

October 8, 2020

NJ Department of Environmental Protection
P.O. Box 402
Trenton, NJ 08625

Submitted electronically to the New Jersey Department of Environmental Protection (DEP) at
NJAirRulesMobile@dep.nj.gov.

RE: Comments regarding proposed New Jersey Protecting Against Climate Threats (PACT) regulations for Advanced Clean Trucks, Heavy-duty Engines and Vehicles and Fleets.

The American Fuel & Petrochemical Manufacturers (AFPM) appreciate the opportunity to submit comments regarding the proposed NJ PACT California rules for trucks: (1) Advanced Clean Truck Regulation; (2) Zero Emissions Fleets Regulation; and (3) Heavy-Duty Engine and Vehicle Omnibus Regulation.

AFPM is a trade association representing high-tech American manufacturers of virtually the entire domestic supply of gasoline, diesel, jet fuel, and other fuels, as well as the petrochemicals used as building blocks for thousands of products in daily life. Our members make modern life possible by meeting the needs of our nation and local communities, strengthening economic and national security, and directly supporting over 3 million American jobs.

The fuel and petrochemical industries have long maintained a strong presence in New Jersey and have worked hard to positively impact the communities in which our members operate. Collectively, our industries contribute \$16.5 billion to the overall New Jersey economy¹ and are responsible for almost \$850 million in state and local taxes annually.² Directly and indirectly, our industries also support over 28,000 New Jerseyans³ with average salaries well over \$120,000.⁴ Today, U.S. refiners are the most technologically advanced and efficient in the world. Collectively, the industry has invested hundreds of billions of dollars to produce ever cleaner gasoline and diesel fuels and to improve the environmental performance and efficiency of our facilities and operations.

We support constructive goals that improve efficiency while protecting the environment. AFPM urges state officials to implement policies that are technology-neutral in nature rather than mandate the use of specific nascent and potentially speculative technologies. Advancements to the internal combustion can also play significant roles in reducing GHG and NOx emissions in a quick and cost-effective manner..

DEP must also consider the potential supply chain issues inherent to mass electrification of the transportation sector. For instance, the manufacture of battery electric vehicles (BEV) requires the use of a variety of critical minerals and rare earth elements, few of which are currently mined in the U.S. due to stringent permitting and environmental regulations. One obvious effect of zero emission vehicles (ZEV) mandates would be an overreliance on foreign nations – including potential adversaries – to provide manufacturers with sufficient supplies of raw materials. As it currently stands, many of these critical minerals remain vulnerable to disruption.

¹ IMPLAN 2016 Data, Output (\$) (Direct), NAICS 324110, 325110, & 325199.

² IMPLAN 2016 Data, Total State & Local Taxes (Direct, Indirect & Induced), NAICS 324110, 325110, & 325199.

³ IMPLAN 2016 Data, Total Employment (Direct, Indirect & Induced), NAICS 324110, 325110, & 325199.

⁴ U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages, 2016 Annual Average for NAICS 324 & 325.



Finally, AFPM would stress the importance of ensuring this rulemaking process be conducted in a thoughtful, deliberate, and transparent manner. Any estimates of direct or indirect costs imposed on taxpayers and/or ratepayers as a result of these regulations should be shared publicly. DEP must also provide plenty of opportunities for stakeholder engagement in order to develop an effective program with widespread buy-in that will help to achieve the environmental goals of the state.

In 2019, petroleum products accounted for 91 percent of the total U.S. transportation fuels and, according to the Energy Information Administration (EIA), are projected to continue supplying up to 90 percent through mid-century.⁵ AFPM members have invested – and will continue to invest – billions of dollars to make these fuels as clean and efficient as possible. AFPM remains committed to working with policymakers and other stakeholders to develop policy ideas that address climate change and other environmental challenges in a balanced, measured way that ensures the long-term economic, energy, and environmental needs of humanity are met.

Respectfully submitted,

Don Thoren
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American Fuel & Petrochemical Manufacturers

⁵ Annual Energy Outlook 2020: Transportation, Energy Information Administration (EIA), <https://www.eia.gov/outlooks/aeo/pdf/AEO2020%20Transportation.pdf>.