

March 10, 2025

Illinois Pollution Control Board 2520 W Iles Avenue Springfield, IL 62702

In the Matter of: Proposed Clean Car and Truck Standards: Proposed Section 35 Ill. Admin. Code 242 – R2024-17

Please accept these comments from the Illinois Farm Bureau (IFB) regarding the proposed rules implementing the Advanced Clean Car II (ACC II), Advanced Clean Trucks (ACT), and Heavy-Duty Low NOx (Low NOx) Omnibus Rules in Illinois.

IFB is Illinois' largest general farm organization representing more than 70,000 farmer members, or three out of every four Illinois farmers. IFB members support market-based solutions, rather than state emission limits, being used to achieve greenhouse gas reductions. As a result, IFB opposes the proposed ACC II, ACT, and Low NOx rules because they will disproportionately impact farmers and rural residents, increase costs, and harm Illinois' agriculture industry. For the reasons outlined below, we urge the Illinois Pollution Control Board (IPCB) to reject this burdensome and costly proposal. IFB also encourages the IPCB to explore expanding the use of biofuels, rather than mandating specific vehicle sales, to reduce greenhouse gas emissions from the transportation sector in Illinois.

## **Increased Costs Will Harm Farmers**

Illinois farmers rely on cost effective and efficient transportation of their commodities. Because farmers participate in commodity markets, they are unable to recoup increased costs. This is especially true with current commodity prices and farmer income levels. Illinois crop budget projections for 2025 from agricultural economists at the University of Illinois show that "... historically large negative returns to corn and soybeans on cash rented land in Illinois are expected to persist into 2025. If this occurs, it would mark three consecutive years of negative returns".

The study of economic impacts of the proposed ACT rule indicates that "Illinois' fleet owners will have to invest an average of \$73 million per year between 2025 and 2050 to purchase and

<sup>&</sup>lt;sup>1</sup> Nick Paulson, et. al., University of Illinois Farmdoc Daily Website, *Revised 2025 Illinois Crop Budgets*, (January 14, 2025), https://farmdocdaily.illinois.edu/2024/09/2025-illinois-crop-budgets.html



install depot-based charging infrastructure"<sup>2</sup>. The California Air Resources Board states that "ZEVS have higher upfront cost but have lower operating costs than combustion powered vehicles."<sup>3</sup> It is difficult to project forward potential farm incomes through the implementation period of the rule proposal due to the significant volatility in farmer income. However, for the foreseeable future, farmers have little financial capacity to pay increased upfront costs from investing in Zero Emission Vehicles (ZEVs) or the charging or fuel management infrastructure needed to utilize them. Not only does this directly impact farmers' bottom lines, but it also puts them at a disadvantage to counterparts in surrounding states not required to comply with these costly regulations. Unlike other industries, farmers are tied to their land and cannot move out of Illinois to avoid increased costs.

While farmers could continue to invest in older vehicles not required to be ZEVs, the price of these vehicles is also likely to increase due to the proposal. As testimony from the Illinois Automobile Dealers Association points out, the rule proposal will increase the cost of new and used vehicles<sup>4</sup>. While this testimony focuses on passenger vehicles, it can be assumed that used heavy-duty trucks would also face price increases as fleet owners hold onto older, internal combustion engine (ICE) trucks. The reduced availability of used ICE vehicles will lead to higher prices as more consumers, including farmers, seek them out to meet their transportation needs. The result is that for both passenger and heavy-duty vehicles, farmers will face higher prices for the vehicles they need to operate their farms.

Finally, farmers must have efficient transportation of perishable commodities. When hauling animals or perishable commodities, stopping to charge a ZEV could put the animals or the commodity at risk. For example, an economic analysis of livestock processing conducted for IFB showed that as many as 80,000 cattle from Illinois are transported as far as Dodge City, KS for processing, a trip that could exceed 600 miles one-way. Pigs raised in Illinois may be transported to Delphi, IN, Logansport, IN or Louisville, KY for processing<sup>5</sup>; trips that may exceed 250 miles one-way. A trip of this distance would require recharging of heavy-duty trucks. Holding animals while waiting for a truck to recharge reduces animal welfare. It could also reduce farmers' income due to lost weight or meat quality issues as the animals are held longer during transport.

