



GREAT PLAINS INSTITUTE

July 7, 2021

The Honorable Chuck Schumer
Majority Leader
United States Senate
U.S. Capitol Building, Room S-221
Washington, D.C. 20515

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
U.S. Capitol Building, Room H-232
Washington, D.C. 20515

The Honorable Mitch McConnell
Minority Leader
United States Senate
U.S. Capitol Building, Room S-230
Washington, D.C. 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
U.S. Capitol Building, Room H-204
Washington, D.C. 20515

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

We write to you as the participants in the Midcontinent Transportation Electrification Collaborative (MTEC) to share our views on federal economic recovery and infrastructure investments that could help to achieve regional priorities on transportation electrification and support an important opportunity for jobs, economic impact, equity, and environmental and health benefits. There are numerous potential legislative vehicles for MTEC's regional priorities, including legislative proposals related to infrastructure, transportation, and energy. Whatever the vehicle, our goal is to spur economic recovery through targeted investments in transportation electrification in collaboration with regional partners.

MTEC is composed of representatives from automakers, state governments, electric utilities and cooperatives, electric vehicle (EV) charging companies, and environmental organizations. MTEC coordinates regionally in the Midwest and Gulf Coast regions to increase EV use, reduce transportation emissions, improve air quality, offer equitable economic benefits, improve electric system efficiency, provide a great consumer experience, and build infrastructure to support EV travel throughout the region.

Transportation electrification is an economic opportunity for the Midwest and Gulf Coast regions. Our region is the heart of automotive manufacturing, and major investments are being made to produce all types of EVs, including light-duty, medium-duty, and heavy-duty (e.g., delivery trucks, school and transit buses, and semi-trucks). EVs save money for consumers, including individuals and fleet operators. They can also help support strategic investments in electric utility infrastructure and offer cost savings for all utility customers, not just the EV drivers. Targeted federal investments in charging infrastructure will attract significant private investment and create tens of thousands of jobs throughout the Midwest and Gulf Coast regions. Moreover, these investments can help narrow existing disparities in the transportation system by engaging underrepresented communities in the projects and improving air quality.

There are several barriers to EV adoption that MTEC seeks to overcome, which could be addressed in part through federal investments as part of a federal economic recovery program,





ranging from battery costs to manufacturing scale-up challenges to lack of charging infrastructure and vehicle availability. Many of these ideas have been introduced legislatively or are existing programs that could be modified or expanded. The programs described below could be enacted quickly, leading to rapid economic impact in support of the recovery agenda.

Support sustained American manufacturing leadership by supporting sales of EVs and the growth of a robust and diverse domestic EV market

- Extend the benefits of the 30D Electric Vehicle Tax Credit by expanding the per-manufacturer cap and making other changes to increase access to the credit. Make the tax credit refundable to assure that access to this program is equitable.
- Support the purchase of electric transit buses by transit fleet operators through increased funding of the Low No grant program (or Zero Emission Bus Grants) to reflect that demand for the program far exceeds transit budgets.
- Create a federal point-of-sale incentive for zero-emission trucks, as recently called for in recommendations by the House Select Committee on the Climate Crisis.
 - This could be accomplished through a new program or by using existing programs to provide funding at the point-of-sale for zero-emission trucks through upfront incentives. Potential avenues include a new grant in lieu of investment tax credits for medium- and heavy-duty vehicles, a carve-out under the Department of Transportation Federal Highway Administration (Congestion Mitigation and Air Quality or another program), or a new program under the Department of Energy.
- Support the purchase of electric school buses as included in the “Clean School Bus Act” and the “Clean Commute for Kids Act.”

Keep the automotive supply chain in the U.S. by supporting EV and EV component manufacturing

- Provide low- or no-interest loans for EV manufacturing by supplying additional funding for the Advanced Technology Vehicles Manufacturing Loan Program and expand this program to include medium- and heavy-duty EVs.
- Provide more funding to retool manufacturing plants that are closed or at risk of closing to convert them to produce EVs and their components by reviving the 48C tax credit, as addressed in the “American Jobs in Energy Manufacturing Act of 2021.”
- Provide funding for EISA Section 132 Domestic Manufacturing Conversion Grant programs to offer grants to EV manufacturers and others in the EV supply chain to encourage domestic manufacturing of vehicles, components, and infrastructure.

