

Statement of Joseph R. Sculley
President, Motor Transport Association of Connecticut (MTAC)

Before

Environment Committee

on

March 13, 2017

**RE: HB 7427, AN ACT ESTABLISHING A CARBON PRICE FOR FOSSIL
FUELS SOLD IN CONNECTICUT**

Good afternoon Co-Chairmen Kennedy, Miner and Demicco, as well as Ranking Member Harding, and members of the Environment Committee. I am Joe Sculley, president of the Motor Transport Association of Connecticut (MTAC). MTAC represents commercial motor carriers (trucking companies), as well as businesses that happen to operate commercial trucks in conjunction with their primary line of business. This includes carriers that distribute gasoline to gas stations in Connecticut and all over the Northeast, and various types of fuel used to heat homes and businesses.

MTAC appreciates that proponents of this bill want to protect our environment, however, MTAC does not believe that this bill is necessary or practical. Major environmental policy is best left to the federal government, to ensure a “level playing field” so that states like Connecticut remain competitive. If this bill were to pass, it could very likely have the unintended consequence of driving fuel purchases, businesses, and jobs out of the state. The fact that Connecticut is geographically small would enable that.

Motor carriers who store bulk fuel in a tank on their property could purchase it in a nearby state in order to avoid the tax “at the first point of sale.” Fuel distributors who have operations in other states in addition to CT could relocate most of their operations, but continue to deliver into CT. This would ensure that they can just add the tax to their customers’ bill because it would be the “first point of sale.”

From a trucking perspective, MTAC believes this bill is unnecessary because of progress that is being made through federal government actions. Gone are the days of big rigs blowing soot from an exhaust pipe. The phrase “these are not your father’s trucks” comes to mind.

Trucking was the first freight industry to widely use advanced diesel engine emissions control systems. In 2002, the industry began buying new trucks which incorporated exhaust gas recirculation (EGR) combined with other emission control technologies to reduce tailpipe



emissions of nitrogen oxides (NO_x) by half. The additional cost of purchasing this new engine technology has been estimated to be as much as \$500 million annually.

Beginning in 2007, the new diesel trucks purchased by the industry began incorporating diesel particulate filters (DPFs) to reduce tailpipe emissions of particulate matter (PM) by at least 90 percent. These trucks also achieved the first half of a 90 percent reduction in NO_x emissions which was fully implemented in 2010. In other words, every 10 new trucks purchased today equals the NO_x and PM emissions produced by a single truck purchased just 11 years ago.

To enable the use of these new emission reduction technologies, the trucking industry began transitioning to ultra-low sulfur diesel fuel (ULSD) in 2006. By late 2010, all of the highway diesel fuel sold in the United States contained near-zero levels of sulfur (<15 parts/million). This is an approximate 97% reduction from the previous type of diesel that was used. The additional cost of purchasing this new low-emission engine technology and fuel has been estimated to be as much as \$4 billion annually

With each new truck purchase further expanding the use of PM and NO_x controls, emissions from heavy-duty diesel engines are projected to significantly decrease over the next decade. According to the Environmental Protection Agency, between 2007 and 2015, nationwide PM and NO_x emissions from heavy-duty diesel trucks was reduced by more than half. By 2020, these emissions will be reduced by more than 75 percent.

Beginning in 2014, new diesel trucks began to incorporate enhanced aerodynamics, low rolling resistance tires and other innovative technologies to improve fuel efficiency and reduce carbon dioxide (CO₂) emissions. This was done after the joint EPA/NHTSA rulemaking known as “Phase 1.” The additional cost of purchasing this new technology has been estimated to be as much \$8 billion.

Also included in this testimony is a copy of remarks I presented to the Governor’s Council on Climate Change (GC3) last week, which discusses the benefits of a recent “Phase 2” EPA/NHTSA rulemaking on fuel efficiency and greenhouse gas emissions. In summary, the Phase 2 rule will result in 20% GHG (CO₂, CH₄, N₂O) emission reduction by 2050. By 2040, there will be a 18.5% reduction. The scope of this rule applies to heavy-duty tractor-trailer combinations, vocational trucks, and pickup trucks.

The trucking industry is more than doing its part. Now is not the time for this bill, which would not improve upon the benefits that have already been realized and continue to be phased in. This bill will only result in higher prices for all businesses and residents in CT.