Maryland Energy Administration

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Mary Beth Tung, Director

TO: Members, House Environment and Transportation Committee
FROM: Mary Beth Tung – Director, MEA
SUBJECT: SB0137 (HB0334) - State Vehicle Fleet - Conversion to Zero-Emission Electric Vehicles
DATE: February 11, 2021

MEA POSITION: Letter of Information

The proposed legislation will restrict purchase options for the State transportation vehicle fleet to fuel cell electric and plug-in electric vehicles.

MEA advises that this limited approach may eliminate other viable alternatives. Though certain technologies may garner more public support or commonly be thought to be superior, the State should act on the best data available to achieve the greatest reduction in greenhouse gas (GHG) emissions at the lowest possible price to taxpayers. The State should not be dissuaded from its energy and environmental goals based on misinformation no matter how passionately or frequently it is repeated.

MEA runs incentive programs that aim to reduce petroleum use in Maryland's transportation sector. The programs accomplished this goal by increasing the availability of alternative fuel refueling and electric charging infrastructure in the state. MEA's transportation sector programs include both the Electric Vehicle Supply Equipment (EVSE) Rebate program and the Alternative Fuel Infrastructure Program (AFIP). AFIP is a technology-neutral grant program intended to alleviate range anxiety concerns by increasing the number of alternative fuel refilling/charging stations across the state. AFIP projects receiving an award in FY20 are still in progress, but estimated project benefits for this single fiscal year include an estimated annual petroleum displacement of 1,843,094 gasoline gallons equivalent (GGE). Additionally, a recently released report on the use of compressed natural gas (CNG), when sourced from renewable sources, could actually result in *negative* GHG emissions for PM2.5 and NOx.

Selecting an alternative fuel option may also result in greater cumulative environmental benefits, as the incremental cost of these technologies tends to be significantly lower, allowing for a more efficient use of finite economic resources. Lastly, State vehicles, even light-duty vehicles, serve a variety of purposes. The limited options available for zero emission vehicles may hinder selection to variants that do not adequately fulfill the needs of a State entity.

The transportation sector has surpassed energy generation as the #1 contributor to GHG emissions. MEA urges that State agencies be allowed to remain flexible in selecting the option that matches their fleet duty cycles appropriately while producing the greatest GHG emission reductions with the limited resources available to them. MEA uges the Committee to consider the foregoing prior to issuing a report on House Bill 592.