

June 13, 2017

Senator Michael Barrett, Senate Chair
Joint Committee on Telecommunications,
Utilities and Energy
Massachusetts State House, Room 416
Boston, MA 02133

Rep. Thomas Golden, House Chair
Joint Committee on Telecommunications,
Utilities and Energy
Massachusetts State House, Room 473B
Boston, MA 02133

Re: An Act relative to electric vehicles expansion (H.3742) and An Act promoting zero-emission vehicles (H.2699)

Dear Chairman Barrett, Chairman Golden, and Honorable Members of the Committee:

Thank you for the opportunity to provide input on **H.3742: An Act relative to electric vehicles expansion** and **H.2699: An Act promoting zero-emission vehicles**. We should note that S.1915, the Senate companion bill identical to H.2699, was referred to the Joint Committee on Transportation.

The eleven undersigned organizations have long worked with members of the legislature, as well as the Executive Office of Energy and Environmental Affairs (EEA), to advance electric vehicle (EV) policy in Massachusetts. We are committed to helping the Commonwealth continue to lead on these issues, and several of the undersigned individuals are also sworn members of the statutory Massachusetts Zero Emission Vehicle (ZEV) Commission.

Many of our organizations were among 16 groups who submitted joint testimony to the Joint Committee on Transportation last session in support of *An Act promoting electric vehicle adoption*, and this bill was modified and eventually enacted as Ch. 448 of the Acts of 2016, *An Act promoting zero emission vehicle adoption*. Citing *Charging Up*, an October 2015 report issued by Acadia Center, Conservation Law Foundation, and Sierra Club,¹ we advocated for a wide range of policies to accelerate the adoption of electric vehicles, by expanding access to EVs for individuals at all income levels, promoting the build-out of public and private charging infrastructure, and increasing public education and outreach for a range of audiences, such as potential EV buyers and automobile dealerships. Ch. 448 of the Acts of 2016, *An Act promoting zero emission vehicle adoption*, addressed several crucial barriers to EV adoption, and we would like to thank the legislature for passing the bill and Governor Baker for signing it into law.

However, much more work remains to be done. H.3742 and H.2699/S.1915 seek to address other barriers and pursue new avenues to advance electric vehicles. We should also note that EEA and other agencies have been independently considering policies to advance electric vehicles. Importantly, the Baker Administration dedicated \$12 million in funding to the “MOR-EV” consumer rebate program. A number of other key initiatives that agencies have discussed with the ZEV Commission or other groups of stakeholders have faced serious delays, including:

¹ <http://acadiacenter.org/document/charging-up/>

- *Low-income consumer EV rebate pilot program* – This initiative was first discussed in detail at a ZEV Commission meeting in August 2015, and the Department of Energy Resources issued an RFP for the program in August 2016.
- *DC fast charging on the Mass Pike* – The Department of Transportation announced this initiative in July 2016.² These fast charging stations were supposed to go into service in late 2016 but are not yet available for use.
- *Automobile dealer EV training and recognition program* – A proposal for this initiative was discussed at a ZEV Commission meeting in November 2015.
- *ZEV Commission report* – ZEV Commission members compiled a full draft of its statutorily required report in December 2016.
- *Green Communities 2.0* – In September 2016, Dan Knapik, then the director of the Green Communities Division, told stakeholders the Baker Administration was interested in updating the program and suggested there would be more incentives for municipalities to advance EV ownership and public charging within their communities.

In addition, the Baker Administration must make important decisions about the usage of significant funds that Massachusetts will receive under settlements with Volkswagen that should be dedicated to clean transportation investments and programs. Lastly, we are disappointed that the Board of Building Regulations and Standards (BBRS) recently rejected the inclusion of “EV-ready” provisions in the latest revision of the building code. EV-ready wiring is a sensible step that would make it easier, cheaper, and safer for Massachusetts families and businesses to install EV charging stations, and inclusion of these measures was explicitly authorized in Ch. 448 of the Acts of 2016. Several of the undersigned organizations sent a letter to EEA on these issues on June 1, 2017.

With this context, we write today to express our support for H.3742 and H.2699/S.1915, with two notes of caution. First, we are concerned about provisions in H.2699/S.1915 that would permanently dedicate Regional Greenhouse Gas Initiative (RGGI) proceeds to fund incentives and rebate programs for vehicles and charging stations. Second, we would like to learn more about the details of Section 1 of H.3742, and the previous work of Regional Transit Authorities that would qualify for special consideration under the bill. We do ask that these bills be reported favorably out of committee, either separately or consolidated into a single bill. The Committee should further consider adding sections to address the issues that we have discussed above, such as requiring a low-income consumer rebate program or affirmatively requiring the BBRS to adopt EV-ready provisions.

Benefits of electric vehicles are cross-cutting.

Electric vehicles provide significant benefits to consumers, the economy, energy independence, public health, and the environment. Electric vehicles benefit drivers by reducing fuel costs, benefit the regional economy by keeping in local economies dollars otherwise spent on imported fuel oil, and benefit communities burdened with air pollution from the transportation sector. EVs and charging infrastructure can also be leveraged to the benefit of all electric ratepayers.

