

April 29, 2019

The Honorable Chuck Grassley
Chairman
Committee on Finance
U.S. Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
U.S. Senate
Washington, DC 20510

The Honorable Richard Neal
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin Brady
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Chairmen Grassley and Neal and Ranking Members Wyden and Brady:

We urge your support for S. 1094/H.R.2256, legislation introduced by Senators Debbie Stabenow, Lamar Alexander, Gary Peters, Susan Collins and Representative Dan Kildee to update the federal electric vehicle (EV) tax credit.

EVs benefit economic growth, a cleaner environment, energy security, jobs, and global competitiveness. Together, automakers are expanding consumer choices for EVs, while electricity providers and charging companies are building out the necessary infrastructure for robust electric vehicle deployment nationwide. This translates into real benefits for consumers – electric vehicles deliver a more cost-effective, consistent, and clean driving experience, and the EV tax credit is critical to enabling more Americans to be able to access these advantages by offsetting high upfront costs.

Existing federal incentives, including research and development at the Department of Energy, have helped the U.S. EV market grow. There are more than 1.1 million vehicles on the road today, and in 2018 there was an 86 percent year-over-year growth in EV sales – a trend that is expected to continue. According to several forecasts from Bloomberg New Energy Finance, Deloitte, and Morgan Stanley, EVs are expected to reach cost parity with internal combustion engine vehicles early in the next decade. Despite these positive trends, additional certainty at the federal level is needed.

However, without legislation to extend tax credits for EVs and EV charging stations, several U.S. automakers are already hitting their caps for these incentives and EV charging companies cannot depend on infrastructure incentives in their planning. S. 1094/H.R. 2256 extend the per-automaker caps to an additional 400,000 vehicles, which is a critical step to ensure the EV market continues to grow and the market's benefits can be fully achieved. These bills also reduce the dollar amount per credit and expedite the phase-down period once the manufacturer cap is reached. These bills, and similar efforts to extend expired tax credits for charging infrastructure, will bolster consumer choice and promote strong American manufacturer investment. We support S. 1094/H.R. 2256 and encourage your committees to move them forward this Congress.

We thank you for your dedication to this important issue.

Sincerely,

Alliance to Save Energy
Copper Development Association
Consumer Federation of America
DFW International Airport
Edison Electric Institute
Electrify America
EVGo
National Grid
Natural Resources Defense Council
New York Power Authority
Pacific Gas and Electric Company
Plug In America
Seattle City Light
Southwest Energy Efficiency Project (SWEET)
Vermont Energy Investment Corporation (VEIC)

cc: The Honorable Mitch McConnell, Majority Leader, U.S. Senate
The Honorable Charles E. Schumer, Minority Leader, U.S. Senate
The Honorable Nancy Pelosi, Speaker, U.S. House of Representatives
The Honorable Kevin McCarthy, Minority Leader, U.S. House of Representatives
Members of the U.S. Senate Committee on Finance
Members of the U.S. House of Representatives Committee on Ways and Means