

April 28, 2025

Illinois Pollution Control Board, IL EPA 60 E Van Buren St, Ste. 630 Chicago, IL 60605 2520 W Iles Ave Springfield, IL 62702

Clean Transportation
<u>Technologies and Solutions</u>

Section 35 III. Admin. Code 242

www.calstart.org

Chair and Members of the Board,

CALSTART is pleased to support Illinois's consideration and proposed adoption of the Advanced Clean Cars and Truck Program, regulations CALSTART sees as catalysts for the necessary transition of passenger and commercial vehicles to zero-emission (ZE). While CALSTART is equally supportive of the Heavy-Duty Omnibus rule, these written comments will focus primarily on the benefits of the Advanced Clean Trucks rule (ACT) and Advanced Clean Cars II rules owing to CALSTART's areas of particular expertise.

Re: Case # R24-17 In the Matter of: Proposed Clean Car and Truck Standards: Proposed

For more than 30 years, it's been CALSTART's mission to develop, assess, and implement large-scale zero-emission transportation solutions to mitigate climate change and support economic growth. CALSTART works with businesses, organizations, governments, and communities to create real-life improvements towards clean air and equitable access to clean transportation for all. CALSTART provides scientific, technical, and policy support for all government levels for regulatory development and clean technology and infrastructure acceleration.

CALSTART has maintained a Midwest Regional office in Troy, Michigan since 2018 and has established itself as providing a key role in vehicle planning, corridor planning, and utility transition plans. Since 2020, CALSTART has been advancing zero- and low-emission transit adoption and supporting state departments of transportation (DOTs) and transit agencies to deploy over 170 new zero- and low-emission buses across more than 55 rural and urban transit agencies through FTA Low-No Awards with Minnesota and Wisconsin (2018), Michigan (2020), Iowa (2021, 2022, 2023), Illinois (2023), and Ohio (2023) DOTs. Project deliverables include zero-emission (battery-electric and hydrogen) transition planning, infrastructure planning, resiliency planning, utility regulatory advisory service, and project management as part of these grants. Based on accomplishments, CALSTART has been repeatedly identified as a partner for the FY20 - FY24 Low-No grant applications working with additional rural, small urban, and urban transits across Midwest states. To date, the awarded projects are expected to result in over 21,809 short tons of greenhouse gas emissions reductions and over 81,545.18 MT of carbon dioxide reductions.



ACT is a Catalyst for Market Growth and Illinois Leadership

Illinois's adoption of ACT will help expand the supply of zero-emission medium- and heavy-

duty vehicles by requiring manufacturers to increase model availability to meet the growing demand for these vehicles, further driving investment in clean transportation research and development. This will enable cost-effective electrification of commercial vehicles at the pace and scale needed to meet Illinois's climate and air quality goals¹, while delivering public health and economic benefits for communities and businesses alike.



This is a unique point in history as rapid technological innovation in the zero-emission truck industry provides a critical opportunity to transition the heavy-duty transportation sector to zero-emission vehicles. Globally, there are 960 different models of zero-emission vans, trucks, and buses commercially available, and 200 available in the U.S. and Canada, with new models being introduced at an unprecedented rate.² This regularly updated list of commercially available medium- and heavy-duty electric vehicles can be found via CALSTART's Zero-Emission Technology Inventory (ZETI) Data Explorer, which can be used to identify available vehicles by applying various filters including vehicle class, manufacturer, and range.

As battery prices fall and technology continues to improve, the total cost of ownership is expected to result in vehicle economics that surpass combustion-based alternatives for a rapidly growing range of use cases. A recent analysis found new tax incentives adopted in the historic IRA will enable purchase price parity for a wide range of heavy-duty zero-emission vehicles (ZEVs) by at least 5 years, and as much as 12 years earlier, than would occur without the credit.³ To ensure that electric trucks have convenient access to fast charging along their routes, CALSTART is working with industry partners, charging providers, and utilities on a commercial charging corridor along I-80 serving Indiana, Illinois, and Ohio.⁴ Additional funding for charging across households, fleets, and public

¹ https://www.epa.gov/system/files/documents/2024-03/illinois-priority-climate-action-plan.pdf

² https://globaldrivetozero.org/tools/zeti-data-explorer/ (accessed August 28, 2023)

³ https://www.erm.com/public-information-sites/analysis-of-zev-bau-scenarios-for-edf/

⁴ https://www.cummins.com/news/releases/2023/02/17/cummins-destination-zero-strategy-receives-major-support-through



locations across Illinois was approved by the Illinois Commerce Commission in March 2025 via the Beneficial Electrification Plans for Commonwealth Edison and Ameren Illinois.⁵

The ACT rule is designed to deliver a gradual transition by requiring manufacturers to increase model availability year-over-year for zero-emission medium- and heavy-duty vehicles (ZE-MHDVs), as fleets that want to electrify cannot find models that meet their operational needs. ACT will develop the market by increasing the volume and variety of ZE-MHDVs in Illinois. As of June 2024, at least 1,564 ZETs were deployed across the state, not counting medium-duty zero-emission pickup trucks that also count toward the state's ACT goals.⁶ Not only has Illinois deployed more than a thousand ZETs, but the state continues to make impressive strides in standing up complementary programs such as the Beneficial Electrification (BE) program from Ameren Illinois and ComEd, \$115m in CPRG funding, \$95m in Clean Ports funding and \$100m in CFI funding all aimed at truck/freight electrification efforts. As is evidenced by these notable funding awards and job numbers, Illinois is pioneering a successful and reputable path forward for its clean energy economy, and any delay of the ACT rule would notably stifle this progress and exacerbate market uncertainty.