Implementing this rule proposal would do significant financial harm to farmers, only increasing the financial stress they are currently facing. Unfortunately, the rule proposal and supporting material do not consider the full economic impacts to agriculture, the economic engine for downstate Illinois.

<sup>3</sup> California Air Resources Board, *Myth vs. Fact – Advanced Clean Trucks*, December 6, 2024), <a href="https://ww2.arb.ca.gov/resources/fact-sheets/myth-vs-fact-advanced-clean-trucks">https://ww2.arb.ca.gov/resources/fact-sheets/myth-vs-fact-advanced-clean-trucks</a>

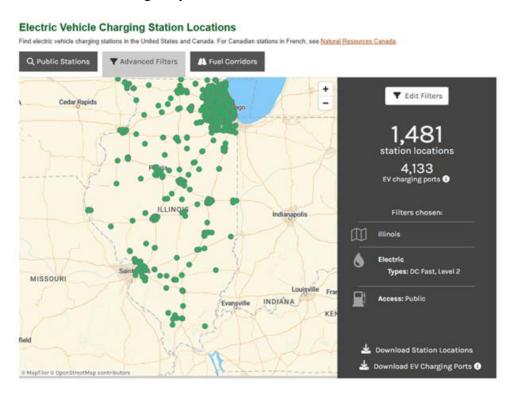
<sup>&</sup>lt;sup>2</sup> ERM, *Illinois Clean Trucks Program*, page 21.

<sup>&</sup>lt;sup>4</sup> Illinois Automobile Dealers Association, *Joint Testimony of Mike Stieren and Larry Doll*, Pages 10-11.

<sup>&</sup>lt;sup>5</sup> Decision Innovation Solutions, *Illinois Small Meat Processor Expansion and Economic Impact,* (May 2021).

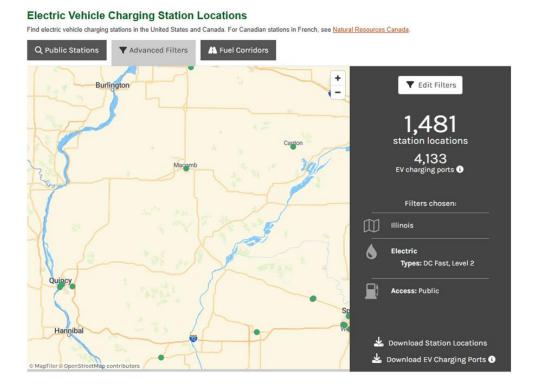
## Lack of Charging Infrastructure Especially in Rural Areas

Farmers and rural residents would also be harmed by implementation of the ACC II, ACT, and Low NOx proposal due to severely lacking charging infrastructure in rural areas. Included below are two maps of electric vehicle charging locations from the U.S. Department of Energy's Alternative Fuels Data Center website<sup>6</sup>. The first map shows charging locations across Illinois. Clearly, most charging locations are located in urban areas or along interstate highways. While that may be helpful for urban residents or those taking longer trips, it does nothing to support ZEVs on rural roads or state highways.



Focusing on an area in western Illinois only magnifies this concern, though many other rural areas of Illinois face similar challenges. The area in the map below shows there are no charging locations across several counties. There is simply no charging infrastructure in rural areas to support the ZEV mandates included in the rule proposal.

<sup>&</sup>lt;sup>6</sup> https://afdc.energy.gov/fuels/electricity-locations#/find/nearest?fuel=ELEC



Proponents point out in their economic analysis for the ACC II proposal that "For rural drivers, who must travel further distances for work, school, or shopping, annual mileage can be much higher than the typical vehicle owner". Their proposed solution is for rural drivers to invest in longer-range vehicles that can meet their higher mileage needs. Proponents claim that while these vehicles come with higher upfront costs, rural residents will benefit from lower long-term cost of ownership. However, rural residents and farmers may not have the financial ability to invest in more expensive vehicles upfront, no matter the long-term ownership costs. This demonstrates a lack of understanding of the challenges that rural residents and farmers face. It also demonstrates a lack of equity for rural residents when dealing with overburdensome regulations such as what is proposed.

