

P.O. Box 2667 180 Civic Center Drive Augusta, Maine 04338-2667

AUTOMOBILE DEALERS ASSOCIATION INC

PHONE 623-3882 • FAX (207) 623-2318 E-MAIL info@maineautodealers.com

TO: Board of Environmental Protection

RE: Advanced Clean Cars II Rule

The Maine Automobile Dealers Association (MADA) writes to express opposition to the pending Advanced Clean Cars II Rule currently before the Board. The provision of this proposal which would mandate that at least 51% of 2028 model year new light-duty vehicles (up to 8500 GVW) sold to Maine citizens be electric vehicles is unreasonable, unachievable and would severely restrict the ability of Maine citizens to purchase a vehicle which meets their needs and wants for personal, family and employment purposes. Customers decide what vehicles best fit their needs and wants – not manufacturers or dealerships.

MADA is the state-wide organization of franchised new car and truck dealerships, all of which belong to MADA. Maine franchised dealerships represent a wide variety of vehicle manufacturers, most of which, but not all, currently produce electric vehicles. MADA members whose franchisors produce electric vehicles have such vehicles on their lots for customers to see, test drive and purchase if they so choose. The availability of electric vehicles in Maine is widespread – SUPPLY IS <u>NOT</u> an issue.

Customer willingness to buy electric vehicles has declined. Customers express a number of concerns with electric vehicles: range anxiety (how far can I travel on a charge); charging infrastructure and reliability (where are public charging stations in the areas I drive – are they working – how long do I have to wait to get access to a charger); cost of using a public charger; cost of purchasing, installing and using a charger at home; cost of purchasing and financing an electric vehicle compared to an internal combustion engine (ICE) vehicle; ability of an electric SUV or pickup to provide the same performance as an ICE vehicle (can it pull a trailer with my work or recreational equipment/supplies, how far can a loaded electric vehicle travel); what is the comparative cost of vehicle insurance between an electric and ICE vehicle; is Maine's electric grid sufficient for a staggering increase in demand; cost of electricity compared to gasoline.

Maine franchised dealers have spent and continue to spend hundreds of thousands of dollars to upgrade their dealership facilities and electrical systems, install charging stations (some of which are public-facing), purchase tools and equipment to service electric vehicles, as well as educate and train personnel. Dealerships today sell and service electric vehicles their manufacturers produce and their customers want.

The Advanced Clean Cars II proposal would mandate that Maine's current 6-7% electric vehicle sales rate increase over 800% in less than 3 years (2028 model year vehicles are first available in mid-2027). No other State has reached the percentage sales numbers currently dictated by California's Air Resources Board (CARB), not even California, whose electric new vehicle sales rate is extraordinarily pushed by State incentives and is reportedly still only in the 21-22% range.

A major problem with this proposal is that "SALE" is defined by CARB, and thus Maine, as the delivery of a vehicle by a manufacturer to a franchised dealership – NOT a delivery to a customer. Manufacturers <u>will not</u> put themselves in position to pay penalties for missing the sales percentage mandates – they will adjust their delivery of vehicles to Maine dealerships to ensure that the mandates percentages are achieved. What that means is that Maine dealerships will have limited ability to meet the needs of their customer, who will travel to other states (i.e. New Hampshire) or keep their current vehicle longer – neither of these is beneficial to Maine.

For the above reasons, MADA strongly encourages the Board to reject the Advanced Clean Cars II proposal.

Thank you.

Thomas T. Brown, Jr.

President

Maine Automobile Dealers Association