MTAC MOTOR TRANSPORT ASSOCIATION OF CONNECTICUT, INC.

JOSEPH R. SCULLEY
PRESIDENT

Re: Raised Bill 5363 AN ACT ESTABLISHING A CARBON PRICE FOR FOSSIL FUELS SOLD IN CONNECTICUT

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.

PUSHING BUSINESS OUT OF STATE

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."

FEDERAL POLICY WORKS

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

90% Particulate Matter (PM) ("SOOT") REDUCTION PER TRUCK; 90% NOx REDUCTION PER TRUCK

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 NOx emissions which was fully implemented in 2010.

97% SULFUR REDUCTION

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

NEW TRUCK PURCHASES DRIVE EMISSIONS REDUCTION

With each new truck purchase further expanding the use of PM and NOx 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 NOx emissions from heavy-duty diesel trucks was reduced by more than half. By 2020, these emissions will be reduced by more than 75 percent.

COSTS TO INDUSTRY

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 through 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.

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.

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ABOUT CT TRUCKING INDUSTRY:

85.8%: number of Connecticut communities that depend exclusively on trucks to move their goods

$3.2 billion: total trucking industry wages paid in Connecticut (2016)

59,390: trucking industry jobs in Connecticut (2016)

$53,430: average annual salary in Connecticut (2016)

$8,258: average annual CT-imposed highway user fees paid by tractor trailers

$8,906: average annual fed-imposed highway user fees paid by tractor trailers