

# DAIMLER TRUCK

## North America

Daimler Truck North America (DTNA) is the leading manufacturer of class 6-8 commercial vehicles in North America. We are committed to leading the industry's transition to zero-emission vehicles (ZEVs). To ensure a smooth transition for the industry and our customers, we encourage regular engagement with industry OEMs to seek feedback on policy proposals and thank you for the opportunity to provide feedback on Oregon's Commercial Truck Rebate Program.

Incentives are a significant contributor to reducing the total cost of ownership for buyers of new commercial ZEVs. Unlike the passenger car segment where purchases are largely discretionary, commercial vehicle sales are necessary tools for fleet operators. Therefore, **incentives must be designed to bring parity between the purchase and operating costs of commercial ZEVs vs. the conventionally powered equivalents**. In the absence of parity in total cost of ownership, commercial ZEV purchases will remain cost prohibitive and freight companies will avoid adoption of the technologies, thereby delaying the abatement of emissions as intended.

We expect that availability of incentives and supporting infrastructure will shape the future of ZEVs; sales mandates cannot guarantee customer demand, and without customer demand, we cannot drive increased market penetration. With Oregon's adoption of California's Advance Clean Truck (ACT) rule, **we stress the importance of considering policies that go beyond sales mandates**. California has acknowledged that mandating ZEV supply alone does not foster market growth, and has enacted a variety of supporting programs to move the needle on medium- and heavy-duty ZEV adoption. Targeted approaches that align the performance and duty cycle of ZEV's, Clean Fuel Program credit market stability, and policies that hold utilities accountable for supporting the infrastructure are necessary and complementary prerequisites to vehicle incentives.

**DTNA supports full accessibility to this program for any commercial vehicle operator interested in adopting commercial ZEVs.** We oppose restrictions relating to fleet size, deployment location, or scrappage requirements. Fleet size restrictions specifically hamper the adoption of ZEV as large fleets retire their vehicle assets on regular cycles, typically 4-5 years. This process helps seed the used truck market and makes available to second-hand users more advanced vehicles with reduced emission profiles.

As important as vehicle incentive funding is for the transition to commercial ZEVs, successful transition relies heavily on ecosystem readiness. Preparing a site for charging commercial ZEVs takes time, significant investment, and robust utility commitment. **Deployment timelines from when a rebate/voucher is awarded to when it is redeemed need to consider the timeline for infrastructure readiness.** Charging infrastructure at this scale also requires heavy utility involvement for planning, siting, permitting, equipment purchasing, and construction. Alignment of the deployment timeline with infrastructure readiness is paramount for the successful deployment of commercial ZEVs. DTNA cannot stress enough the importance of reviewing utility and permitting processes to ensure that customers looking to electrify their locations do not experience significant hurdles or prolonged distribution readiness timelines.

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At DTNA, we are committed to leading the way to commercial ZEV adoption. Every facet of the electric truck ecosystem is critical to deploying these vehicles at scale and transitioning the industry to zero-emission powertrain technology. **There needs to be adequate and equal access to incentives for commercial ZEVs until total cost of ownership reaches parity with conventionally powered vehicles.** Operators of electric trucks will need funding support to construct and install infrastructure for charging their vehicles, and utility agility is necessary to meet the growing demand. The state can and must support all of these complementary policies to promote ZEV adoption while not inhibiting goods movement in the state of Oregon.