



BlueGreen Alliance

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Response to the Environmental Protection Agency's Request for Information on the Clean Heavy-Duty Vehicles Program

The BlueGreen Alliance (BGA) unites labor unions and environmental organizations to solve today's environmental challenges in ways that create and maintain quality jobs and build a stronger, fairer economy. Our partnership is firm in its belief that Americans don't have to choose between a good job and a clean environment—we can and must have both. Through the passage of the Inflation Reduction Act, and through its programs' implementation, legislative and agency action can work together to ensure that good jobs and a clean environment also advance critical priorities like economic and climate justice. We appreciate the opportunity to inform/respond to the Environmental Protection Agency (EPA) Request for Information on transportation programs, particularly the Clean Heavy-Duty Vehicles Program.

Reducing emissions from heavy-duty vehicles through the EPA's Clean Heavy-Duty Vehicles Program is among the most important ways that climate policy can redress the harms of inequitable transportation and land use planning decisions of the past, which have impoverished and polluted Black and low-income communities by locating major sources of local pollution, like industrial facilities and highway infrastructure near and within them.¹

EPA now has the opportunity to ensure that the \$1 billion appropriated for the implementation of the Clean Heavy-Duty Vehicles Program maximize benefits to the public, namely the communities where awardees are located, and the workers—manufacturing workers, drivers, mechanics, and electric vehicle supply equipment (EVSE) electricians—who are impacted. BGA's principles that undergird our recommendations are provided below; responses to each of EPA's questions on the Clean Heavy-Duty Vehicle Program follow.

First, the transition to zero-emission vehicles, including Class 6 and 7 vehicles, represents a significant opportunity for the current and future workforces that will make the transition possible. This begins with the auto manufacturing and supply chain workers who will build the vehicles and charging infrastructure funded by the Clean Heavy-Duty Vehicles Program.

¹ Deborah Archer, "Transportation Policy and the Underdevelopment of Black Communities," March 28, 2021. Available Online: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3797364#.

The federal government plays one of the most central roles in driving and shaping private investment in the auto manufacturing sector. The evidence lies in the private sector's overwhelmingly positive response to recent executive, legislative, and agency actions that are working together to onshore the clean vehicle supply chain, and to create good union jobs in auto manufacturing here in the United States.² Since the start of the Biden administration, the White House has strongly communicated its intention to use federal dollars to rebuild American manufacturing writ large through a restored commitment to critical policies like Buy America and Buy American. Congress has echoed this commitment through its passage of the updated Clean Vehicle Tax Credit in the Inflation Reduction Act, which targets the credit's use to vehicles that meet particular vehicle assembly, critical mineral, and battery component requirements. In its notice of proposed rulemaking on the National Electric Vehicle Infrastructure program, the Department of Transportation modeled how agencies can reify the importance of adherence to Buy America policy through their program design and implementation processes.³ The result of all of these actions, among others, is that the pace of private investment in a U.S. electric vehicle (EV) manufacturing supply chain has accelerated dramatically. Every week, major automakers—American and foreign alike—are retooling their existing facilities and announcing new facilities on U.S. soil.⁴

Through the Clean Heavy-Duty Vehicles Program, EPA has the opportunity to build upon this momentum, but it won't happen automatically or by accident. EPA must design the competitive grant application process to require applicants to purchase Buy America compliant Class 6 and 7 vehicles, and preference those committing to purchasing vehicles and equipment made by union workers. This is the only way to ensure that the funding EPA administers supports domestic and high-road manufacturers who are providing their employees with better-than-average wages & benefits in safe, diverse, and democratic work environments. As we witness the development of a brand new auto manufacturing supply chain here in the United States, EPA can help model and define what the community-supporting jobs in that supply chain look like.

Workers at unionized facilities, like the Thomas Built school bus manufacturing plant in High Point, North Carolina; the Gillig plant in Livermore, California; and the Proterra plant in the City of Industry, California, are already supporting the transition to clean, heavy-duty vehicles. By requiring applicants to purchase Buy America compliant buses and equipment, and prioritizing

² The White House, "Fact Sheet: President Biden's Economic Plan Drives America's EV Manufacturing Boom," September 2022. Available Online: <https://www.whitehouse.gov/briefing-room/statements-releases/2022/09/14/fact-sheet-president-bidens-economic-plan-drives-americas-electric-vehicle-manufacturing-boom/>.

