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**To:** Assembly Transportation and Independent Authorities Committee  
**From:** Eric Blomgren, Executive Director  
New Jersey Gasoline, Convenience Store, Automotive Association (NJGCA)

**Re:** Support A-4967, “Requires DEP to implement Advanced Clean Trucks regulations no earlier than January 1, 2027.”

On behalf of the nearly five thousand gas stations, convenience stores, and auto repair shops located in the state of New Jersey, we support this legislation and ask that you vote in favor of it.

When the Advanced Clean Trucks (ACT) rules were designed by California regulators, they were aspirational and done with the hope that by the time we reached the deadlines they set, everything would have somehow worked itself out. Well now that we are coming up on those deadlines, it’s clear that nearly nothing has been worked out.

Battery electric vehicle (BEV) heavy duty trucks are substantially more expensive than diesel powered vehicles, and because of the immense weight of the batteries, they must carry less of a load. With this mandate in place, manufacturers are planning to force trucking companies to purchase BEVs so that they can meet their quota.

‘Refueling’ these vehicles is also a huge challenge. In order to get them refueled relatively quickly, it requires a massive inflow of electricity for just a single charger. That is not just a financial challenge to install, but a logistical challenge in getting the utility company to make the necessary installations and upgrades, and to do so in anywhere near a timely fashion.

Our members, which includes businesses currently used by heavy duty trucks to fill up their diesel engines, have not been able to install high speed EV charging capacity for these vehicles. The expenses are huge, the disruption to regular business operations is significant and lengthy, and the financial returns are negligible. Most of the independent operators do not have a sizeable enough footprint to dedicate to not just the charging station, but the various substations and other electrical equipment the utility would need to install, nor can our members afford to have a big portion of their site be blocked off for months or years during construction and installation.

It’s also not clear that batteries are the right way to go in terms of decarbonizing heavy-duty trucks, because of the issues with weight and the recharging times. The worst thing for a retailer would be to bear the cost and disruption of installing heavy duty capable EV charging only for the market

to wind up with another fueling choice like hydrogen, or even carbon-neutral liquid fuels like biofuels.

Certain large corporations may be able to bear the costs of installation, but not the small businesses who operate most of our state's fuel stations. We worry that this policy, and the corresponding Advanced Clean Cars II regulation which imposes similar mandates for passenger vehicles, will have the long-term effect of gutting the transportation fueling marketplace and transferring wealth from independent small business owners (many immigrants or first-generation Americans) and to some of the biggest corporations in the country.

Given that the BEV trucks will be much more expensive, unable to carry as much, and unable to be on the road as frequently, the cost of shipping and delivering the goods on that truck will be higher—and that **means higher costs for every business which takes deliveries of products of some kind**. Unfortunately, those higher costs of doing business will **be passed on entirely to the consumers** in our state. That includes the food that fuels people, and the gas, motor oil, and auto parts that keep them on the road.

Over the medium term, this policy will also have a negative impact on our petroleum products gross receipts tax rate. The per-gallon rate of our PPGRT is set based on the amount of total gallons of gasoline and diesel motor fuel sold in the previous year. While the State has recently added a separate EV registration fee and reinstated the sales tax on EVs, that revenue is not dedicated to the TTF nor is it allowed to be considered by the Treasurer in determining the per-gallon fuel tax rate. As a result, in the years to come the gas tax rate will enter a kind of death spiral as it increases ever more trying to hit a revenue target, a burden that will fall disproportionately on lower- and middle-income households as they are the ones least likely to be able to afford the switch to an EV. As it gets more expensive to fuel the remaining diesel trucks, that expense will get passed on to consumers, further increasing the cost of goods.

While climate change is a global problem, the presence of the ACT rule in our state has an impact on the climate that is so negligible it is effectively zero. The people of this state should not be forced to see their cost of living increase any further for no benefit. It's also worth noting that these BEVs are not genuinely zero emissions vehicles. About half of the electricity that would be used to power them comes from fossil fuels. There are also meaningful emissions from the deterioration of the tires and brake pads, a deterioration which increases as the vehicles get heavier from the increased amount of batteries.

Shifting trucking to our unprepared and underinvested-in electrical grid also harms our state's overall resiliency but removing some of the redundancy in our energy supply. I am reminded of our experience with Superstorm Sandy, not to mention the regular tropical storms and nor'easters we are subjected to every year that cut the power supply, sometimes for days and occasionally for

longer. The ability to rely on a liquid fuel when the grid is shut down—be it diesel, biofuel, or hydrogen, protects us and helps our emergency services operate and our economy get back to normal faster. The movement of goods by truck—including motor fuel distribution itself is an essential service.

I thank the Chairman for his leadership in sponsoring this bill and having it before the committee today. **Not moving this legislation will mean higher prices for consumers that will increase the cost of living for every resident. We ask that you take a stand against high prices by supporting this reasonable, compromise legislation.**

