ZETA | ZERO EMISSION TRANSPORTATION ASSOCIATION

October 27, 2021

The Honorable Chuck Schumer
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, D.C. 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, D.C. 20510

RE: ZETA's Recommendations for Electric Vehicle Supply Equipment in the *Build Back Better Act*

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

The Zero Emission Transportation Association (ZETA) is an industry-backed coalition of 60 member companies advocating for 100% electric vehicle (EV) sales by 2030. Transportation is the largest carbon-emitting sector in the United States and is responsible for 29% of our total carbon emissions.[1] The rapidly growing domestic EV market presents the United States with the unique opportunity to restore its leadership in automotive manufacturing, create hundreds of thousands of good-paying jobs, reduce greenhouse (GHG) emissions, and address climate change while improving public health.

ZETA is committed to widespread EV deployment in the United States. Expanding the network of EV chargers, which are also referred to as Electric Vehicle Supply Equipment (EVSE), is instrumental to facilitating EV deployment and adoption among the general public. As the *Build Back Better Act* (H.R.5376) is negotiated, we urge federal leaders to ensure that the EVSE charging incentives remain in the bill. These provisions will serve as key incentives for EVSE deployment, particularly in frontline and underserved communities. These communities are disproportionately harmed by climate change and transportation-sector pollution, and they have the most to gain from vehicle electrification.

[1]https://www.epa.gov/transportation-air-pollution-and-climate-change/carbon-pollution-transportation.

In addition to allowing for higher EV adoption rates, developing a vast EV charging network will generate thousands of good-paying domestic jobs. The IEA found that EV charging infrastructure creates more jobs than investing in highways or in traditional car manufacturing, supporting over 12 jobs per million dollars of investment.[2] These jobs will span the manufacturing and electrical installation sectors. Therefore, deploying a national EV charging network is a win-win that will create jobs and boost domestic manufacturing, stimulating local economies across the country. It will also facilitate the EV transition, which will boost public health, cut emissions, and generate cost-savings for everyday Americans.

30C Tax Extension and Expansion

In 2019, Congress passed an extension of the EV charging tax credit—originally enacted in 2005 in the Energy Tax Incentives Act—which covers 30% of the cost for installing residential or workplace charging infrastructure. The 30C Alternative Fuel Infrastructure Tax Credit gives qualifying businesses a 30% tax credit (up $30,000) for all alternative fuel infrastructure installed. Eliminating the 30C tax credit would hurt myriad industries beyond just the EV sector. Because the tax credit supports investments in alternative fuels generally, it also accelerates the deployment of fueling infrastructure for vehicles that rely on biofuels, hydrogen, and natural gas, among others.

The House Committee on Ways and Means proposed expanding the 30C tax credit in its markup of the *Build Back Better Act*. It proposed replacing the current $30,000 cap per location with an uncapped 20% investment tax credit after the first $100,000 in investment (the initial $100,000 invested receives a 30% tax credit). The Senate Committee on Finance also evaluated 30C tax credit reform in its markup of the *Clean Energy for America Act*. ZETA prefers the Senate Finance Committee's version of this provision, which would replace the investment tax credit's $30,000 cap per location with a $200,000 cap per charger. The Senate Finance Committee's 30C tax credit reform would do the most to drive buildout of charging infrastructure and improve consumer access.

EV Infrastructure Rebates

The upfront costs of installing EVSE can be a barrier to EV deployment. That is why Section 30442, which incentivizes EVSE deployment where EV drivers live and work, is necessary. The average American drives more than 30 miles per day, which most EVs can easily cover several times over on a single charge.[3] To make EV deployment successful, drivers need equitable access to charge once their range decreases after these various trips. According to the Department of Energy, over 80% of EV drivers charge at home using their own chargers, but this charging

[2] https://www.iea.org/reports/sustainable-recovery/transport#abstract
[3] https://www.nrdc.org/experts/patricia-valderrama/electric-vehicle-charging-101

behavior will likely change as more workplace chargers are installed and become more diverse as more workplace and destination chargers are installed.[4] The rebate structure in this provision is the fastest mechanism for growing the EVSE market because it makes it easier for non-profits, businesses, and local governments to access the funding.

As more EVSE is installed across the country, ZETA also advocates for a balanced mix of charging technologies at residential and commercial locations. Currently, most drivers use Level 1 (L1) or Level 2 (L2) chargers when plugging in at residential locations. Public chargers are generally either L2 or direct current fast chargers (DCFC); the former charges a vehicle in 3–5 hours, and the latter charges a vehicle to 80% in 30–60 minutes.[5] Because most underserved communities have reduced access to charging-enabled off-street parking,[6] we support funding that provides opportunities for governments both the private and public sector to install DCFC and L2 in accessible, frequently visited public areas such as shopping plazas and commercial workspaces.

EVSE Installation in Underserved Communities

To make transportation electrification more equitable, Congress must incentivize EVSE installation in underserved areas in both rural and urban areas, especially for larger vehicle segments. Medium- and heavy-duty vehicles (MHDVs) account for 23% of all transportation GHG emissions and 57% of particulate matter pollution (PMP), even though they only represent 10% of vehicles on the road. Surface level pollution disproportionately impacts frontline communities, which leads to individuals suffering from chronic illness like asthma and even premature death as a result.[7] ZETA urges policymakers to keep Section 30445 (2) of H.R.5376 in the bill. This provision will provide grants for MHDV EVSE such as charging hubs, smart charging management, and battery recycling sites. This language also creates an opportunity to electrify our nation's airports and ports by providing funds to transition ground-support vehicles to EVs. Investing in the future of our ports and airports is critical to ensure robust and reliable operations of our economy's supply chains.

Similarly, ZETA also supports Section 30443 of H.R.5376, which provides funding for equity-focused programs, such as awarding grants that increase deployment in underserved or disadvantaged communities by making sure EVSE is installed near public or affordable housing, multi-unit dwellings. This provision also will provide education to local communities through the EV Charging Equity Program, which presents charging opportunities and benefits through a public website that is accessible to relevant entities that live and work in the area.

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[4] https://www.energy.gov/eere/electricvehicles/charging-home
[5] https://www.nlc.org/article/2021/06/25/how-cities-can-ensure-equity-for-siting-electric-vehicle-infrastructure/
[6] https://www.aceee.org/sites/default/files/pdfs/siting_evse_with_equity_final_3-30-21.pdf
[7] PM2.5 polluters disproportionately and systemically affect people of color in the United States, *Science Advances,* April 28, 2021. https://advances.sciencemag.org/content/7/18/eabf4491

Conclusion

ZETA looks forward to working with you and your staff to accelerate the transition to EVs. We encourage you and your colleagues to work together to pass the *Build Back Better Act*, which includes key provisions that facilitate widespread EV adoption and EVSE installation.

Sincerely,

Joseph Britton
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