

# V O L V O

TO: The Honorable Marc Korman, Chair  
Members, House Environment & Transportation Committee  
Delegate William J. Wivell and Delegate William Valentine

FROM: Richard A. Tabuteau

DATE: February 8, 2024

RE: **FAVORABLE** – House Bill 437 – *Maryland Zero Emission Electric Vehicle Infrastructure Council – Membership*

---

The Volvo Group drives prosperity through transport and infrastructure solutions, offering trucks, buses, construction equipment, power solutions for marine and industrial applications, financing and services that increase our customers' uptime and productivity. Founded in 1927, the Volvo Group is committed to shaping the future landscape of sustainable transport and infrastructure solutions. The Volvo Group employs more than 100,000 people worldwide and serves customers in more than 190 markets. Volvo Group North America employs around 14,000 people in the United States and operates 11 manufacturing and remanufacturing facilities in seven states.

In Maryland, Volvo Group North America's Hagerstown Powertrain Production facility employs nearly 2,000 people including over 1,400 members of the UAW Locals 171 and 1247 and is the last major automotive manufacturer in the state. The plant develops, manufactures, and tests heavy-duty powertrains, transmissions and axles for its Mack and Volvo trucks as well as Prevost and Volvo buses at its 280-acre campus. Volvo Group also employs more than 60 people at one of its U.S. parts distribution facilities in Elkridge.

House Bill 437 alters the composition of the Maryland Zero Emission Electric Vehicle Infrastructure Council (ZEEVIC) to include a representative of a heavy-duty plug-in electric drive vehicle manufacturer. Currently, only a representative of a light-duty plug-in electric drive vehicle manufacturer serves on ZEEVIC.

ZEEVIC was established in 2011 and charged with the development of policies, recommendations, and incentives that increase awareness of zero-emission vehicles (ZEVs), support the ownership of ZEVs, and promote investment by the private sector in ZEVs; the development of recommendations for a statewide EV charging and hydrogen refueling infrastructure plan; and the development of other potential policies to promote and facilitate the successful integration of ZEVs into Maryland's transportation network.

Volvo and Mack Trucks are the North American industry leaders in Zero-Emission (ZE) Class 8 truck sales. In 2020, the Volvo Group made a global commitment to having 100% of its product sales being fossil free by 2040, including a nearer term goal of 35% of product sales being zero-emission by 2030. The Hagerstown plant plays a key role in this transition through the manufacturing of all modular power boxes for the Volvo VNR electric and Mack LR electric Class 8 trucks. Mack Trucks also sells an electric refuse truck.

As ZEEVIC continues its mission to develop policies, recommendations, and incentives around ZEVs, it is vitally important that it also have perspective and information about the unique characteristics of ZE heavy-duty trucks and the requirements for the successful adoption of these vehicles in Maryland. As such, representation of a heavy-duty plug-in electric drive vehicle manufacturer on ZEEVIC is extremely important.

Volvo Group urges the House Environment & Transportation Committee to give House Bill 437 a favorable report.

**For more information call:**

Richard A. Tabuteau  
347.886.2904

## Medium- and Heavy-Duty Vehicle Infrastructure Recommendations

### Introduction

The Zero Emission Electric Vehicle Infrastructure Council (ZEEVIC or Council) convened the Medium- and Heavy-Duty Vehicle (MHDV) infrastructure working group (WG) to explore barriers and opportunities for the trucking and freight sectors to adopt electric vehicle (EV) technologies. The WG's goal was to identify recommendations for promoting the transition of MHDVs to clean technologies.

A detailed report on WG meetings, invited speakers, and background material is included as Appendix D of the [2023 ZEEVIC Annual Report](#). The WG presented its draft recommendations to the Council at the October 25, 2023 meeting. Draft recommendations were subsequently posted on the ZEEVIC web page to solicit additional public comment. This report represents the outcome of these conversations and process.

Recommendations are presented in three categories: actions that could be undertaken by Maryland State Agencies or by the Council; actions that could be undertaken by Utilities or by the Public Service Commission (PSC); and a third category of general recommendations. These recommendations aim to inform further conversations and efforts that will unfold in 2024.

### Recommendations

#### **Recommendations for ZEEVIC or Maryland State Agencies to advance:**

1. Develop a map of depot locations for the State of Maryland.
2. Develop a website that identifies the steps a business would have to take to electrify its facilities. This site should act as a clearinghouse of information and contacts. Information would include at a minimum a brief description of the action, the appropriate agency (private or public), the specific agency program and a contact person.
3. Develop a pilot program for Depot Electrification— Work with the Maryland Energy Administration in developing their MHD Grant Program that would incorporate the feedback and information received in this working group to fund an MHD electric vehicles pilot program to test different approaches to overcoming barriers to site development and managed charging.
4. Incentives: Based on industry feedback and reviewing programs offered in other states, determine the recommended funding levels for a MHD electrification incentive program. Maryland currently has allocated \$10 million per year through 2027.
5. Ensure that feedback received during these workgroups is included, where appropriate, in the Needs Assessment Study that will be conducted as part of Maryland's adoption of the Advanced Clean Truck regulation.
6. Data sharing for utility planning – State, or an agency with oversight authority, to gather forecast data and provide to PSC/ utilities to improve planning.
7. Outreach to industry – Provide directed outreach to fleet operators and depot owners on electrification process and the management of load from EV charging.

#### **Recommendations for PSC and Utility companies to advance:**

8. Improve Energization Process – Explore opportunities to reduce uncertainty concerning utility infrastructure needs, timelines, and costs.

9. Commercial Rates – Identify opportunities for PSC/ Utilities to help evaluate different cost scenarios to better understand potential fluctuations in operational cost.

**Other General Recommendations:**

10. Considerations for Incentive Programs (could be offered by State or utilities)
  - Incentive programs should require or encourage off-peak charging and use of load management equipment and strategies.
  - Incentive programs should be flexible in the features required to lower investment needs while considering the impact to ratepayers and the investment to the utility infrastructure.
  - Utility Make-Ready programs should not hinder the ability of customers to install third party owned and operated load management equipment.
11. Zoning and Permitting – EV supply equipment projects should receive special attention from a zoning/ permitting perspective, with clear guidance and a single point of contact for applications.
12. Highway Planning – Transitioning the MHDV EV will increase truck traffic, increasing the need of capacity and truck parking, which are challenges today, and highway planning approaches should account for these issues.
13. Weight Restrictions – MHDV EVs will be heavier than current vehicles. Support policies to lift vehicle weight restriction for MHDV EV. The Maryland Department of Transportation should consider adjusting infrastructure planning and maintenance projects to accommodate heavier trucks.