

**Testimony
of
Brian P. Wynne, President
Electric Drive Transportation Association
Before the Senate Energy and Natural Resources Committee
June 22, 2010**

Good morning, Chairman Bingaman, Senator Murkowski, members of the committee. I am Brian Wynne, President of the Electric Drive Transportation Association. I am pleased to be here today to discuss S. 3495 and want to express our appreciation for this Committee's ongoing support for electric drive and recognition of its role in a cleaner, more secure transportation future.

The Electric Drive Transportation Association (EDTA), founded in 1989, is the cross-industry trade association promoting the advancement of electric drive technology and electrified transportation. EDTA members include leading and emerging vehicle, battery and component manufacturers, as well as electricity providers, smart grid and infrastructure developers, and others advancing diverse technologies that will displace oil with electricity in transportation. Collectively, we are building the advanced vehicles, green jobs, sustainable transportation options and energy independence that comprise the electric drive future.

Looking beyond the price of gas, the *cost* of oil dependence is increasingly unsustainable. The dollars spent on imported oil, the chronic - and acute - environmental impacts, as well as the economic and security challenges created by a transportation sector almost entirely dependent on a single fuel. These are all costs that we have been paying, and ignoring, for too long.

We are here today because, as a nation, we have recognized the cost is too high. We need to embrace other options for the transportation sector. EDTA believes that a comprehensive effort to move away from oil dependence must include a national fleet of electric drive vehicles - that is battery electric, hybrid, plug-in hybrid and fuel cells - in cars, trucks, low speed and non-road vehicles.

With the leadership of this Committee, the Energy Independence and Security of 2007 established important programs and incentives to promote investments in electric drive, many of which were funded in the 2009 Recovery Act. The Administration has also declared an ambitious goal for plug-in vehicles - 1 million on the road by 2015.

Industry is rapidly moving forward with plug-in electric drive vehicle and component production, creating the green jobs that are the foundation of a thriving 21st century economy. Plug-in electric drive vehicles are available today and multiple models of cars and trucks are entering the market in the next two years, including the Volt from GM, the Nissan Leaf, the Mitsubishi i-MiEV, Toyota's plug-in Prius, the Smith battery electric and Ford Transit Connect plug-in hybrid trucks and Coda's and Tesla's battery electric sedans.

In nearly every state, collaborative efforts of utilities, governments and auto makers are already underway, developing vehicle and infrastructure plans.

Based on the industry's work, with the support of key federal policies, we are standing on the cusp of transformational market entry of plug-in vehicles. And the choices made here can make the difference in how quickly we achieve our goals. Building on what we have achieved, what we have learned and what is required to realize the goal of an electric drive future; EDTA has identified in our *Action Plan* the key "next step" actions for policymakers to achieve our shared goal of a diverse national fleet of electric drive.

Moving forward, areas of critical emphasis for federal policy accelerating electric drive include: reducing market hurdles to address cost and infrastructure concerns; expanding U.S. manufacturing capacity for advanced vehicles and components; establishing coherent regulatory policies for vehicles and infrastructure; accelerating technology breakthroughs and promoting public and private outreach and education.

EDTA supports a comprehensive push toward electric drive including a national initiative to promote plug-in electric drive vehicles. We believe that regional deployment efforts are important, as a part of such a national effort.

S.3495 would establish a 5 year, \$100 million national program to advance nationwide adoption of electric drive vehicle and also authorizes a \$4 billion investment in 5 to 15 "deployment communities" that would receive up to \$500 million each. Both the national and localized deployment programs include important elements for advancing plug-in deployment, including stakeholder involvement, technical assistance, grid integration planning and workforce training.

However, we believe that a greater emphasis on the national effort and a larger group of deployment communities will be more effective in building the national fleet than concentrating federal resources in such a limited number of communities.

Collaborative localized deployment efforts are already underway, with others planned. Plug-in vehicles are in the national market and automakers are moving forward with efforts to build national markets in the next 2 to 3 years. For instance, GM has already made plans for expanded national distribution in 2011. We would like to see the national electric drive effort support all of these efforts in real time.

