

Joint Legislative Public Hearing on 2025 Executive Budget Proposal

SUBJECT: Transportation

Hearing Room CB, Legislative Office Building

Tuesday, February 6, 2025

Albany, New York

Testimony to be provided by Mr. John Hroncich, BAE Systems, North American Transit Sales Director

Thank you and Good Afternoon. I would like to thank Senate Finance Committee Chair Liz Krueger and Assembly Ways and Means Committee Chair J. Gary Pretlow for this opportunity to address you today. I would also like to thank Senate Transportation Committee Chair Jeremy Cooney, Assembly Transportation Committee Chair William Magnarelli and all of members of the joint Transportation Committee for their time today.

My name is John Hroncich. I reside in Vestal NY and work at BAE Systems' Power and Propulsion Solutions business headquartered in Endicott NY. I am the business' Director for North American transit sales. On behalf of BAE Systems' 2,000 employees across New York State, I am here to highlight our work as a leading manufacturer of electrified powertrains for transit buses, our importance to New York State's leadership position in the clean, green transportation technologies industry and ask that you support Made-in-NY products for hybrid electric buses in the MTA's 2025-2029 Capital Plan

Since 1996, nearly 30 years, we have fielded over 18,000 hybrid electric bus drive powertrains. Our work consists of designing, testing, assembling, shipping and field supporting our products globally with our skilled workforce; all emanating from our global headquarters facility in Endicott NY.

For nearly 30 years, we have been investing in our NY workforce and our presence in NY State. We have invested hundreds of millions of dollars in to our NY-based products, facilities and workforce. It is estimated that our annual economic impact to NY State is \$350M.

Our impact to New York State goes far beyond our own financial investments. Our hybrid electric bus fleet in New York City, each year, is saving the MTA 1.8M gallons in diesel fuel and eliminating 26,000 tons of CO2. These proven emissions reductions align with the targets set out in the CLCPA. Our Made-in-NY hybrid electric powertrains also support hundreds of NY State jobs in Endicott NY, our manufacturing plant location, but also at Eck Plastics In Binghamton, Mersen USA in Rochester and Tusk Manufacturing in Bohemia; just to name a few of our NY-based sub-suppliers. We also are hiring graduates every year from NY's leading universities and represent a key channel to market for NY's growing semi-conductor chip manufacturers such as Wolfspeed and Micron.

The MTA's 2025-2029 Capital Plan is an investment made by New Yorkers for New Yorkers. It will provide residents of New York City with improved transit service and facilities. It will improve the MTA's service reliability, their ability to provide safer transit and expand mass transit options to millions of New Yorkers. It also has the potential to improve air quality and reduce greenhouse gas emissions. However, the significant number of planned diesel bus purchases is limiting the Plan's potential for positive environmental impact.

The MTA's Capital Plan is also an investment for New York jobs, economic growth and further private sector investment in to New York State. For every dollar in the MTA's Capital Plan for investment in to hybrid electric buses, 80 cents would stay in NY State. If the MTA would stop buying diesel buses in favor for hybrid electric buses, \$340M of the MTA's Capital Plan would stay in NY rather than going outside New York.

Hybrid electric buses have proven themselves in New York City. They are dependable and have been made a positive emissions and fuel savings impact for the MTA. They have also become the workhorse base bus option for MTA's regional peers including Boston, Philadelphia, Washington DC, Toronto and Montreal. In fact, Philadelphia has recently retired their last diesel bus and their fleet is now 95% hybrid electric.

Members of this Joint Committee, I am asking for your support to fund hybrid electric buses in the MTA's Capital Plan. They will keep precious NY State dollars in NY, improve the air quality for the City and keep the MTA on the path toward further transit bus fleet electrification.

Thank you.