Enable EVs to drive everywhere by supporting investments in EV charging infrastructure

- Reform and extend the 30C tax credit for EV charging, raising the credit limit to support higher capacity fast charging investments as proposed by Senators Carper, Stabenow, and Burr in S. 975.
 - Make the tax credit refundable to ensure that access to this program is equitable and revise the definition of per-location to make sure a single location can accommodate adequate infrastructure.
- Provide funding to states through the Congestion Mitigation and Air Quality Improvement Program, designated for investments in EV charging.
- Provide public-private funding through a competitive grant program to accelerate investment in EV charging infrastructure and other alternative fuel infrastructure along





highways, including EV charging corridor investments under the Federal Highway Administration Alternative Fuel Corridor Program.

- Ensure that funding is available to municipalities and businesses through the above programs to provide EV supply equipment outside the select EV corridors for low-income and disadvantaged communities, rural areas, and multi-unit dwellings.
- Support direct-to-consumer rebates for EV charging equipment at multifamily, workplace, and commercial locations, such as those proposed by Representative Tonko (H.R. 5530 - Electric Vehicle Infrastructure Rebate Act).

Support EV research, development, and demonstration

- Provide additional funding for EV research, development, and demonstration (RD&D) projects as well as outreach and education through the Clean Cities Initiative and the Department of Energy Offices of Vehicle Technologies and Hydrogen and Fuel Cell Technologies to support the following areas:
 - The Department should support research to unlock new breakthroughs in energy density to achieve longer-range, lower-cost batteries.
 - The Department should support zero-emission truck demonstrations in real-world applications and communities of different sizes for Class 8 long-haul and regional-haul vehicle demonstrations in tandem with depot and corridor infrastructure build-out. This investment will drive fleet integration of zero-emission medium- and heavy-duty vehicles in the goods movement space, drive hardware and soft cost reduction, and will provide necessary operational data to inform future RD&D investments.
- The Department should provide technical assistance to states, state regulators, and utilities in planning EV charging infrastructure and support the private-market build-out of regional EV charging corridors.

Stakeholders in the Midwest and Gulf Coast regions are enthusiastic about working collaboratively to spur new investments in the EV sector. We believe that supporting these initiatives will lead to beneficial social and economic impacts—for electricians, manufacturing workers, consumers, and under-represented communities. Furthermore, these programs would spur additional private investment and amplify the aforementioned benefits. We look forward to working together to support innovation and economic recovery in our important region.

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ITC Holdings Corp.
Madison Gas and Electric Company
MidAmerican Energy Company
Plug In America
RENEW Wisconsin
Southwest Detroit Environmental Vision
Xcel Energy
ZEF Energy





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Cc: 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 Ron Wyden, Chairman, Senate Committee on Finance
The Honorable Mike Crapo, Ranking Member, Senate Committee on Finance
The Honorable Peter DeFazio, Chairman, House Committee on Transportation and Infrastructure
The Honorable Sam Graves, Ranking Member, House Committee on Transportation and Infrastructure
The Honorable Thomas Carper, Chairman, Senate Committee on Environment and Public Works
The Honorable Shelley Moore Capito, Ranking Member, Senate Committee on Environment and Public Works
The Honorable Sherrod Brown, Chairman, Senate Committee on Banking, Housing, and Urban Affairs
The Honorable Patrick J. Toomey, Ranking Member, Senate Committee on Banking, Housing, and Urban Affairs
The Honorable Frank Pallone, Jr., Chairman, House Committee on Energy and Commerce
The Honorable Cathy McMorris Rodgers, Ranking Member, House Committee on Energy and Commerce
The Honorable Joe Manchin, Chairman, Senate Committee on Energy and Natural Resources
The Honorable John Barrasso, Ranking Member, Senate Committee on Energy and Natural Resources

MTEC is facilitated by the Great Plains Institute (GPI). A nonpartisan, nonprofit organization, GPI works across the U.S. to transform the energy system to benefit the economy and environment. Learn more at www.betterenergy.org.