We appreciate Senator Dorgan's history of leadership on all electric drive and his effort to achieve the right balance between the national and more localized efforts. As the bill moves through this Committee, we would like to work with the Chairman and Senator Dorgan to ensure that finite federal resources are apportioned in the most effective way to ensure the achievement of the goal we share: a diverse national fleet of electric drive vehicles.

Inside the national and deployment programs, we would like to work with you to ensure specific emphasis on private, in addition to public, recharging infrastructure. Diverse vehicle configurations (battery electric and plug-in hybrids with varying ranges) and diverse consumer needs will require flexible private and public recharging options. Industry studies confirm, however, that most charging of plug-in vehicles will be done at primary residences over night. The next greatest opportunity for charging is at the workplace during the day. We believe that meeting these recharging needs should be an explicit priority for national and localized deployment efforts. We support directing additional research and technical assistance toward facilitating residential and workplace charging.

We also support expanded investment in U.S. vehicle and component manufacturing, which will help to bring vehicle costs down while building U.S. competitiveness in global markets.

Title I of S. 3495 also promotes the adoption of plug-in electric drive in federal fleets with funds for purchasing vehicles as well as transparency and accountability for their use, which EDTA strongly supports. We would also like to see a comprehensive approach that recognizes all of the electric drive technologies, including fuel cells and hybrids, which will provide flexibility for meeting fleet needs while reducing oil consumption and helping to build markets for advanced vehicles, components and infrastructure.

Consumer education and workforce training are also very important to a national effort to build a diverse national fleet of electric drive vehicles and we support their inclusion in national and community deployment programs.

The following are comments on selected provisions of the bill:

Definitions

In Section 3 definitions, the definition of charging infrastructure excludes property that is “a building or the structural components of a building.” While this is the current definition language in the federal tax credit for investment in alternative fuel refueling property, it is an exclusion that inhibits investment in electric recharging. Particularly in residential applications, recharging infrastructure will often be integrated into a building’s structure. The exclusion should not be applied to electricity recharging infrastructure in the definition included here. We are also working to revise the tax credit language to reflect the scope of electric recharging.

Title II

In Title II, S. 3495 authorizes \$1.5 billion for advanced energy storage and other electric drive research and development, including secondary use application development and demonstration. We strongly support the expanded support for plug-in electric drive technologies and infrastructure, including grid integration advances.

In the context of a comprehensive energy bill, we would also support a broader reauthorization of DOE’s Vehicle technology programs, along the lines of Senator Stabenow’s bill, S. 2843, that would advance electric drive research, development and deployment across platforms and configurations.

Title III

Title III establishes a utility planning process for plug-in electric drive vehicles under the Public Utility Regulatory Policies Act. As fuel and power providers, utilities need to identify demand and energy management and smart grid integration strategies. Protocols for the interaction of utilities and charging infrastructure entities will also need to be identified. The key is establishing the right balance between national standards for charging technologies and flexibility in business models. Our members are currently reviewing the Section 301 federal regulatory directives to ensure that these are achieved.

Regarding the bill’s provisions prohibiting disposal of advanced batteries used in plug-in electric drive in landfills, we believe that this is more appropriately a study to identify specific environmental risks and the best options for safe recycling and ultimate disposal before an outright ban is imposed on all advanced batteries. In the interim, promoting secondary uses of automotive batteries and advanced materials will ensure that these batteries remain in use beyond their automotive life and their valuable components are recovered

EDTA has called for the establishment of coordinated efforts between government agencies and between agencies and the multiple public and private stakeholders advancing electric drive. We support S. 3495’s establishment of a Technical Advisory Committee and Inter-agency Task Force to

ensure that initiatives and investments that comprise the national effort are compounding efforts, advancing the overall goal of electrification.

This is a critical moment for the industry and for advancing a transformative energy policy that displaces oil with electricity – in the near and long term. EDTA supports and is pleased to work with the Committee as you identify the best ways to achieve a national fleet of electric drive vehicles.