Chairmen Camp and Tiberi and Ranking Members Levin and Neal:

The National Electrical Manufacturers Association (NEMA) thanks the Subcommittee for the opportunity to provide for the record these comments on tax extenders. NEMA is the association of electrical equipment manufacturers, founded in 1926 and headquartered in Arlington, Virginia. Its member companies manufacture a diverse set of products including power transmission and distribution equipment, lighting systems, factory automation and control systems, and medical diagnostic imaging systems. Worldwide annual sales of NEMA-scope products exceed $120 billion.

Through its Electric Vehicle Supply Equipment and Systems (EVSES) section, NEMA represents manufacturers of products or assemblies installed for the purpose of safely delivering and managing electrical energy between an electric vehicle (EV) and an electrical source. These comments are submitted on behalf of NEMA’s Electric Vehicle Supply Equipment product section.

NEMA believes EVs are part of the solution for our Nation to address many of our energy related challenges. We believe that EVs are a critical component of the “all of the above” energy policy that promotes job creation, energy independence and emission reductions. NEMA member companies are

1 Members of NEMA’s Electric Vehicle Supply Equipment include: ABB Inc.; Coleman Cable Inc.; Cooper Industries; Coulomb Technologies, Inc.; Eaton Corporation; ECotality North America; GE; General Cable; Hubbell Incorporated; Legrand, North America; Leviton Manufacturing Co., Inc.; Milbank Manufacturing Company; Schneider Electric; SEW-Eurodrive, Inc.; Siemens Industry, Inc.; Southwire Company; TE Connectivity; Toshiba International Corporation; and Associate Member NRG EV Services.
making significant investments in transportation electrification. With the right set of policies to go with them, these investments will pay dividends for generations to come.

NEMA believes extending the Section 30C credit for Alternative Fuel Vehicle Refueling Property is one of these critical policies.

The National Academies ranks electrification as the most significant engineering achievement of the twentieth century\(^2\). Few would argue this point. Put another way, NEMA member manufacturers have spent the last 100 years building an electric infrastructure that is virtually ubiquitous today and ready to support the plugging-in of America’s cars and trucks. In fact, deployment of EVs is the natural extension of a robust, reliable, and affordable electric grid.

Prices at the pump have been incredibly unstable, while prices near $4 per gallon in 2008 and again now place a terrible burden on American families. The price of electricity, on the other hand, has remained steady and affordable. According to the Edison Electric Institute, even when gasoline prices were at their lowest point, powering the average car by electricity as opposed to gasoline would have been more economical\(^3\). Today, the difference between the two in dollars-per-gallon equivalent is dramatic.

U.S. electricity is generated by a range of mostly domestic feedstocks including coal, natural gas, nuclear, and renewables. The U.S. Energy Information Administration estimates that 70% of all petroleum is used in the transportation sector. Moving away from gasoline and toward electric vehicles reduces our dependence on foreign oil and increases our national security.

The technologies behind EVs are proven. Innovations continue to occur at a rapid pace in this sector, but no one should categorize the development of the electric grid or electric vehicles as technologically risky endeavors.

Deployment of electric vehicles will decrease pollution. According to a new study by the Union of Concerned Scientists, electric vehicles, no matter what part of the country you are in, are an environmental win\(^4\). The situation will only improve as our mix of generation resources moves away from coal, as is already occurring due to, for instance, the vast amounts of newly recoverable natural gas.

But today’s hearing is not at its core about debating the merits of various alternative transportation fuels. This hearing is, however, about whether or not to extend a tax provision for emerging markets. This hearing is about how best to encourage adoption of new technologies and ensure that the research and development and manufacturing jobs associated with these new technologies remain here in the U.S. instead of being exported overseas.

\(^2\) [www.nationalacademies.org/greatachievements/List.PDF](http://www.nationalacademies.org/greatachievements/List.PDF)


The Alternative Fuel Vehicle Refueling Property Credit (Section 30C), which expired in 2011, provided a modest tax credit for the purchase of refueling property designed for vehicles powered by ethanol, natural gas, compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, certain biodiesel mixtures, or electricity.

Clearly, this credit does not pick technology winners and losers. Rather, it promotes all alternative fuel transportation infrastructure, to give consumers the most flexibility in choosing the right alternative fuel vehicles to meet their needs.

NEMA envisions the Section 30C credit as a temporary incentive designed to provide an early boost to a burgeoning set of industries, ensuring both that the U.S. is not outpaced by other countries making similar investments and that the public policy objectives of alternative fuels in transportation are expedited.

Early adopters of alternative fuel vehicles need certainty as they make purchasing decisions. A multi-year extension of the Section 30C credit would provide this certainty and a level playing field among alternative fuel technologies. However, given the realities facing Congress, NEMA urges the Subcommittee to recommend extending the Section 30C credit to apply, at minimum, to tax year 2012.

Thank you for the opportunity to provide testimony at today’s hearing.

Sincerely,

Kyle Pitsor
Vice President of Government Relations
National Electrical Manufacturers Association (NEMA)