Proponents also highlight incentives for residential charging available from regulated utilities, such as ComEd and Ameren, to support the installation of public and private charging stations<sup>9</sup>. However, IFB would point out that many rural residents and farmers are not served by regulated utilities, but by rural electric cooperatives. Rural electric cooperatives may not be able to offer the same kind of incentives that can help offset the cost of vehicle charging stations as the regulated utilities. Rural residents and farmers that have little public charging infrastructure in

<sup>&</sup>lt;sup>7</sup> ERM, Illinois Advanced Clean Cars II Program, (September 2023)

<sup>8</sup> Id

<sup>&</sup>lt;sup>9</sup> Rule Proponents' Proposed Clean Car and Truck Standards, (June 27, 2024), page 46.

their areas may also face a lack of incentives for offsetting the cost of installing charging stations at their own homes. This disproportionally impacts rural residents and farmers.

## Resource Adequacy of Electricity and Grid Infrastructure

IFB has significant concerns with the resource adequacy of electricity needed to meet additional demand created by the proposed rule's ZEV mandate. Farmers must have a reliable and affordable source of electricity to operate their farms. However, recent information demonstrates resource adequacy is already a concern that the additional demand required to charge ZEVs would only magnify. In a December 2024 communication from PJM Interconnection (PJM), the regional transmission operator for northern portions of Illinois, the Chairman of its Board of Managers stated: "Taking the anticipated 2025 load forecast into account, the PJM system could see a capacity shortage as soon as the 2026/27 Delivery Year. ... If these trends continue as projected, we risk having insufficient resources later in this decade to maintain the reliable electric service that the public expects."<sup>10</sup> In the area of central and southern Illinois served by the Midcontinent Independent System Operator, Vistra announced on Dec. 17, 2024, that it intends to delay the retirement of the Baldwin Power Plant through 2027. Vistra's CEO stated, "As many organizations have recently raised concerns over reliability and resource adequacy in central and southern Illinois, we are taking action and delivering solutions that balance the needs of reliability, affordability, and sustainability." These statements make it clear that the current reliability and affordability of Illinois' electricity supply are in question. Adding additional demand to charge mandated ZEVs will deepen concerns regarding Illinois' electricity supply and increase prices.

The proposed rule also creates significant concerns regarding the ability of the electric grid in rural areas to support ZEV charging. Some farmers already experience challenges with the quantity of electric service to their farms. Accessing three-phase electric service needed to efficiently operate grain handling equipment, large fans for maintaining grain condition or cooling barns, and other electric equipment is sometimes not possible or prohibitively costly. Increasing ZEV charging will place additional demands on a rural electric grid that may not be able to support it. The Illinois Dept. of Transportation highlighted concerns regarding the rural electric grid capacity as a potential challenge to implementing its own Electric Vehicle Infrastructure Plan<sup>12</sup>.

<sup>&</sup>lt;sup>10</sup> PJM, Letter from PJM Board of Managers to stakeholders regarding filings related to the interconnection process and adjustments to the capacity market, (Dec. 9 , 2024), <a href="https://www.pjm.com/-/media/DotCom/about-pjm/who-we-are/public-disclosures/2024/20241209-board-letter-outlining-action-on-capacity-market-adjustments-rri-and-sis.ashx">https://www.pjm.com/-/media/DotCom/about-pjm/who-we-are/public-disclosures/2024/20241209-board-letter-outlining-action-on-capacity-market-adjustments-rri-and-sis.ashx</a>

<sup>&</sup>lt;sup>11</sup> Vistra News Release, *Vistra Connects Two Utility-Scale Solar Facilities to Grid and Extends Operations of Baldwin Power Plant in Response to Reliability Concerns in MISO*, (Dec. 17, 2024), <a href="https://investor.vistracorp.com/2024-12-17-Vistra-Connects-Two-Utility-Scale-Solar-Facilities-to-Grid-and-Extends-Operations-of-Baldwin-Power-Plant-in-Response-to-Reliability-Concerns-in-MISO">https://investor.vistracorp.com/2024-12-17-Vistra-Connects-Two-Utility-Scale-Solar-Facilities-to-Grid-and-Extends-Operations-of-Baldwin-Power-Plant-in-Response-to-Reliability-Concerns-in-MISO</a>

<sup>&</sup>lt;sup>12</sup> Illinois Dept. of Transportation, *Illinois Electric Vehicle Infrastructure Deployment Plan- 2023 Update*, (Sept. 29, 2023), <a href="https://idot.illinois.gov/content/dam/soi/en/web/idot/documents/transportation-system/planning/drive-electric/illinois-state-electric-vehicle-plan-2023-update-approved.pdf">https://idot.illinois.gov/content/dam/soi/en/web/idot/documents/transportation-system/planning/drive-electric/illinois-state-electric-vehicle-plan-2023-update-approved.pdf</a>