³ Federal Highway Administration and U.S. Department of Transportation, "Notice of Proposed Rulemaking on the National Electric Vehicle Infrastructure Program," June 2022. Available Online: <https://www.federalregister.gov/documents/2022/06/22/2022-12704/national-electric-vehicle-infrastructure-formula-program>.

⁴ Protocol, "Companies are finally investing in making EVs in the US. Here's a running list.," October 2022. Available Online: <https://www.protocol.com/climate/ira-ev-tax-credits-us>.

funding for applicants purchasing union-made equipment, EPA can help realize a domestic, clean heavy-duty vehicle supply chain that supports existing high-quality jobs and creates new ones.

The potential benefits for workers, however, extend beyond the auto and EVSE manufacturing supply chains. Congress has authorized EPA to ensure that the Clean Heavy-Duty Vehicles Program supports the workers who operate and maintain the new technology, such as the drivers of the zero-emission vehicles, the mechanics who service the vehicles, and the electricians who install, maintain, and operate the accompanying EVSE. Legislative text clearly indicates that program funds can be used for “workforce development and training to support the maintenance, charging, fueling, and operation of zero-emission vehicles.” These workforce and training programs equip incumbent drivers, mechanics, and electricians who have been supporting these fleets to navigate the new technologies that come with cleaner vehicles, such as charging infrastructure, regenerative braking systems, and electrical drivetrains. High-quality training programs like U.S. Department of Labor/State Apprenticeship Agencies’ (USDOL/SAA) Registered Apprenticeship Programs (RAPs) and pre-apprenticeship programs pave clear career pathways for workers interested in the EV fleet sector, while programs like the Electric Vehicle Infrastructure Training Program (EVITP) provide qualified electricians with the new credentials they need to make sure that EVSE is installed, maintained, and operated safely.⁵ EPA should ensure that grantees receiving Clean Heavy-Duty Vehicle Program funds have clear plans to make use of available workforce development and training programs like RAPs, EVITP, and other union-affiliated training programs. Applicants should demonstrate how they will leverage program funding to retain and upskill their incumbent workforces, while also demonstrating how they will coordinate with USDOL/SAA Registered Apprenticeship Programs, pre-apprenticeship programs, and other union-affiliated training programs to seed a deep, diverse, and localized pipeline of workers who will be prepared to install, maintain, and operate clean heavy-duty vehicles and their accompanying EVSE. For example, applicants seeking Clean Heavy-Duty Vehicle Program funds for school bus replacements should be encouraged through the application scoring process to work with schools offering Career and Technical Education to develop curriculum, provide internships to students, and provide externships to teachers in order to secure a local pipeline of trained workers for new jobs in the EV sector.

Second, public investment should prioritize the improvement of municipal, public transit, and public school bus fleets—particularly those serving disadvantaged communities. The Clean Heavy-Duty Vehicles Program supports the replacement of Class 6 and 7 vehicles, many of which are typically used for the provision of essential public services, like transit, transportation to schools, and waste management. The benefits of the transition to clean vehicles must extend to those who cannot or choose not to drive a personal vehicle. The Inflation Reduction Act included numerous resources to defray the upfront cost of clean vehicles for private fleets, including the 45W Commercial Vehicle Tax Credit, the 30C Alternative Vehicle Refueling Infrastructure Tax Credit, and Grants to Reduce Air Pollution at Ports. Heavy-duty fleets completing routes under 250 miles per day are expected to see parity between the total cost of ownership of EVs and diesel

⁵ Electric Vehicle Infrastructure Training Program. Available Online: <https://evitp.org/>.

vehicles by this year, thanks to the investments in the Inflation Reduction Act alone.⁶ While private fleets have the financial flexibility to recoup their costs through operation and maintenance savings over time, public transit agencies, school districts, and municipalities are significantly more limited in their financial and personnel resources. There remains a significant need to support public fleets, like transit, school, and municipal fleets, in assembling the upfront resources needed to transition to cleaner alternatives.

One indicator of the need to direct additional resources to public fleets is the unprecedented demand for EPA's Clean School Bus Program in the fall 2022 rebate application round.⁷ Another is the relatively minor share of Diesel Emission Reduction Act grants that were awarded to public fleets in 2021; of all of the projects receiving DERA funding in 2021, only four projects supported transit bus replacements/retrofits, and only ten supported school bus replacements/retrofits, compared to the 18 projects supporting freight vehicle transitions and 21 supporting port vehicle transitions.⁸ Directing Clean Heavy-Duty Vehicles Program funding toward municipal, transit, and school bus fleets would fill a gap in existing DERA funding and meet a significant demand illustrated by the Clean School Bus Program's first round of funding.

