

January 13, 2023

The Honorable Gretchen Whitmer Governor, State of Michigan P.O. Box 30013 Lansing, MI 48909

Re: Allocating EV and charging incentives in the 2023-24 budget is critical to realizing the goals of the MI Healthy Climate Plan

Dear Governor Whitmer,

We, the undersigned businesses, represent the rapidly growing EV charging industry that is eager to do business in Michigan and support the state achieving its EV and charging deployment goals. Collectively, we manufacture, install, operate, and repair EV charging station software, hardware and other services. We write to respectively urge you to allocate \$200 million in your executive budget for both EV and charger incentives to fulfill the promise of the state's MI Healthy Climate Plan (Plan). The Plan has set ambitious but achievable EV adoption and charger deployment targets, taking a critical multifaceted approach to addressing a multitude of vehicle use cases.

According to the Plan, the state has a goal to achieve 50 percent light-duty EV sales¹ and deploy enough charging infrastructure to support 2 million EVs by 2030² (approximately 100,000 chargers). By comparison, Michigan has only deployed 161,970 EVs to date³ and has 1,059 charging station locations with a total of 2,450 charging ports available to the public⁴. Financial incentives will be critical to closing these gaps and keeping the state on track with its goals. These incentives can also yield additional benefits, including leveraging private investment, supporting job creation, and reducing pollution in environmental justice communities.

We encourage allocating the \$200 million as follows:

- \$55 million for public Level 2 and DC fast charger rebates. A public charger rebate program administered by the Department of Environment, Great Lakes, and Energy is a much needed complement to existing utility incentives and the Michigan's National EV Infrastructure (NEVI) Program funds. Michigan's NEVI funds are only deploying DC fast chargers along highway corridors, leaving significant gaps in needed public infrastructure deployment that are not being fully covered by utility investments. Furthermore, a rebate program is typically easier for the state to administer and easier for industry to access compared to other types of incentives because the paperwork to apply for an incentive is significantly less.
- \$50 million for battery EV and plug-in hybrid EV rebates, including new, used, and leased vehicles. The state cannot only incentivize infrastructure; it also needs to simultaneously incentivize vehicle purchasing and leasing, which will in turn drive more demand for infrastructure. This incentive program should bundle rebates with home charger and panel upgrade incentives. Lack of access to home charging can significantly deter consumer interest in EVs, and for low-income applicants especially, the cost alone to upgrade their home panel capacity can become a huge adoption barrier. Therefore, it's critical to create incentive "adders" for income qualified applicants to ensure those with the most need are accessing the greatest rebate level.
- \$25 million for state and municipal fleet electrification. This would enable the state to lead by example with its own EV adoption efforts and further support local governments and small businesses with transitioning their fleets⁵. Such incentives for fleet conversion should also include associated charging infrastructure procurement and installation costs to ensure their needs are being holistically addressed.

¹ Department of Environment, Great Lakes, and Energy. MI Healthy Climate Plan. April 2022. Page 39.

² Department of Environment, Great Lakes, and Energy. MI Healthy Climate Plan. April 2022. Page 37.

³ Alliance for Automotive Innovation. Electric Vehicle Sales Dashboard. Accessed December 27, 2022. < <u>electric-vehicle-sales-dashboard (autosinnovate.org)</u>>.

⁴ U.S. Department of Energy. Alternative Fuels Data Center. Accessed December 27, 2022. <<u>Alternative Fuels Data</u> <u>Center: Alternative Fueling Station Locator (energy.gov)</u>>.

⁵ Department of Environment, Great Lakes, and Energy. MI Healthy Climate Plan. April 2022. Page 39.

 \$70 million for medium- and heavy-duty EV and associated charging infrastructure rebates, including public transit buses, school buses, and other vehicles used for freight. This will greatly accelerate the state toward achieving 100 zero-emission bus sales and 30 percent medium- and heavy-duty EV sales by 2030, per the Plan⁶.

Under your administration, the state has deeply embraced the promise and potential of EVs, maintaining its innovative spirit in keeping with its automotive heritage. We are excited to further our partnership with you to achieve the state's long-term goals and stand ready to work with you to keep this industry growing.

Thank you for your consideration,

Cory Bullis Public Affairs Director FLO EV Charging

Emily Kelly Manager, Public Policy ChargePoint

Adam Mohabbat Policy Director, North America Wallbox

Senator Bob Huff (ret.) Director of Government Affairs Noodoe

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