TESTIMONY OF
BRIAN P. WYNNE, PRESIDENT
OF THE
ELECTRIC DRIVE TRANSPORTATION ASSOCIATION
REGARDING THE FY11 DEPARTMENT OF ENERGY BUDGET
SUBMITTED TO THE
ENERGY AND WATER DEVELOPMENT APPROPRIATIONS SUBCOMMITTEE
OF THE
SENATE APPROPRIATIONS COMMITTEE

March 29, 2010

The Electric Drive Transportation Association (EDTA) is the cross-industry trade association promoting the advancement of electric drive technology and electrified transportation and we are writing regarding the FY11 request for the Department of Energy's Vehicle Technologies and other electric drive programs.

Our members include vehicle manufacturers, battery and component manufacturers, utilities and energy companies, and smart grid and charging infrastructure developers. We are committed to realizing the economic, security, and environmental benefits of displacing oil with battery electric, hybrid, plug-in hybrid and fuel cell vehicles.

The nation is moving toward an electrified fleet and the electric drive industry is advancing into the marketplace as rapidly as possible. Electric drive is already in use in passenger cars, commercial trucks, neighborhood electric vehicles, public transport buses, tractors and ground support equipment. As the industry invests in research and development, advanced manufacturing and coordinated deployment initiatives, the Department of Energy's continued commitment to fast-tracking electrified transportation is critical to our success.

We support the FY11 budget's focus on advancing electric drive vehicle technologies that will reduce petroleum consumption and air pollutants while increasing energy security and global competitiveness. Like the electric drive industry itself, the Department of Energy is undertaking crosscutting efforts to move electric drive vehicles and infrastructure forward.

In particular, we believe that the requested increases for batteries and electric drive research and development (in a separate Vehicle Technologies program in the FY11 request) can accelerate critical cost reduction and performance advancements. The additional efforts funded in the Technology Integration account's Clean Cities program will support the industry's own efforts to expand deployment of electric drive vehicles and recharging infrastructure. Establishment of a batteries and energy storage "innovation hub" in the Office of Science ensure that we continue pushing for the next breakthroughs even as we are moving electric drive vehicles into the market and the mainstream.

In addition to these essential investments, we also see areas in which the budget request misses key opportunities to advance a diverse portfolio of electric drive vehicles. Specifically, the Department of Energy has established a program and a pathway for building US manufacturing capacity for advanced vehicles in the Advanced Technology Vehicle Manufacturing (ATVM) program. Although the program had more applicants establish electric drive manufacturing in the U.S. than funds, the FY11 budget does

not request any additional new award resources for the program. Additional funds for the ATVM program will promote industry investment in US manufacturing, speed the vehicles to market and help build the foundation of the green jobs economy.

Another area in which the request is missing an opportunity is in the hydrogen and fuel cell programs, specifically as it relates to development of fuel cell electric vehicles and hydrogen refueling infrastructure. Fuel cell electric vehicles are important electric vehicle options because of their performance in diverse vehicle applications. The industry, working with Department, has met critical program milestones in reducing cost, enhancing performance and deploying fuel cell electric vehicles for real world use. Looking beyond today's fleet, the National Academy of Science has also emphasized that achieving U.S. energy security and environmental goals will require a portfolio of advanced technology vehicles, which needs to include zero-emission fuel cell options.

The FY11 budget request maintains the Department's commitment to hydrogen and fuel cell research, which we appreciate and support. However, at $37 million below last year's funded level -- a 21% cut in funding – the commitment is a tepid one. The request would eliminate all fuel cell electric vehicle deployment activities in Technology Validation and "defer" funding for early market development. This short-sighted approach undercuts the industry's own investments, slows momentum to commercialization and will hurt consumer confidence in emerging markets.

We urge you to extend the Technology Validation demonstration for an additional year to provide technology insertion and to ensure that funding for vehicle and infrastructure deployment, market transformation, as well as education and other enabling activities, is sufficient to enable the industry to build on technology and market achievements.

As a partner in the effort to establish a secure and sustainable transportation sector, the Department of Energy is accelerating technology breakthroughs, promoting investment in manufacturing capacity and speeding deployment of vehicles and infrastructure. We are pleased that Department's FY11 budget builds on its commitment to transportation electrification with increases for vehicles and recharging infrastructure development and deployment. We also respectfully ask that you improve on that effort by supporting advances in the full electric drive portfolio: battery electric, hybrid and fuel cell electric vehicles.

We thank you for your consideration.