Finally, reducing emissions from vehicles is not enough. Through the Clean Heavy-Duty Vehicles Program and others, public investment must work to reduce vehicle miles traveled (VMT). The quality of transit and school bus service should not be sacrificed in the transition to cleaner vehicles; ideally, awardees should demonstrate how service will be improved through the incorporation of new clean vehicles in the fleet. Pandemic-related cuts to transit service, for example, have demonstrated how reductions in service contribute to increased VMT as commuters shift modes from transit to solo driving.⁹ Zero-emission transit and school buses only contribute to emissions reductions if people are actually riding in them—and people will only ride them if the service they provide is frequent, reliable, safe, accessible, and affordable. EPA must design the Clean Heavy-Duty Vehicles Program's competitive grant application to elicit particular plans from transit agency, municipal, and school district grantees detailing how they will ensure a stable or improved level of service through their purchase of cleaner vehicles. Making transit and school buses healthier and more comfortable means greater ridership and reduced reliance on personal vehicles for mobility in the areas the buses serve. EPA must highlight the importance of reduced VMT through the competitive grant application process.

⁶ RMI, "The Inflation Reduction Act Will Help Electrify Heavy Trucking," August 2022. Available Online: <https://rmi.org/inflation-reduction-act-will-help-electrify-heavy-duty-trucking/>.

⁷ US EPA, "Biden-Harris Administration Will Double Clean School Bus Rebate Awards to nearly \$1 Billion," September 2022. Available Online: <https://www.epa.gov/newsreleases/biden-harris-administration-will-double-clean-school-bus-rebate-awards-nearly-1>.

⁸ US EPA, "National DERA Awarded Grants," November 2022. Available Online: <https://www.epa.gov/dera/national-dera-awarded-grants>.

⁹ NPR, "Public Transit is Having a Slow Comeback After the Pandemic," September 2022. Available Online: <https://www.npr.org/2022/09/11/1122250673/public-transit-is-having-a-slow-comeback-after-the-pandemic>.

RFI Questions on the Clean Heavy-Duty Vehicles Program [Section 60101]

1. How do you see this program working in conjunction with the existing Diesel Emissions Reduction Act (DERA), the Bipartisan Infrastructure Law (BIL) Clean School Bus program, and programs at other agencies given the overlap in vehicles that could be funded?

It is inherent to the program that there should be some overlap in purview between the Clean Heavy-Duty Vehicles Program and other EPA programs. EPA should focus its efforts in administering this program to prioritize funding for grant and rebate applicants that will ultimately serve the public. Transit agencies, school districts, and local governments are resource-constrained, and stand to benefit most from up-front grants in particular. While many private fleets have the financial flexibility to recoup their costs through operation & maintenance savings over time, public transit agencies, school districts, and municipalities are significantly more limited in their financial and personnel resources. There remains a significant need to support public fleets, like transit, school, and municipal fleets, in assembling the upfront resources needed to transition to cleaner alternatives.

2. For which significant Class 6/7 vehicle sectors should EPA prioritize funding?

To the extent possible, funding should be prioritized for public vehicles, including transit, school bus, and municipal fleets, because they are the most resource-constrained, and will require the most financial and technical support to overcome the initial costs and administrative hurdles of fleet replacement. In particular, EPA may consider prioritizing public fleets that are purchasing their first zero-emission vehicles, and installing EVSE for the first time.

3. How can EPA ensure the benefits of this program reach low-income and disadvantaged communities?

In addition to monitoring local emissions impacts in a manner informed by environmental scientists and climate justice advocates, EPA should measure the employment and economic benefits that can arise from purchasing zero-emission vehicles, including new job openings in manufacturing, installation, maintenance, and operation of the new technology, and workforce development and training opportunities for incumbent workers in each of these sectors. Ensuring that employment and economic benefits reach these low-income and disadvantaged communities, or Justice40 communities, is an essential part of achieving equitable outcomes from the Clean Heavy-Duty Vehicle program.

Moreover, in the case of grant applicants operating public fleets like transit and school bus fleets, EPA should require applicants to detail how they will ensure a stable or improved level of bus service through their purchase of cleaner vehicles. Low-income and disadvantaged communities disproportionately rely on public transportation options for daily mobility.¹⁰ Part of ensuring equity means making sure that reducing emissions from these vehicles does not come with a degraded level of service in terms of frequency, reliability, safety, accessibility, and affordability.

