert Ettinger 7100 N. Greenview Chicago, IL 60626 <u>Ettinger.Albert@gmail.com</u>

Robert A. Weinstock Director Environmental Advocacy Center Northwestern Pritzker School of Law 357 E. Chicago Ave. Chicago, IL 60611 robert.weinstock@law.northwestern.edu

Nathaniel Shoaff Sierra Club Environmental Law Program 2101 Webster Street, Suite 1300 Oakland, CA 94612 nathaniel.shoaff@sierraclub.org

Lawrence Doll Illinois Automobile Dealers Association 300 W. Edwards, Suite 400 Springfield, IL 62704 Idoll@illinoisdealers.com

Pamela Wright Jennifer Thompson Office of the Secretary of State 213 State Capitol Springfield, IL 62756 <u>pwright@ilsos.gov</u> jthompson@ilsos.gov Joe Halso Jim Dennison Sierra Club Environmental Law Program 1536 Wynkoop Street, Suite 200 Denver, CO 80202 joe.halso@sierraclub.org jim.dennison@sierraclub.org

Jason E. James Assistant Attorney General Office of the Illinois Attorney General Environmental Bureau 201 West Point Drive, Suite 7 Belleville, IL 62226 jason.james@ilag.gov

Caitlin Kelly Assistant Attorney General Office of the Illinois Attorney General Environmental Bureau 69 W. Washington Street, 18th Floor Chicago, IL 60602 <u>caitlin.kelly@ilag.gov</u>

Kara M. Principe Michael J. McNally Melissa L. Binetti Indiana, Illinois, Iowa Foundation for Fair Contracting 6170 Joliet Road, Suite 200 Countryside, IL 60525 kprincipe@iiiffc.org mmcnally@iiiffc.org mbinetti@iiiffc.org

Melissa S. Brown Alec Messina HeplerBroom, LLC 4340 Acer Grove Drive Springfield, IL 62711 melissa.brown@heplerbroom.com alec.messina@heplerbroom.com