

EVS26
Los Angeles, California, May 6-9, 2012

Leveraging EV/PHEV Consumer Advocacy to Influence Public Policy

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Abstract

Plug In America, the leading non-profit consumer advocacy group for electric vehicles, successfully influences public policy to support and accelerate market acceptance of plug-in electric vehicles. Our actions helped drive more than US\$14 billion towards plug-in electric vehicles and infrastructure via the American Recovery and Reinvestment Act of 2009. Using customized web tools, electric vehicle advocates sent over 60,000 letters to elected representatives. Plug In America's grassroots "bottom up" strategy couples well with a "top down" approach to educating policy makers and initiating legislation. Plug In America will share and expand this strategy as electric vehicles deploy worldwide.

Keywords: Electric Vehicle Public Policy, Consumer Incentives, Market Barriers

1 Overview

Plug In America (<http://www.pluginamerica.org>), the leading non-profit consumer advocacy group for electric vehicles, has successfully influenced public policy to support and accelerate public acceptance of plug-in electric vehicles (plug-ins) and the ultimate electrification of transportation. Plug In America used the legislative and advocacy process to drive more than US\$14 billion in funding for plug-in electric vehicles and infrastructure via the American Recovery and Reinvestment Act of 2009 (ARRA). Using customized web tools, Plug In America supporters sent over 60,000 letters to elected representatives in the U.S. Congress.

This issue drew more participation from supporters than nearly any in our history. Direct feedback from the legislators indicated that our campaign was extremely influential in helping to determine the outcome. The message demanded significant increases in the number and types of vehicles covered by a plug-in vehicle tax credit.

Plug In America has initiated numerous campaigns at both the state and national level. Our primary goals are to provide consumer incentives including tax credits and rebates, high occupancy vehicle lane and parking access, access to charging infrastructure, and streamlined installations.

The key consumer incentive currently available at the U.S. Federal level, is a tax credit of up to US\$7,500 on the purchase of a new plug-in vehicle (EV or PHEV). At the end of 2011, three incentives expired, a 10% Federal tax credit for the purchase of a 2 or 3-wheeled e-motorcycle, the most affordable of electric vehicles and often an entry point for consumers. There was also a 10% Federal tax credit for plug-in conversions. Finally there was a 30% tax credit (up to US\$1,000) to offset the cost of charging infrastructure for the EV. Consumers find this incentive extremely important as the EVSE (Electric Vehicle Service Equipment) is necessary to replace their existing fueling infrastructure.

For Cars

\$2,500 to \$7,500 tax credit, depending on size of battery (4 kWh to 16 kWh), for electric-drive vehicles (EVs and PHEVs) sold after December 31, 2008. This is the best and biggest new incentive brought on by the American Recovery and Reinvestment Act of 2009 (stimulus bill), and applies to at least 200,000 units per vehicle manufacturer before it begins phasing out.

For 2- or 3-wheelers (expired)

10% consumer tax credit for 2- or 3-wheeled vehicles (up to a maximum of \$2,500 tax credit on vehicles costing \$25,000 and above). This incentive further lowers the cost on the most affordable electric vehicles – electric motorcycles and enclosed 3-wheelers. Vehicles must have a minimum of 2.5 kWh of batteries. **Expired 12/31/2011; Plug In America is working to renew this key credit.**

For Conversions (expired)

10% tax credit for plug-in conversions with a maximum credit of \$4,000 (on a \$40,000 conversion expense). Available until December 31, 2011. This applies to both PHEV conversions and conversions from combustion engines to EVs. When coupled with tax credits of up to \$6,000 being offered by states – including Colorado and Florida so far– converting your car could be an ideal way to go plug-in! **Expired 12/31/2011; Plug In America is working to renew this key credit.**

For Charge Stations (expired)

The EV infrastructure tax credit was extended for one year until 12/31/11 at prestimulus levels. This means that the tax credit on an EV charge station is 30% up to \$1000 for consumers and 30% up to \$30,000 for businesses rather than 50% up to \$2,000/50% up to \$50,000 as it has been for the past two years. Applies to equipment installed before the end of 2011. **Expired 12/31/2011; Plug In America is working to renew and raise this important tax credit.**

Figure1: U.S. Federal Incentives¹

Plug In America has been successful at the US Federal level as well as in many states including California, Colorado, Georgia, Hawaii, Illinois, Maryland, New Jersey, Oregon, South Carolina, Washington State, and West Virginia. Please see next figure for an overview of these incentives.

