

New Jersey Chamber of Commerce 216 West State Street, Trenton, NJ 08608 njchamber.com | (609) 989-7888 #NJChamberNow

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Dear Representative Menendez:

The New Jersey State Chamber of Commerce ("State Chamber") along with other chambers and business groups around the country have voiced opposition to a waiver calling for zero emissions locomotives under review at the U.S. Environmental Protection Agency (EPA).

The State Chamber represents the varying interests of our members and to help them clear burdensome regulatory hurdles that stifle growth. This regulation brought forth by the California Air Resources Board's (CARB) would require locomotives to run with zero emissions equipment after 2035 but would start for some as early as 2030. The short time frame they are giving to implement this would cripple the national freight network as this would not only impact California -- other states could adopt it.

The technology to carry this out does not exist in the capacity that would be needed. Roughly 100 megawatts of energy would be needed to match the power of today's diesel electric locomotives and the most powerful train battery technology available today is between 5 and 8 megawatts. CARB expects the rail industry to invent a battery 20x more powerful than what currently exists, and mass produce it in the next six years.

Railroads are striving for better technology, but each poses their own challenges and need to be properly tested instead of rushed to market. An arbitrary deadline is not supported by science. If EPA allows this and freight demand is not met there will be a huge shift to truck which accounts for 23 percent of transportation emissions whereas rail today accounts for less than two percent. This is the opposite of CARBS's goal. It would cause more damage to roads and bridges and cost more in the long run.

The waiver would nullify locomotives that are older than 23 years old. The average service life of locomotives is 40-50 years and are muti-million-dollar investment for extended years of use. Most short line railroads who operate older equipment would cease operations due to compliance costs. Freight trains can move one ton of freight nearly 500 miles on a single gallon of diesel on private infrastructure helping to alleviate volumes on publicly funded infrastructure.

This waiver would cause across the board supply chain issues -- but unlike the temporary challenges we had during Covid pandemic, these would be permanent. The EPA must reject this waiver now. We respectfully hope you will agree and strongly encourage you to contact EPA Administrator Regan to share these thoughts.

The State Chamber appreciates the opportunity to provide input and respectfully requests that our views be given proper consideration.

Sincerely,

Michael A. Egenton Executive Vice President

Government Relations

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