² <https://www.boston.com/news/local-news/2016/07/19/electric-vehicle-charging-stations-planned-mass-pike>

Last but not least, electric vehicles contribute to significantly lower greenhouse gas emissions in line with the mandates of the Global Warming Solutions Act (GWSA).³ In Massachusetts and the rest of the Northeast, the transportation sector emits more than 40% of total greenhouse gas (GHG) emissions. Complying with the GWSA requires rapid reductions in emissions from the transportation sector. Purchasing an EV can reduce GHG emissions by 50-75% in the immediate term as compared to emissions from a conventional gasoline-powered car. Long-term, with cleaner electricity generation, EVs will represent even larger reductions and, with a fully renewable electricity system, there would be no GHG emissions from powering a fully electric vehicle at all.

Region-leading policies have been a key driver in adoption of EVs in Massachusetts.

Massachusetts has adopted important policies and implemented programs integral to the growth of electric vehicle adoption in the Commonwealth. Massachusetts is an adopter of California's Zero Emission Vehicle (ZEV) regulations and, as a signatory to the Multi-State ZEV Action Plan, has committed to a goal of approximately 300,000 zero-emission vehicles on our roadways by 2025. There are currently about 10,000 EVs registered in the Commonwealth,⁴ but it should be noted that EV sales in Massachusetts increased by 68% between 2015 and 2016, and sales in December 2016 were double those of December 2015. The incentives and other programs adopted by Massachusetts, in addition to improving technology and lower battery costs, continue to make EVs more appealing to consumers. Addressing other barriers will be key to enabling continued growth, and new programs are needed to ensure that all residents of the Commonwealth see driving an electric vehicle as a practical option.

Specific provisions in H.3742 and H.2699/S.1915.

H.3742: An Act relative to electric vehicles expansion.

Section 1 - Grant program and technical assistance to RTAs to support innovative transportation planning and fleet electrification projects. Technical and financial assistance provided to RTAs will encourage, and hopefully accelerate, integration of EVs into fleets, as well as planning and installation of publicly-accessible charging stations. As noted above, we would like to learn more about the work of RTAs that would qualify for special consideration under the language of the bill. In the longer term, technical and financial assistance should be provided to all RTAs.

Section 2 - Electric vehicle dealership rebate program. We support incentives for automobile dealerships to sell EVs. Informed and motivated dealerships and salespeople are key to increasing EV adoption, and a rebate program would pair nicely with potential dealership training and recognition programs.

Section 3 - Pilot commercial tariffs with alternative rate structure to demand charges to facilitate faster charging. Demand charges, as currently implemented by Massachusetts electric utilities, present serious barriers to EV charging, particularly DC fast charging.

³ GWSA requires economy-wide greenhouse gas (GHG) emission reductions of 25% below 1990 levels by 2020 and 80% below 1990 levels by 2050.

⁴ <https://autoalliance.org/energy-environment/zev-sales-dashboard/>

H.2699/S.1915: An Act promoting zero-emission vehicles.

Sections 1 & 2 - Authorize the use of RGGI proceeds to replenish MOR-EV funds once current resources are fully exhausted and to replenish EVIP funding once currently allocated resources are fully exhausted. We recognize that decreased costs and continued incentives for EVs are key drivers of accelerated adoption among consumers. The Baker Administration recently committed \$12 million to the MOR-EV program, so there should be no short-term issue for that program. At the same time, we acknowledge that EVIP funding for fleets was fully committed as of March 23, 2017. The program has been instrumental in promoting the purchase of EVs and charging stations by towns, public agencies, public colleges and universities, as well as workplace charging. However, we must respectfully caution against authorizing the indefinite use of RGGI dollars, which would fund critical energy efficiency programs, to fund EV incentive programs, and we strongly encourage that another source of funding be identified/designated. In the near term, Volkswagen settlement monies would be an appropriate source of funding for EVIP instead. Over the long term, necessary incentive funding could be raised by implementing climate policy for the transportation sector.

Section 3 - Requires DOER to publish guide for cities and towns to develop program for installation of curbside charging stations. Curbside charging is an important opportunity to increase the availability of public charging infrastructure, particularly in areas where residents do not have garages or other places to install their own private charging infrastructure.

Section 4 - Requires distribution companies to file proposals for opt-in electric vehicle time-of-use rate. Time-of-use rates, which are lower at night (off-peak) and higher in the middle of day (hours of peak demand), presents an opportunity for lower fueling costs for EV owners, benefitting EV owners and incentivizing adoption. Time-of-use rates also encourage EV charging in a manner that helps optimize the electric system, thereby benefitting all electricity customers.

Section 5 - Requires DOER to report to TUE on the costs and benefits of EV adoption, including but not limited to impacts on distribution system and rates. The costs and benefits of EV adoption are keys to optimally designing a number of different EV programs, particularly investments by electric utilities.

Section 6 - Requires DOER and DOT to file report with Transportation Committee identifying high priority locations for publicly accessible EV charging station installations. Identification of high priority locations for publicly accessible charging would facilitate better decision-making in programs to promote EV charging infrastructure.

In closing, we strongly support the aims of H.3742 and H.2699/S.1915 to further facilitate EV adoption and charging infrastructure investments. With further due diligence and after addressing our above concerns, we encourage the committee to report these bills out favorably and consider adding other provisions to further promote these goals.

Respectfully,

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Clean Water Action

Darcy DuMont and Adele Franks
Climate Action Now Western MA

Megan Herzog*
Conservation Law Foundation

Mark Renburke
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Nancy Goodman
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** denotes Massachusetts ZEV Commission Members*