

June 11, 2020

The Honorable Ron Wyden, Ranking Member, Senate Committee on Finance  
The Honorable Jeff Merkley  
The Honorable Peter DeFazio, Chairman, House Committee on Transportation and Infrastructure  
The Honorable Earl Blumenauer  
The Honorable Greg Walden, Ranking Member, House Committee on Energy and Commerce  
The Honorable Kurt Schrader  
The Honorable Suzanne Bonamici

To the Members of the Oregon Congressional Delegation:

We appreciate Congress' leadership in support of those most in need amid the COVID 19 pandemic. Federal assistance will continue to be crucial to stave off additional public health risks and job losses, and we support those efforts.

As Congress begins to look for opportunities to provide for economic recovery and stimulus, we urge you to take this opportunity to make transformative investments in transportation electrification (TE). We appreciate that the House Transportation and Infrastructure Committee, under Chairman DeFazio's leadership, has released a major infrastructure bill and we greatly appreciate the elements of that proposal that support electric transportation and efforts to decarbonize the transportation sector. Transportation electrification supports technology, manufacturing, infrastructure, and maintenance jobs across the U.S.; lowers operating costs for businesses and residents driving electric vehicles (EVs); reduces greenhouse gas emissions; and significantly improves local air quality and public health. Transportation electrification complements other necessary sustainable transportation investments, including robust transit systems and neighborhood investments that support biking and walking.

We recommend Congress address two of the principal barriers to transportation electrification as part of stimulus funding: first, the purchase costs of electric vehicles and second, the availability of charging infrastructure. In Oregon, utilities, businesses, governments, and communities are working to address both barriers, but significant investment is needed to serve the growing number of electric vehicles in Oregon and to realize the economic and environmental benefits of electric transportation. We recommend support for the programs and approaches outlined below.

### **Support Adoption of Electric Vehicles**

For many consumers, the health benefits and cost savings of electric vehicles are not available due to higher up-front purchase costs. Lower income owners of motor vehicles may benefit the most from the lower total cost of ownership of electric vehicles, and rural Oregonians that have higher annual vehicle miles traveled may also be well positioned to switch to electric vehicles. Programs that directly reduce the purchase price of an electric vehicle can address this through rebates, tax incentives, and trade-in programs, and support EV manufacturing in the process.

- **Address Cost Barriers through Rebates and the Plug-In Electric Drive Vehicle Credit:** The existing 30D Plug-In Electric Drive Vehicle Credit has addressed the higher marginal cost of electric vehicles, and should be extended and expanded to continue to address this up-front cost differential to foster electric vehicle adoption in the US. The credit should be extended beyond the existing 200,000 vehicle per automaker phase-out threshold to 600,000 vehicles, as proposed in the bipartisan, bicameral Driving America Forward Act. Congress should also consider expanding this credit to used electric vehicles. We also support point-of-sale cash rebates for vehicle purchases made available through dealerships.
- **Provide Rebates for Low- and Moderate-Income Families to Switch to EVs:** Targeted grants or rebates help low- and moderate-income families switch to electric vehicles by reducing the purchase

price at the point of sale or providing a check. Cost barriers may be more pronounced in more rural communities – in addition to experiencing high poverty levels, rural residents often commute greater distances for work and spend a larger amount of their income on transportation. We recommend a low- and moderate-income rebate program like Oregon's Charge Ahead rebate program (\$2,500 rebate for a new or used vehicle) be made available nationwide and be stackable with state or local incentives. A similar rebate should be available for ebikes, which help a greater range of individuals access electric mobility.

- **Extend REAP Eligibility to Electric Vehicles:** The USDA's Rural Energy for America Program (REAP) provides guaranteed loan financing and grant funding to agricultural producers and rural small businesses for renewable energy systems or to make energy efficiency improvements. We recommend expanding the program to include electric vehicles, including medium- and heavy-duty vehicles, and electric vehicle supply equipment as eligible technology.
- **Create a Well-Designed Modern Vehicle Trade-In Program:** A scrap and replace program like a modern "Cash for Clunkers" would promote EV adoption and support EV manufacturing. Such a program should target funding to reduce the price of an electric vehicle at the point of sale if the customer trades an internal combustion engine vehicle. It would also reduce emissions and improve passenger safety, since the average age of vehicles on the road today in the United States is about 11.8 years. Congress should consider lessons from California's Clean Cars 4 All program– this program targets low income and disadvantaged communities and provides a range of options for the electric mobility choice that fits the consumer's needs.
- **Support Consumer Outreach:** Provide grants for statewide or regional consumer education and outreach campaigns to further educate consumers about the benefits of electric vehicles. An outreach program should consider a focus on disadvantaged communities and rural areas outside of urban centers.

