

September 25, 2019

The Honorable Mitch McConnell
Majority Leader
United States Senate
S-230, The Capitol Building
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader
United States Senate
S-221, The Capitol Building
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
H-222, The Capitol Building
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
H-204, The Capitol Building
Washington, DC 20515

Dear Leader McConnell, Leader Schumer, Speaker Pelosi, and Leader McCarthy:

The organizations listed below strongly support expanding the electric vehicle (EV) tax credit and urge Congress to approve S. 1094/H.R. 2256, the Driving America Forward Act.

Electricity is a domestically produced energy resource that will contribute to the transformation of our nation's transportation sector. Today, the technology and infrastructure exist to promote electric transportation applications that move both people and goods, usher in an era of clean transportation, and enhance the United States' energy and economic security by diversifying the fuel mix used in the transportation sector.

The EV tax credit has spurred domestic investments in manufacturing and R&D that have positioned the United States as a leader in advancing and adopting electric transportation. There are currently more than 1.2 million EVs on the road in the United States, and approximately 85,000 EVs were sold in the second quarter of 2019 alone—a 23-percent increase compared to the second quarter of last year. According to a recent study, there are expected to be 18.7 million EVs on the road by 2030.¹ There are still challenges, however, to growing this important market. Expanding the EV tax credit would continue this upward trend in the deployment of these vehicles and is needed to support the increased investments automakers are making in EVs, while ultimately reducing costs for consumers.

In addition to enhancing our nation's energy security and spurring domestic manufacturing, increased EV deployment also will reduce emissions of greenhouse gases (GHGs) and criteria pollutants from the transportation sector. As of 2018, the electric power sector had reduced its

¹ See EEI and Institute for Electric Innovation, *Electric Vehicle Sales Forecast and the Charging Infrastructure Required Through 2030* (November 2018).

carbon dioxide emissions 27 percent below 2005 levels—a trend that is expected to continue.² Additionally, between 1990 and 2017, emissions of nitrogen oxides were cut by 84 percent and sulfur dioxide by 93 percent—during a period in which electricity use grew by 36 percent.³ As electric power sector emissions have decreased and are on a long-term trajectory toward further reductions, increased EV deployment will enable further emissions reductions, creating additional environmental benefits.⁴

The Driving America Forward Act, which focuses on both the section 30D EV and the 30B Fuel Cell Tax Credit, is essential to realizing all these benefits. These tax credits are helping to develop this important market and reduce costs. When these tax credits were enacted nearly a decade ago, EVs were just beginning to appear on the market in limited offerings. Now, manufacturers are offering over 60 EVs, including a range of battery-only, plug-in hybrid, and fuel cell electric vehicles to meet consumer needs. In the past six months, virtually every major automaker has announced broad electrification plans that will more than double the number of models on sale in the coming years. This increase in vehicle availability is helping to reduce technology costs and to lower vehicle prices for consumers. Expanding and extending these important incentives through the Driving America Forward Act will only continue to fuel EV development and deployment.

While the EV market is rapidly growing, these existing incentives are still needed to continue to help newer technologies achieve scale and to become more cost-competitive. Now is not the time to have manufacturers back away from the significant investments they have made in EVs. By expanding and extending these credits, Congress will continue to spur domestic manufacturing investment throughout the supply chain, which will further drive down costs for consumers and put even more EVs on the road—all while enjoying the many environmental, security, and economic benefits EVs bring.

Again, we urge you to act now on S. 1094 and H.R. 2256 to ensure that the EV market continues to grow rapidly, and that the United States continues to be a leader in transportation innovation and electrification.

Sincerely,

Edison Electric Institute
Natural Resources Defense Council
Alliance of Automobile Manufacturers
The Association of Global Automakers
Rivian
Sierra Club

² See U.S. Energy Information Administration, *Monthly Energy Review* (July 2019), at Table 12.6, <https://www.eia.gov/totalenergy/data/monthly/pdf/mer.pdf>

³ See Power Plant Emission Trends, U.S. Environmental Protection Agency, <https://www.epa.gov/airmarkets/power-plant-emission-trends>

⁴ See EPRI-NRDC, Environmental Assessment of a Full Electric Transportation Portfolio, <https://www.epri.com/#/pages/product/3002006881/>.

Environmental Defense Fund
U.S. Hispanic Chamber of Commerce
National Rural Electric Cooperative Association
American Public Power Association
The Latino Coalition
The Nature Conservancy
Electric Drive Transportation Association
Alliance to Save Energy
Advanced Energy Economy
Illinois Citizens Utility Board
EV Drive Coalition
American Council on Renewable Energy
EVgo
Greenlots
The Alliance for Transportation Electrification
GridWise Alliance
ChargePoint
Siemens
South Florida Hispanic Chamber of Commerce
Forth
National Black Caucus of State Legislators
Plug In America
SWTCH
Coltura
California New Car Dealers Association
Ecology Center
Enervee
EV LaunchPad
EVBox
EvStructure Company LLC
Northern Colorado Clean Cities
Oregon Citizens' Utility Board
Clean Fuels Ohio
Renewable Energy Vermont
Respiratory Health Association
Center for Climate and Energy Solutions
National Electrical Manufacturers Association
Proterra
ChargEVC
National Urban League of Detroit and South Eastern Michigan
National Association of Minority Auto Dealers
National Association of County Officials
Uplight
CERES
National Organization of Black County Officials
CALSTART

Transportation Energy Partners
American Lung Association
American Resilience Project
Clean Power Research
Consumer Federation of America
Kerb_Space
Environment Virginia
National Association of State Energy Officials
California Electric Transportation Coalition
Enel Green Power North America
Union of Concerned Scientists
ChargeForward
Rocky Mountain Institute
African American Mayors Association
Lyft

Cc: Members of Congress