If electric grid upgrades are needed in rural areas to support ZEV charging, IFB is not confident those upgrades will occur in a timely manner. These concerns are justified when considering other utility upgrades that have bypassed rural Illinois. For example, Illinois currently has 175,293 locations considered unserved or underserved by broadband<sup>13</sup>. Mostly all of these locations are in rural areas. While many urban and suburban areas enjoy quality, affordable broadband service, rural residents have been waiting for years for equitable service. Due to the cost of upgrading rural electric service and the limited number of customers living in rural areas, IFB is concerned that these areas may not receive timely electric grid upgrades needed to meet ZEV charging requirements, placing rural residents at a disadvantage.

## **Biofuels the Solution to Reducing Greenhouse Gas Emissions**

Rather than mandating ZEVs and eliminating consumer choice, IFB would encourage the IPCB to explore opportunities to expand the use of biofuels to reduce greenhouse gas emissions from Illinois' transportation sector. Information from the U.S. Dept. of Energy's Bioenergy Technologies Office proves "biofuels could be not just net-zero, but net-negative carbon emissions" Expanding the use of ethanol and biodiesel can significantly reduce the greenhouse gas emissions from our transportation sector. These reductions can be achieved sooner and with significantly less cost for Illinois consumers than the regulations in the proposed rule. Consumers should continue to have choices to utilize the vehicles that best serve their needs while using fuels that reduce or eliminate greenhouse gas emissions.

Expanding biofuels production to reduce greenhouse gas emissions would also support rural communities, expand economic development, and create new opportunities for Illinois farmers. In 2022, ethanol contributed \$11.4 billion to Illinois' economy, supporting 22,000 jobs. Ethanol production also poured \$745.2 million into public revenue supporting schools, infrastructure and community services 15. Biodiesel production is responsible for more than \$3 billion in Illinois' Gross Domestic Product, supporting nearly 2,000 jobs. The use of biodiesel lowers emissions by 70% 16. Reducing greenhouse gas emissions by expanding the use of biofuels will only grow these benefits, supporting rural communities and farmers.

IFB urges the ICPB to reject the proposed ACC II, ACT, and Low NOx Rules. The IPCB should not transfer its regulatory authority to an unelected body in another state, allowing them to make decisions impacting Illinois residents. The proposed rule will increase costs for farmers, disproportionately impact rural residents, and harm agriculture, the economic engine of

<sup>&</sup>lt;sup>13</sup> Illinois Office of Broadband, *Broadband Advisory Council Annual Legislative Report 2024*, https://dceo.illinois.gov/content/dam/soi/en/web/dceo/aboutdceo/reportsrequiredbystatute/bac-legislative-report-2024.pdf

<sup>&</sup>lt;sup>14</sup> Valerie Sarisky-Reedy, U.S Dept. of Energy Bioenergy Technologies Office, *Ethanol vs. Petroleum-Based Fuel Carbon Emissions*, (June 23,2022), <a href="https://www.energy.gov/eere/bioenergy/articles/ethanol-vs-petroleum-based-fuel-carbon-emissions">https://www.energy.gov/eere/bioenergy/articles/ethanol-vs-petroleum-based-fuel-carbon-emissions</a>

<sup>&</sup>lt;sup>15</sup> Illinois Corn Growers Association, *Impact of Illinois Ethanol Industry on Illinois*, <u>https://www.ilcorn.org/news-and-media/current-news/article/2024/09/fueling-illinois-how-ethanol-powers-our-economy-and-communities</u>

<sup>&</sup>lt;sup>16</sup> Illinois Soybean Association, Biodiesel Better. Cleaner. Now., https://www.ilsoy.org/biodiesel/

downstate Illinois. Instead of placing unnecessary restrictions on the sale of vehicles, the IPCB should explore opportunities to expand the use of biofuels to reduce or eliminate greenhouse gas emissions from the transportation sector. Doing so would allow consumers to choose the vehicles and fuel that best meet their needs. It would also support Illinois' economy, drive development in rural areas, and support Illinois' farmers and agriculture industry.

Thank you for your consideration of these comments. Should you have any questions, please contact me at the contact information below.

Sincerely,

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