Fleet operators, including transit districts, school districts, businesses, or municipalities, encounter both cost and suitability challenges in switching to electric vehicles. Therefore, we urge Congress to:

- **Electrify Transit and School Buses:** In Oregon, several transit districts have electric buses in service, and five electric school buses are coming to Oregon school districts early next year, but these initial acquisitions are a fraction of the fleet and are largely funded by grants or one-time funds. Congress should increase funding for electric buses and related infrastructure through the Federal Transit Authority's Low or No Emission Program or the Environmental Protection Agency's Diesel Emissions Reduction Act (DERA) program. Given the large electric load from bus charging, preference should be given to projects that demonstrate coordination with the local utility.
- **Drive Adoption of Medium- and Heavy-Duty Electric Vehicles:** Medium- and heavy-duty electric vehicles are increasingly available across a range of uses but have higher up-front costs than their diesel counterparts. Congress should adopt an EV voucher, grant, or rebate program open to public and private fleets for a range of vehicles, including buses, sanitation and delivery trucks, and others, to help close the incremental purchase price gap. Such a program could be modeled on the electric vehicle incentives included in California's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), which has provided more than 3,000 vouchers for medium-duty and electric vehicles through March 2020. We recommend that incentives be prioritized for vehicles that operate in disadvantaged communities and rural communities.
- **Electrify Government Fleets:** In the American Recovery and Reinvestment Act of 2009, Congress put \$300M into modernizing the federal vehicle fleet with more efficient and alternative-fueled vehicles. More than 10 years later, Congress should again invest in the federal fleet by transitioning to electric vehicles wherever practical and should assist states, local governments, and special districts with

vehicle electrification through grants to analyze the specific needs of their fleets and to help cover incremental costs of electric vehicles.

- **Fund Battery and Electric Vehicle Innovation:** Research and development continues to be crucial to increase battery performance and vehicle capability while also pushing vehicle costs down. Research and development is also needed to enable broad deployment of vehicle-to-grid or vehicle-to-home technologies that allow an electric vehicle to provide power to a home or utility, which improves resilience and helps balance variable renewable generation. We encourage Congress to support this R&D. We also support low- or no-interest loans for US companies developing electric mobility technologies, especially in medium- and heavy-duty vehicles, where vehicle capability and cost improvements are most needed for widespread adoption.
- **Increase Funding to the Clean Cities Program:** The US Department of Energy's Clean Cities program has funded alternative fuel vehicle, infrastructure, and research projects through the national network of clean cities coalitions for two decades and has leveraged significant private investment per federal dollar. This program can help address specific population needs and gaps, including rural and low-income populations. We recommend Congress increase and dedicate funding for grants for electric transportation through this successful established program.

### **Build Electric Vehicle Charging Infrastructure**

Adequate EV charging infrastructure is critical for consumers, businesses, and governments to confidently switch to and use electric vehicles. In Oregon, Portland General Electric has found that to serve the forecasted growth of EVs in its service territory, more than five times the approximately 1,000 public EV chargers built over the last decade will be needed by 2025. The Oregon Department of Transportation has begun the same type of analysis statewide. We support the approaches below to increasing EV charging infrastructure availability.

- **Make a Significant National Investment in EV Charging Infrastructure:** To increase electric vehicle adoption and stimulate jobs and economic development, Congress should make a significant national investment in EV charging infrastructure. Wherever possible, 'smart' connected charging equipment and coordination with the utility should be prioritized in order to integrate EV charging as cost effectively as possible. Smart charging allows the utility to communicate with the charger to schedule or reduce charging of the vehicle, in partnership with the customer, and helps utilities reduce peak loads and integrate variable renewable power. A national investment in EV charging infrastructure should target several EV charging needs:
  - **Public EV Charging Infrastructure Along Transportation Corridors:** To create a truly flexible and accessible electric transportation system, fast charging will need to be available along transportation corridors between population centers and in rural communities. Fast charging along key corridors is needed to reduce the time required to charge and is the most costly to install because it requires specialized equipment. Federal investment in public fast charging infrastructure in critical freight and transportation corridors and between cities will help provide charging access in rural areas and alleviate concerns about vehicle range. Such a program could be modeled on the USDOT TIGER grant program created during the Great Recession, which used a flexible structure and broad grant eligibility to fund transportation projects nationwide.

The Federal Highway Administration's identification of alternative fuel corridors has begun the work of targeting locations along the national highway system where charging infrastructure is needed. For example, Interstate 5 has already been designated an alternative fuel corridor and could use federal funding to leverage additional utility and private funds to prepare for and deploy both passenger vehicle charging and medium- and heavy-duty truck charging. Similarly,

the West Coast Electric Highway that provides charging from Mexico to Canada could be replicated by providing charging along key corridors further east. Designating secondary corridors such as Interstate 97 would help Oregon's more rural communities by allowing EV charging signage and unlocking additional public funding. Due to federal standards that only allow EV signs on designated corridors, rural communities are unable to place signs to attract travelers in need of charging opportunities and ease concerns about vehicle range.