¹⁰ Pew Research, "Who relies on public transit in the U.S.," April 2016. Available Online: <https://www.pewresearch.org/fact-tank/2016/04/07/who-relies-on-public-transit-in-the-u-s/>.

Much of this can be achieved through the incorporation of a community benefits plan into grant and rebate application processes. A complete community benefits plan, as described by the Department of Energy in its Funding Opportunity Announcement for the Regional Clean Hydrogen Hubs program, must describe how a project will: “support meaningful labor and community engagement, invest in America’s workforce, advance diversity, equity, inclusion, and accessibility, and contribute to the President’s goal that 40 percent of the overall benefits of certain federal investments flow to disadvantaged communities.”¹¹ Responses to the questions below suggest particular questions to require within applicants’ community benefits plans to ensure that all benefits of the program— including employment and economic benefits—reach low-income and disadvantaged communities

4. What should EPA consider in the design of the program to encourage grantees to support high-quality jobs and adhere to best practices for labor standards, consistent with guidance such as Executive Order 14063 on the Use of Project Labor Agreements and the Department of Labor’s Good Jobs Principles?

EPA should require strict adherence to Buy America policy for program-funded vehicles and EVSE. This ensures that the economic benefits of these public dollars will be maximized for manufacturing workers and communities here in the United States. However, EPA also has a role to play in ensuring that the manufacturing jobs—as well as the jobs installing, operating, and maintaining the vehicles and EVSE—supported by the Clean Heavy-Duty Vehicles Program, are good jobs. This means requiring grant applicants to hold their contractors and suppliers accountable to their workers.

Given the competitive application process, EPA has the opportunity to include measures of job creation and job quality in a weighting process for evaluating applications. For a model of how job creation and quality can be measured, EPA should look to the Department of Energy’s Regional Clean Hydrogen Hubs (H2Hubs) program, which models how agencies can center benefits for workers and communities through a competitive grant process. Strong elements of the Regional Clean Hydrogen Hubs program, which EPA may consider in its designing of the application process for the Clean Heavy-Duty Vehicles Program, are:

- A requirement that applicants describe plans to attract, train, and retain a skilled, qualified, local, and diverse workforce for both construction and ongoing operations/production/maintenance activities, including the anticipated quality of jobs the program will create (i.e., wages beyond compliance with Davis-Bacon prevailing wages and benefits, opportunities for wage progression, classification as employees, jobs for in-state workers, etc.), and a description of how these jobs will be sufficiently attractive to skilled and trained workers under competitive labor market conditions.

¹¹ Department of Energy, “Regional Clean Hydrogen Hubs Funding Opportunity Announcement,” November 2022. Available Online: <https://oced-exchange.energy.gov/Default.aspx#Foald4dbbd966-7524-4830-b883-450933661811>.

- A requirement that applicants write a detailed community benefits plan, including a social characterization assessment that demonstrates how applicants plan to minimize harm and maximize benefits in the community where program funds will be deployed
- Flexibility around applicant/community/workforce agreement frameworks according to findings from the social characterization assessment (e.g., Project Labor Agreements, Community Benefits Agreements, Good Neighbor Agreements, etc.)
- Encouragement that grant applicants receive letters of support from labor unions and community based organizations
- Clarity that projects will not be approved without endorsement of, and active participation from, local labor organizations
- Longitudinal monitoring of social and economic impacts from selected projects
- Significant emphasis on training and retraining for both new and incumbent workers

In addition to incorporating the elements listed above, within its requests for applications (as a portion of a required community benefits plan, for example), EPA may include the following questions—many of which are derived from the Community Benefits Plan requirements in the H2Hubs Program Funding Opportunity Announcement—to reflect the substantive nature of the applicants’ engagement with labor and the local community.¹²

