December 17, 2014

Governor Dannel Malloy State of Connecticut Governor Jack Markell State of Delaware

Governor Paul LePage

State of Maine

Governor-Elect Larry Hogan

State of Maryland

Governor-Elect Charlie Baker Commonwealth of Massachusetts Governor Maggie Hassan State of New Hampshire

Governor Chris Christie State of New Jersey Governor Andrew Cuomo State of New York

Governor-Elect Tom Wolf Commonwealth of Pennsylvania Governor-Elect Gina Raimondo State of Rhode Island and Providence Plantations

Governor Peter Shumlin State of Vermont

Capturing the Economic, Environmental, and Public Health Benefits of Electric Vehicles

Dear Governors Malloy, Markell, LePage, Hassan, Christie, Cuomo, and Shumlin, and Governors-Elect Hogan, Baker, Wolf, and Raimondo:

We are writing to encourage you to support electric vehicles (EVs) as a top priority for your administrations going forward. EVs provide major benefits for consumers, the regional economy, energy independence, public health, and the environment. With your leadership, we can accelerate our progress into the electric vehicle future.

Even at current gas prices, driving an EV instead of a conventional car can save a consumer thousands of dollars in fuel costs over the life of the vehicle. These savings on fuel purchases give consumers more money to spend in local economies and decrease our dependence on oil. Air pollution from cars, trucks, and buses is linked to asthma attacks, heart attacks, other health complications, and premature deaths. Since EVs have little or no conventional tailpipe emissions, they can be a key component to improving health outcomes and reducing costs to treat illnesses caused or worsened by this pollution. EVs also have significant climate benefits. With the current electricity generation mix in the region, a car that only uses electricity from the grid will be responsible for 50-70% less greenhouse gas pollution than a comparable gasoline-only vehicle. As we shift to cleaner sources of electricity, public health and environmental benefits of EVs will only increase over time. This is a stark contrast to trends in the petroleum industry where dirtier oil sources are entering the market in increasing quantities.

Electric drive technology has established a solid footing in the vehicle market over the last several years, but needs additional support to reach the mainstream. Nearly every vehicle manufacturer has introduced new models and national sales of plug-in vehicles have increased from virtually zero in 2010 to cumulative sales of more than a quarter million by the fall of 2014. This progress has resulted in high-quality domestic jobs in manufacturing and the electrical sector. Many of your states have taken good initial steps to promote electric vehicles. Connecticut, Maine, Maryland, Massachusetts, New Jersey, New York, Rhode Island, and Vermont have all adopted California's zero-emission vehicle standards. Many of these states joined a Memorandum of Understanding on State Zero-Emission Vehicle Programs in October 2013 and the subsequent Multi-State ZEV Action Plan in May 2014.

The next two years present the opportunity to take these efforts to the next level. Action by the Northeastern and Mid-Atlantic states can help cross two key thresholds: (1) the scale of production necessary to drive down the cost of battery capacity and (2) the necessary level of charging infrastructure to make EV refueling convenient. In addition to regional coordination on issues like interstate fast charging corridors, action by individual states will reap the economic and social benefits of converting transportation to electricity. We recognize that policies will be appropriately tailored to the needs and circumstances of each state, but they should include:

- 1. **Establishing or Continuing a High-Level EV Task Force** An official task force or commission, such as those currently operating in Maryland, Massachusetts, and Vermont, is a strategic way for a state to advance EV policies. Stakeholders should include agency leadership, utility companies, car manufacturers, EV infrastructure companies, and public interest advocacy groups.
- 2. **Providing Financial and Non-Financial Incentives** Consumer and business interest in EVs can be spurred by establishing financial incentives for vehicles and fueling infrastructure, such as rebates and tax credits, supported by reliable funding streams. Non-financial incentives, such as HOV lane access and preferential parking, can also create additional interest in EVs.
- 3. Creating a Utility Framework to Increase Adoption and Maximize Benefits Benefits of electric vehicles for owners and the electric grid as a whole can be optimized through innovative utility programs, including electricity rate design, demand response and other vehicle-grid integration programs, grid planning and targeted infrastructure investments, and vehicle registry reporting with appropriate privacy protections.
- 4. Facilitating Build-out of Charging Infrastructure To motivate investment and create a competitive market, states should eliminate regulatory barriers to infrastructure ownership and operation. Incentives can target challenging market segments, such as workplaces, multi-family buildings, and neighborhoods without off-street parking. National standards for charging station measurement accuracy and price disclosure should be adopted to protect consumers and "open access" policies should allow drivers to use public charging stations. Appropriate additions to building codes and streamlining of permitting requirements can minimize the costs of needed infrastructure.
- 5. Educating Consumers, Businesses, Workplaces, Dealerships, and Municipalities Raising awareness about electric vehicles and infrastructure installations should be a priority. We need better ways to inform the public about EVs as a fun and affordable way to get around. Clear and accurate signage to direct drivers is also important.
- 6. **Leading by Example** States should adopt binding targets for EV procurement in state fleets, implement policies to maximize "electric miles" driven by government fleet vehicles, and provide fueling infrastructure for employees at state workplaces.

Several of your states have taken significant actions in these areas over the last few years. These achievements should be continued and can serve as models for others in the region. There are many other policies, both at the state and regional level, that your states can also take to increase the adoption of electric vehicles. We encourage the continuation of state and regional discussions on these topics. But the above steps, in combination, provide a solid foundation to boost the market penetration of electric vehicles and propel this region into a more environmentally-friendly and economically-sensible transportation future.

Respectfully,

Acadia Center

Appalachian Mountain Club

Baltimore-Washington Electric Vehicle Initiative

Better Future Project

Ceres

ChargePoint

Clean Water Action

Climate Parents

Clinton Electric Co.

Con Edison

Connecticut Fund for the Environment

Conservation Law Foundation

Drive Electric Cars New England

Electric Vehicle Association of D.C.

Energy Consumers Alliance of New England

(d/b/a Mass Energy in Massachusetts and People's Power & Light in Rhode Island)

Environment America

Environment Connecticut

Environment Maine

Environment Maryland

Environment Massachusetts

Environment New Hampshire

Environment New Jersey

Environment New York

Environment Rhode Island

Environmental Advocates of New York

Environmental Council of Rhode Island

Environmental League of Massachusetts

EV Power Pros

Institute for Energy Economics and Financial Analysis

KLD Energy

League of Women Voters of Connecticut

Maine Conservation Alliance

Mass Audubon

Massachusetts Climate Action Network

National Grid

Natural Resources Council of Maine

Natural Resources Defense Council

New England Clean Energy Council

New Hampshire Clean Tech Council

PennEnvironment

People of Albany United for Safe Energy

Plug In America

Proterra

RENEW Northeast

ReVision Energy

Riverkeeper

Sierra Club – Connecticut Chapter

Sierra Club – Delaware Chapter

Sierra Club – Maine Chapter

Sierra Club – Massachusetts Chapter

Sierra Club - National

Sierra Club – New Hampshire Chapter

Sierra Club – New Jersey Chapter

Sierra Club – New York Chapter

Sierra Club – Rhode Island Chapter

Sierra Club – Vermont Chapter

Sungevity

SunPower Corp.

The Jordan Institute

VCharge

Vermont Businesses for Social Responsibility

Vermont Conservation Voters

Vermont Energy Investment Corporation

Vermont Natural Resources Council

Vermont Public Interest Research Group

Vote Solar

Westport Electric Car Club