As a specific example, California legislation was recently passed which allows potential electric vehicle drivers who live in condominium complexes or other homeowner association governed residences to install electric vehicle

charging equipment. This legislation, California SB209² (Corbett) was designed to reduce barriers that many new electric vehicle owners face. One Plug In America supporter stated, “This bill may have been helpful in encouraging my HOA at my condo in Marina del Rey to conditionally approve my EVSE installation after a denial and a hearing on appeal. We have had our Leaf for 3 months with no ability to charge at home.” This kind of legislation is very applicable to other countries, especially where multifamily dwellings are the norm.

State Incentives

✓ In Place ♦ In Progress

State	Incentive Amount or Rate	Rebate or Income Tax Benefit	Sales Tax Exemption	Conversions Included?	Carpool Lane Access?	Infrastructure Incentives
Arizona					✓	
California	up to \$2,500				✓	✓
Colorado	up to \$6,000	✓				
Connecticut			♦			
District of Columbia		✓				
Florida				✓	✓	
Georgia	up to \$5,000	✓			✓	
Hawaii	up to \$4,500	✓			♦	✓
Illinois	up to \$4,000	✓		✓		✓
Louisiana	up to \$3,000	✓		✓		✓
Maryland	up to \$3,000	✓				✓
Massachusetts			♦		♦	
Montana	up to \$500			✓		
Nebraska						
New Jersey	up to \$4,000		✓		✓	
New York			♦		♦	
Oregon	up to \$5,000	✓		✓		
Pennsylvania			♦			♦
South Carolina	up to \$1,500	✓				
Texas		♦	♦			
Utah	up to \$2,500	✓		✓	✓	
Washington			✓			✓
West Virginia	up to \$7,500	✓		✓		

Figure 2: U.S. State Incentives^{3,4}

Plug In America has worked closely with state agencies such as the California Energy Commission, California Air Resources Board, Colorado Department of Revenue, Georgia Environmental Protection Agency, and the various Clean Cities Coalitions in many states to maximize consumer incentives for plug-in vehicle rebates, tax credits and charging infrastructure. In each case, the voice of the EV consumer was critical to the legislative or state agency decision process. A detailed map of US State consumer EV incentives is available at <http://www.pluginamerica.org/incentives>.

Sometimes the organization deals with contentious issues where an industry attempts to “game the system”. This happened in mid-2009 when automaker BMW tried to use short-term leases to place EVs in California, enabling them to get amplified Zero Emission Vehicle (ZEV) credits. Plug In America initiated action to highlight the manipulation of the regulatory system and was successful in advocating a change where consumers would be allowed to purchase or lease vehicles for longer periods of time.

With its rapidly growing database of more than 30,000 individuals, Plug In America supporters are highly motivated to participate in our EV advocacy campaigns. New EV drivers are joining the fold as over 18,000 new plug-in vehicles were added to U.S. roads in 2011.

Plug In America’s grassroots “bottom up” outreach couples beautifully with a strategic “top down” approach to educating policy makers and initiating legislation. Working both ends of the spectrum, Plug In America flexes tremendous advocacy and policy muscle. Plug In America will share and expand this strategy internationally as electric vehicles expand to become an ever greater world-wide phenomena.

Acknowledgments

I would like to acknowledge the tens of thousands of hours of volunteer time put in by the board and members of Plug In America in support of the electrification of transportation. As we like to say at Plug In America – We drive electric, you can too!

References

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Author

Working with the U.S. Congress as well as consumers, industry, and environmental leaders, Mr. Friedland has helped drive over US\$14B in government funding for plug-in vehicles. He serves as the Legislative Director of Plug In America, advocating for public policy broadly supporting electric and plug-in vehicles. A self-described serial entrepreneur, he has built successful companies as well as developing key industry alliances between companies both large and small. In addition to his non-profit advocacy work, Mr. Friedland is the Vice President of Strategy and Sustainability at Zero Motorcycles, Inc. He has driven a fully electric Toyota RAV4EV for more than 10 years.