- **Light Duty, Fleet, and Destination Charging:** Congress should fund a grant program through states or regional agencies to help fund the charging infrastructure needed to serve widespread consumer and commercial EV adoption. A grant program could be modeled on the State of Washington's Electrification of Transportation Systems grant program or be run through the existing Clean Cities Program or State Energy Program at the Department of Energy. As public and private fleets, workers, customers, and multi-family housing residents transition to electric vehicles, vehicle charging will be needed at businesses, workplaces, and other destinations. Fleet charging includes both home-base charging but also longer haul fleets that will need to charge along their routes. Workplace charging includes not only charging infrastructure but assisting employers in engaging employees and offering charging programs. Destination charging includes charging ports at places where people are likely to travel, such as tourism sites or national parks or forests. Building this infrastructure will create and maintain jobs and leverage additional private and utility investment in the electric transportation market.
- **Promote Installation of Smart EV Charging by Extending the Alternative Fuel Infrastructure Tax Credit:** Congress should extend the existing 30C credit for electric vehicle charging equipment and encourage 'smart' connected charging equipment be installed in order to claim the credit. To increase its value in these times of economic pain, Congress could consider making it a refundable tax credit. The credit currently expires at the end of 2020.
- **Fund Grants to States to Advance Transportation Electrification:** Planning and design are substantial and often overlooked elements of transportation electrification projects, especially for medium- and heavy-duty charging. State energy offices and transportation departments can help fill and fund this gap through federal grants. For example, transportation electrification should be made an eligible use of grants from the Department of Energy's State Energy Program, and funding should be increased to provide for TE activities. States could use these funds to provide grants for design and engineering of public and freight EV charging sites, fund fleet audits for governments preparing for electrification, conduct EV charging infrastructure needs studies, or otherwise support transportation electrification in their states.
- **Allow Rest Area Charging:** Installing charging equipment at rest areas along the interstate highway system is currently prohibited by Federal Highway Administration rule because it is considered a commercial activity. Highway rest areas are conveniently located next to highways used for intercity travel and freight, and often have adequate parking space to serve many classes of vehicles. Allowing electric vehicle charging at highway rest areas is a simple and effective way to address the challenges of range anxiety and charging adequacy.

## **Support Workers and Ensure an Inclusive Transition**

As the transportation system transforms to electric vehicles, public policy must ensure an inclusive transition that does not leave disadvantaged or rural communities behind. This includes income-qualified vehicle and equipment incentives and targeted outreach to disadvantaged and rural communities. It also includes ensuring that transportation electrification supports good living-wage jobs and providing for a skilled workforce. We support prioritizing projects that hire locally, use minority-owned businesses or women-owned businesses, and

support union labor and provide community benefits, including utilizing project labor agreements where appropriate, as well as training and apprentice programs that teach needed skills.

To facilitate the workforce transition alongside the vehicle transition, Congress should fund training and retraining for veterans, displaced, or unemployed individuals through community colleges and apprenticeships. Transportation electrification means changes in automotive manufacturing and maintenance jobs, and ushers in new jobs in charging infrastructure installation and maintenance, emerging technologies, and vehicle batteries. Training and certifications through state-approved joint management-labor apprenticeships can prepare workers for opportunities in electric transportation. Congress could model a transportation electrification workforce training grant program after the Smart Grid Workforce Training and Development grants made through the US Department of Energy as part of the American Recovery and Reinvestment Act. This program distributed \$100 million nationwide for workforce training programs in the utility and electrical manufacturing industries.

We would be pleased to discuss any of the recommendations above with you in greater depth or help refine their design. Thank you for considering these proposals.



cc:

The Honorable Charles E. Grassley  
Chairman, Senate Committee on Finance

The Honorable John Barrasso  
Chairman, Senate Committee on Environment and Public Works

The Honorable Thomas Carper  
Ranking Member, Senate Committee on Environment and Public Works

The Honorable Frank Pallone, Jr.  
Chairman, House Committee on Energy and Commerce

The Honorable Richard Neal  
Chairman, House Committee on Ways and Means

The Honorable Kevin Brady  
Ranking Member, House Committee on Ways and Means

The Honorable Sam Graves  
Ranking Member, House Committee on Transportation and Infrastructure

List of Signatory Organizations:

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| Portland General Electric                      | Prosper Portland                                      |
| Forth  | IBEW – Local 48                                       |
| Pacific Power                                  | IBEW – Local 125                                      |
| Oregon Citizens Utility Board                  | Oregon State Building and Construction Trades Council |
| Climate Solutions                              | Columbia Pacific Building Trades Council              |
| Oregon Environmental Council                   | Worksystems   |
| Northwest Energy Coalition                     | Clackamas Workforce Partnership                       |
| Cherriots                                      | Rogue Valley Clean Cities Coalition                   |
| TriMet   | Columbia-Willamette Clean Cities                      |
| SMART (South Metro Area Regional Transit)      | BlueGreen Alliance - Oregon                           |
| League of Oregon Cities                        | Port of Portland                                      |
| Portland Bureau of Planning and Sustainability | Green Energy Institute - Lewis and Clark Law School   |
| City of Salem                                  | Environment Oregon                                    |
| City of Beaverton                              | Bonneville Environmental Foundation                   |
| City of Milwaukie                              | Renewable Northwest                                   |
| City of Bend                                   | Oregon Department of Transportation                   |
| City of Eugene                                 | Oregon Department of Energy                           |
| City of Wilsonville                            | Oregon Interfaith Power and Light                     |
|  | Ecumenical Ministries of Oregon                       |