Should the state move forward with the adoption of Advanced Clean Cars and Trucks Standards, CALSTART supports Illinois's ongoing efforts to create Voucher Incentive Program (VIP), as robust purchase incentives are critical to offset the initial cost differences of zero-emission vehicles, particularly the larger classes of vehicles, which will help-ease upfront cost burdens for fleets and other interested buyers. Incentives should be structured with straightforward requirements that avoid limitations that have limited program accessibility in other jurisdictions, such as scrappage requirements; while requiring the removal of older and higher polluting diesel engines is a worthy goal, this often presents a barrier to adoption. While ComEd does currently offer a Business & Public Sector Electric Vehicle Rebate Program for vehicles in its service territory, a statewide program administered by the state would bring even more benefits. Existing Voucher Incentive Programs can be found in Appendix B of the Zeroing in on ZETs January 2025 Market Update.

CALSTART also recommends the creation of a technical assistance program to inform and educate fleets about electrification and ease the burden of transition planning. Technical assistance programs have proven to be helpful tools for fleet education and acceleration of electrification goals; a best practice includes tying technical assistance programs to

 $^{^5\} https://www.icc.illinois.gov/docket/P2024-0494/documents/363210/files/636045.pdf$

⁶ https://calstart.org/zio-zets/

⁷ Illinois passed enabling legislation (HB 4959) for the creation of a VIP in 2024. The state is also considering using awarded federal funds to fund the program). Though The status of these funds may be impacted by recent interruptions in federal funding.

⁸ https://calstart.org/voucher-incentive-programs-2023/

⁹ https://calstart.org/zio-zets/



available vehicle incentives. An innovative approach to technical assistance and incentives may be to structure incentives such that fleets who participate in a technical assistance program receive a higher percentage of available incentives.

The ACT rule will go a long way toward making sure all Illinois residents can breathe clean air, especially those in disadvantaged communities. Further, Illinois has the opportunity to be a leader in clean vehicle innovation and high-tech manufacturing, ensuring the state remains at the forefront of clean transportation progress and economic competitiveness.¹⁰

ACC II Represents a Historic Step in Transitioning the Passenger Vehicle Class

CALSTART is pleased to support Illinois's adoption of Advanced Clean Cars II (ACC II). By adopting the ACC II regulation, Illinois is taking an important step to achieve the ambitious net-zero transformation of on-road transportation as framed out in both the 2045 State of Illinois Comprehensive Climate Action Plan.¹² and the 2050 Illinois Climate Action Plan.¹² This regulation represents a historic step in transitioning the automotive industry toward 100% sales of ZEVs. The effort to implement ACC II will result in Illinois communities seeing reductions in tailpipe emissions and increasing the number and quality of light-duty ZEVs and plug-in hybrid electric vehicles (PHEVs) on the road.

The adoption of the ACC II regulation is not happening in isolation. The automotive industry has committed to expanding ZEV offerings and many automakers are already on a roadmap to transition to 100% ZEVs by 2035. Providing market certainty through a sales requirement unlocks greater deployment of capital, as evidenced by the \$200+ billion worth of announced sector investments within the past four years. Commensurately, as battery and vehicle production achieve greater economies of scale, ZEV cost declines are expected. Projections show ZEVs reaching purchase cost parity with internal combustion engine (ICE) vehicles by the mid to late 2020's, after which they are projected to further decline in cost, saving money for all consumers, with particular benefit for low-income consumers.

Illinois's recent EV growth shows the state is ready to lead on clean transportation—but adopting the ACC II regulation is essential to sustain and expand this momentum. New EV registrations in Illinois grew by more than 50% in the first quarter of 2025, far outpacing the 12% national increase projected by Cox Automotive. Without a binding ZEV sales requirement like ACC II, this progress risks slowing as early incentives phase out. ACC II would accelerate EV adoption, build a stronger used EV market, and expand clean transportation access to more Illinois residents. Illinois' EV surge proves it is ready for this next step.

¹⁰ https://www.erm.com/contentassets/f3d6061dd8a04147a3f38b7db256ae44/il-clean-trucks-report.pdf

¹¹ https://www.epa.gov/system/files/documents/2024-03/illinois-priority-climate-action-plan.pdf

¹² https://dnr.illinois.gov/outreach/climate-action-plan.html



Illinois is already equipped to take on this regulation. Illinois electric utilities are well positioned to support passenger vehicle electrification with the recent approval by the Illinois Commerce Commission of ComEd and Ameren's grid plans and their approved Beneficial Electrification Plans. The grid plans approved in December 2024 lay the foundation for essential grid investment, focusing on peak-load reduction and cost-effective grid update plans. The Beneficial Electrification Plans focus includes residential, medium-heavy duty, transit, and school programs. These programs will build the electric backbone for the transportation sector and facilitate EV adoption by ensuring that fleets, communities, and highway networks are prepared to support ZEVs at scale to achieve Illinois' decarbonization goals.

CALSTART acknowledges that for regulations like ACC II and others to be effective, industry needs incentives and support for implementing policy. CALSTART will continue pursuing opportunities to address the entire ecosystem of policies required to transition to zero emissions and looks forward to working with agency staff on additional efforts to support the successful transition of the industry to ZEVs.

Thank you for the opportunity to provide comments on this important proposed regulation package.

Sincerely,

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