



March 7, 2022

The Honorable Bobby Rush
Chair, Subcommittee on Energy
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Fred Upton
Ranking Member, Subcommittee on Energy
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Rush and Ranking Member Upton:

On behalf of the Alliance for Automotive Innovation (Auto Innovators), I want to thank the Committee on Energy and Commerce for organizing this week's hearing entitled "Charging Forward: Securing American Manufacturing and Our EV Future." Additionally, we appreciate continued engagement with your offices regarding the EV transformation and the opportunity to offer the following perspectives in advance of tomorrow's hearing and for inclusion in the hearing record.

The auto industry is leading the transformation of advanced manufacturing in the United States. Through substantial, long-term investments in electrification, as well as advanced safety technologies, including automation, our industry is working toward a cleaner, safer, and smarter future for personal mobility. We remain committed to a net-zero carbon transportation future that includes an accelerated shift to electric vehicles (EVs). Automakers are at the forefront of this transition and are planning to invest \$515 billion globally over the next decade to bring exciting new EV models to market, including battery, plug-in hybrid, and fuel cell electric vehicles.

Auto Innovators' [Get Connected Electric Vehicle Quarterly Report](#) shows steady growth in the EV sector. Through the third quarter of 2021, EV sales comprised 68 different models and represented roughly 4 percent of the light-duty market – up from 2 percent of the light-duty market in 2020. By mid-decade, IHS Markit predicts that there will be 130 EV models available in the U.S.

Even with this steady growth in EV market share, meeting the goals of automakers and policymakers alike, and achieving requirements in the EPA's final greenhouse gas emissions rule for model years 2023-2026, will require a significant increase in EV sales. However, with the right complementary policies in place, and a sustained national investment in those policies, the auto industry is poised to accept the challenge outlined by President Biden of driving new EV sales to between 40 and 50 percent of the market by 2030. To meet this goal, a comprehensive approach that includes investments and supportive government policies is needed with a focus on three key areas: consumer affordability and awareness; charging and hydrogen fueling infrastructure; and innovation, manufacturing, and supply chain.

Auto Innovators and our member companies commend the bipartisan efforts that went into enacting the Infrastructure Investment and Jobs Act (IIJA). Notably, the \$7.5 billion included in the law for electric vehicle charging and hydrogen fueling infrastructure is an important first step in jumpstarting public investment in a nationwide charging and hydrogen fueling network. Currently, there are roughly 50,000 public charging stations with approximately 115,000 charging ports nationwide. Without question, the \$7.5 billion is a crucial investment to expand public charging stations but substantially more will need to be invested – by both utilities and the public and private sectors. The bipartisan IIJA law also included supportive provisions for supply chains for clean energy technologies, including those related to battery manufacturing and recycling. These funding streams will certainly provide key components in supporting

innovation and developing the necessary supply chains to support the expansion of EVs in the U.S.

Auto Innovators remains committed to continuing to work with Congress, the Administration, and policymakers at all levels of government to craft the additional complementary policies necessary to make EVs more affordable for all consumers, further the development of charging and hydrogen fueling infrastructure, and continue to boost investment in the domestic EV supply chain to enhance U.S. leadership in developing the technologies to achieve a cleaner transportation future.

In fact, as the Energy and Commerce Committee examines American manufacturing and EVs, the supply side represents one of the best opportunities to develop long-term and sustainable U.S. leadership in automotive innovation. The right mix of incentives, grants, and loan programs can help to provide the support needed to develop and bolster the U.S. supply chain and manufacturing capacity for EVs. Such programs will allow manufacturers to retool, expand, or build new facilities for the manufacture of light-, medium-, and heavy-duty plug-in and fuel cell electric vehicles, and their batteries, fuel cells, components, and related infrastructure.

Similarly, funding the programs authorized in the CHIPS Act and a strengthening of the investment tax credit in the FABS Act will ensure a robust and diverse domestic supply chain for the design and manufacture of semiconductors while helping to bolster domestic chip production capacity to help mitigate against future supply chain disruptions. This represents a critical opportunity to strengthen U.S. competitiveness as the technologies and innovations that are redefining the future of the automotive industry – including electric-drive vehicles – all rely heavily on semiconductors.

In closing, we must work together to ensure that the U.S. is at the forefront of developing these innovative automotive technologies — with the support of both complementary legislative and regulatory policies — that will redefine motor vehicle transportation for decades. This is what is at stake as we look to the future of the auto industry in the U.S. The nations that lead the development and adoption of innovative vehicle technologies, such as electrification, connectivity, and automation, will also shape supply chains, define global standards, and potentially, reinforce U.S. auto manufacturing and leadership in the international marketplace. This is not just about the future of the auto industry in the U.S. — it is about the nation's global competitiveness and economic security.

Collaboration between industries across the economy and government will be essential to meeting the goal of a cleaner transportation future that benefits all communities and enhances U.S. economic competitiveness. We look forward to working with you to advance these policies and would welcome the opportunity to further discuss these perspectives with the Committee moving forward.

Sincerely,



Garrick Francis
Vice President, Federal Affairs
Alliance for Automotive Innovation

Enclosure: Auto Innovators' Get Connected: Electric Vehicle Quarterly Report (Q3)