- Please disclose the names of the contractors the applicant plans to contract with to complete the project, including the clean heavy-duty vehicle and EVSE manufacturers, and any other entities subcontracted to support installation, operation, and maintenance of the vehicles and EVSE.
- Will the applicant work with local stakeholders, including labor unions, to maximize use of the local and representative workforce to complete the project? If so, documentation and description of this work must be included with the application.
- Will the applicant ensure that its own workforce and all contractors’ workforces receive at least a prevailing wage rate, defined as the average wage paid to similarly employed workers, and fringe benefits, in a specific occupation in the area of intended employment?
- Will the applicant commit to purchasing Buy America compliant equipment, including vehicles and EVSE, from manufacturers providing their workers with the free and fair choice to join a union, such as through a labor peace agreement?
- Has the applicant, or any of the contractors engaged by the applicant, hired or entered into an agreement with a union avoidance firm in the past three years? Please include details.
- Please describe new permanent and temporary jobs being created or supported by program funding, including wages, benefits (including fringe benefits), and job classifications. Please describe methodology used to determine permanent and temporary job distinction.
- Please describe the percentage of the applicant or contractors’ workforces that includes qualified journeypersons or apprentices (Registered in a USDOL/SAA Apprenticeship

¹² Department of Energy, “Regional Clean Hydrogen Hubs Funding Opportunity Announcement,” November 2022. Available Online: <https://oced-exchange.energy.gov/Default.aspx#Foald4dbbd966-7524-4830-b883-450933661811>.

Program); veterans; women; Black, Latino, Asian American, Pacific Islander, Indigenous, and other underrepresented groups; and residents of disadvantaged communities as determined by the Justice40 initiative.

- Will the workers involved in installation, maintenance, and operation of the EV charging infrastructure on the project be EVITP certified?
- Will the applicant, or contractors engaged by the applicant, take measures to ensure that workers installing, maintaining, and operating EVSE have a free and fair choice to join a union? Please detail the measures the applicant or contractors are taking, or will take, before and during installation.
- Will the EVSE be installed, maintained, and operated under a Responsible Contractor Policy that includes affirmative performance, labor, environmental, and safety standards, along with transparency and whistleblower protections?
- Has the applicant, or have contractors engaged by the applicant, secured a Community Workforce/Benefit Agreement (CWA/CBA) or Project Labor Agreement (PLA)? Please describe any CBA or PLA the relevant organizations have secured or will secure, and provide a copy of any negotiated CBA or PLA related to program funding.
- Will the applicant, or contractors engaged by the applicant, offer “right of first refusal” to incumbent drivers, mechanics, and maintenance workers for new roles created as a result of program funding?
- In the case of applicants seeking to replace school buses: Will the applicant work with Career and Technical Education programs in public schools to provide students with work-based learning opportunities and partner with teachers to develop relevant curriculum?

5. What metrics should this program use for measuring success and ensuring accountability?

EPA should require workforce impact assessments on an annual basis to reflect on how successfully grantees adhered to the commitments to workers and communities that they made during the application process, and the requirements of the program. EPA may consider requiring the following metrics of its grantees in annual workforce impact assessments:

- List of contracting organizations (including planning contractors, vehicle manufacturers, EVSE manufacturers, operation & maintenance service providers, and any other relevant subcontractors)
- Number of permanent employees directly employed (including by contractors) as a result of program funding in the past year
- Number of temporary or contract workers directly employed (including by contractors) as a result of program funding in the past year
- Share of incumbent drivers, mechanics, and maintenance workers who retained their roles or transitioned to new roles as a result of program funding in the past year
- Share of applicant and contractors’ employees who are: journeypersons or apprentices (registered in a USDOL/SAA apprenticeship program); veterans; women; Black, Latine, Asian American, Pacific Islander, Indigenous, and other underrepresented groups; and

residents of disadvantaged communities as determined by the Justice40 initiative, who worked on the project in the past year

- Share of applicant and contractors' employees who are covered by a collective bargaining agreement
- Applicant and contractors' total expenditures on wages in the past year
- Wage rates by applicant and contractors applied per job category in the past year
- Percentage share of labor hours completed by workers enrolled in Registered Apprenticeship Programs in the past year
- OSHA or wage and hour violations by applicant and contracting organizations in the past year
- In the case of applicants seeking to purchase zero-emission school buses: Number of internships offered to Career and Technical Education students and externships to teachers in relevant roles

By incorporating the above input into its program design, EPA can ensure that the Clean Heavy-Duty Vehicles Program leaves no opportunities to advance economic and environmental justice untapped. As the transportation sector undergoes a wholesale shift to cleaner technologies in the coming years, it is imperative that federal programs—particularly equity-oriented programs such as the Clean Heavy-Duty Vehicles Program—model how the transition can lift up workers and communities while addressing the climate crisis.

Thank you for the opportunity to comment.

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