

507 North Bentz Street, Frederick, MD 21701 301-644-1395 www.AdvancedBiofuelsUSA.org

Why Does the Electrification Coalition Want \$124 Billion of Your Tax Dollars to Charge Electric Cars?

The *Electrification Coalition*, an industry group composed of Cisco, Pacific Gas and Electric, NRG Energy, Nissan, and various investment bankers among others, wants to spend \$124 billion dollars of US taxpayer money to put 1,000,000 electric cars on the road by 2018. That's \$124,000 of taxpayer dollars per car!

- Is it because the electric car is too expensive?
- Is it because recharging stations for short range vehicles are uneconomical?
- Is it because the disposal cost of batteries is so high?
- Is it because the electrical grid cannot handle 1 million electric vehicles?
- Is it because the electrical producers want to protect their investors and pass on the costs to all electricity customers?

Let's see what their *Electrification Roadmap* says about these key questions.

- 1. Is it because the electric car is **TOO EXPENSIVE**? The *Electrification Coalition thinks so!*
 - Modify plug-in electric drive vehicle tax credits by <u>significantly</u> increasing them for vehicles purchased and registered in phase one ecosystems (p.19)

The current plug-in tax credit is \$7,500. What would a "significant" increase be? **\$15,000? \$20,000**? That's the *entire* price of many cars that can run on advanced biofuels!

- 2. Is it because recharging stations for short range vehicles are **UNECONOMICAL**? The *Electrification Coalition thinks so!*
 - GEV advocates have suggested that private firms should install public charging infrastructure wherever consumers may need it. However, a <u>profitable business</u> <u>model for public charging infrastructure has not been reliably demonstrated</u>. (p.15)
 - Establish tax credits equal to 75 percent of the cost to construct public charging infrastructure in phase one ecosystems (p.19)
 - Extend consumer tax credits for home charging equipment (p.19)
 - Modify building codes to promote GEV adoption (p.15)

- 3. Is it because the disposal **cost** of batteries is **so HIGH**? The **Electrification Coalition thinks so!**
 - Establish tax credits for installing automotive grade batteries in stationary applications to help drive scale (p.14)
 - Establish a <u>guaranteed residual value</u> for used large format automotive batteries (p. 15)
- 4. Is it because the electrical **GRID CANNOT HANDLE** 1 million electric vehicles? The **Electrification Coalition thinks so!**
 - No doubt, electrification will require the deployment of <u>charging infrastructure</u>, <u>additional functionality</u>, and <u>increased investment in grid reliability</u>, (p.12)
 - Establish tax credits equal to 50 percent of the costs of the necessary IT upgrades for utilities or power aggregators to sell power to GEVs in phase one ecosystems (p.19)
- 5. Is it because the electricity producers want to protect their investors and PASS ON THE COSTS TO ALL ELECTRICITY CUSTOMERS? The *Electrification Coalition thinks so!*
 - Promote the inclusion of GEV-related investment in the utility rate base (p.15)
 - Adjust utility rate structures to facilitate GEV deployment (p.15)

Yes, not only does the *Electrification Coalition* want \$124 BILLION IN TAXPAYER FINANCED TAX CREDITS, but they also want ALL COSTS associated with electric cars to be PASSED ON TO ALL ELECTRICITY CUSTOMERS whether they buy an electric car or not.

IS THERE A VIABLE, LOWER COST, MADE IN AMERICA SOLUTION? YES!

American Grown and Produced Advanced Biofuels!

- Made from sustainable, non-food biomass
- Useable in the cars and trucks we can all buy today without premium prices!
- No expensive batteries built with imported rare earth metals to buy or dispose of
- Provides for Energy Security—feedstocks are home-grown
- Enhances Military Strategic Flexibility
- Mitigates Climate Change
- Produces Rural Economic Development