May 20, 2025

The Honorable Maura Healey, Governor State House 24 Beacon Street Boston, MA 02133

Ms. Rebecca Tepper, Secretary Executive Office of Energy and Environmental Affairs 100 Cambridge Street, Suite 900 Boston, MA 02114

RE: Upcoming Electric Vehicle Mandates May Cause Disruption and Higher Costs

Dear Governor Healey and Secretary Tepper:

We write to you today to ask that you delay the Commonwealth's implementation of its Advanced Clean Cars II (ACC II) rule. This rule requires that beginning in model year 2026, 35% of new passenger vehicle sales in Massachusetts must be electric (EV) or plug-in hybrid electric (PHEV).

While we understand the need to reduce transportation related emissions, we do not believe this requirement is implementable at this time. Climate issues are best addressed through the implementation of policies that are realizable and scalable, not with the sudden consequences that a 35% EV mandate for passenger vehicles would introduce into the Massachusetts consumer marketplace in less than a year.

The fact is that even with the Commonwealth's aggressive efforts to encourage EV sales over the last several years, we are still short of goals. In 2024, approximately 14% of new vehicle sales in Massachusetts were ACC II compliant. At that level, EV sales would need to more than double to meet the requirement for 2026 and *triple* to meet the requirement for 2027. These below-expected levels of demand make clear that many Massachusetts drivers do not consider EVs a practical or affordable purchase at the scale needed to satisfy the current timeline in this mandate.

A primary concern is the lack of public charging infrastructure. In their 2024 Massachusetts Climate Report Card, the Executive Office of Energy and Environmental Affairs (EOEEA) reported that less than <u>half the number</u> of needed public EV charging stations have been installed.

Additionally, while Massachusetts has made significant strides installing EV chargers in certain regions of the state like Greater Boston, areas in central and western Massachusetts still lack sufficient public charging locations. Mandating electric vehicle quotas without adequate charging infrastructure will only increase consumer frustration.

Finally, the uncertain economic climate and supply chain issues are further driving up consumer costs. Combined with the high cost of living here - second highest in the nation according to a recent article - business owners are struggling just to keep their lights on. We are fortunate that your Administration is addressing this challenge, but the fact is that general economic uncertainty is real and a top concern for business owners.

This issue is not unique to Massachusetts. Auto dealers nationally are <u>reporting lower EV sales</u> citing similar reasons.

On a broader level, the transition to electric vehicles will require significant <u>new investments in our electrical distribution system</u>. The 2024 Massachusetts Climate Report Card <u>noted this challenge as it relates to EVs</u> stating "electric grid capacity constraints continue to be a barrier for installing charging infrastructure, and considerable investments in electric infrastructure will be needed to accommodate EV charging needs."

On behalf of our members, we ask that you reconsider ACC II's expensive, unrealistic EV mandate and focus on policies that work toward smart, sustainable, and cost-friendly zero emissions strategies.

We look forward to working with your office on our shared goals.

Sincerely,

National Federation of Independent Business

Retailers Association of Massachusetts

Massachusetts Chemistry and Technology Alliance

Blackstone Valley Chamber of Commerce

Brewster Chamber of Commerce

Cape Cod Canal Regional Chamber of Commerce

Cranberry Country Chamber of Commerce

Franklin County Chamber of Commerce

Metro South Chamber of Commerce

Neponset River Regional Chamber of Commerce

North Central Chamber of Commerce

One SouthCoast Chamber of Commerce

Taunton Area Chamber of Commerce

Tri-County Chamber of Commerce

United Regional Chamber of Commerce

Western Massachusetts Economic Development Council

cc:

The Honorable Kim Driscoll, Lt. Governor

Ms. Melissa Hoffer, Climate Chief

Ms. Bonnie Heiple, Commissioner, Massachusetts Department of Environmental Protection