



April 21, 2017

The Honorable Phil Ting
California State Assembly
State Capitol, Room 6026
Sacramento, California 95814

Dear Assembly Member Ting,

Advanced Energy Economy (AEE) is proud to sponsor your AB 1184, which would create a pathway to achieving the state's longstanding vehicle electrification goals by establishing the California Electric Vehicle Initiative.

AEE is a national association of businesses dedicated to transforming public policy to enable a prosperous world that runs on clean, secure, affordable energy. We are comprised of over 100 companies both large and small across the technology spectrum, including energy efficiency, solar, wind, storage, fuel cells, biofuels, electric vehicles, demand response, advanced metering, and enabling software. Our members also include companies that have made a commitment to power their operations with clean energy and are working with us to break down the barriers that inhibit them from reaching their sustainability goals.

California has set ambitious goals for reducing carbon emissions from the transportation sector. An integral part of the strategy for reaching these goals is to promote consumer adoption of electric vehicles (EVs). Even though California leads the nation with 225,000 EVs, current programs to accelerate this effort are failing to put the State on a trajectory to meet the Governor's mandate of 1.5 million zero-emission vehicles (ZEVs) on the road by 2025 and the Air Resources Board (ARB) estimate of 5 million vehicles by 2030 needed to reach emissions-reduction goals.

Research has consistently shown that the most important drivers of consumer EV adoption are an up-front purchase incentive and the widespread availability of charging stations. California's incentive program, the Clean Vehicle Rebate Program (CVRP) administered by ARB, suffers from inadequate and inconsistent funding, as it relies on the wildly fluctuating proceeds from Cap and Trade auctions (the Greenhouse Gas Reduction Fund, or GGRF). Without a reliable, long-term incentive program, manufacturers are reluctant to commit the time and money required to build a range of affordable EVs, dealers are uncertain that rebates will be available to their customers, and consumers are hesitant to buy. This bill would remedy this situation by providing a consistent, long-term incentive program that would facilitate the rapid deployment of EVs. Additionally it encourage the more rapid build-out of the charging station infrastructure that reassures EV owners that needn't fear running out of "fuel" on a long trip.

AB 1184 will reset California's current EV growth trajectory, putting the state back onto the path we need to be able to reach our ambitious 2025 and 2030 goals. AEE is pleased to collaborate with you on developing this critical public policy.

Best regards,

Steve Chadima
Senior Vice President, External Affairs
AEE