



U.S. House of Representatives

COMMITTEE ON WAYS AND MEANS
1139 LONGWORTH HOUSE OFFICE BUILDING
Washington, DC 20515

September 19, 2023

Mr. Elon Musk
CEO
Tesla Inc.
1 Tesla Road
Austin, TX 78725

Dear Mr. Musk,

Thank you for your response to my April 17, 2023, letter seeking information on whether the Biden Administration is implementing the clean vehicle credit provisions of the Inflation Reduction Act (IRA) in a way that will cause taxpayer dollars to flow to foreign entities of concern, such as China. The Committee on Ways and Means remains committed to protecting American workers and businesses and remains concerned that electric vehicle (EV) sourcing rules in the IRA continue to provide loopholes that allow EV automakers to circumvent protections for taxpayers and their money.

While I appreciate Tesla responding to the inquiry, the response failed to directly and specifically answer the questions posed. Therefore, I am writing to request that Tesla provide additional information that contains the level of detail originally sought by the Committee.

In addition to providing more direct answers to the questions in my April 17 letter, the Committee has since learned new information about Contemporary Amperex Technology, Co. Limited (CATL) that raises new concerns about CATL's relationships with U.S. companies.¹ Given those new concerns, the Committee is also concerned about whether CATL may be trying to negotiate other agreements like the agreement with Ford. Given these issues and the new concerns, I ask that you more specifically answer our original questions repeated below for your reference:

1. Other than plans to bring manufacturing activity to North America, has your company taken any actions to increase production of the number of vehicles that will qualify for the clean vehicle credit? If so, please explain those actions.

¹Smith, Gallagher Demand Answers on Ford's China Battery Partnership (July 21, 2023), available at <https://waysandmeans.house.gov/smith-gallagher-demand-answers-on-fords-chinese-battery-partnership/>.

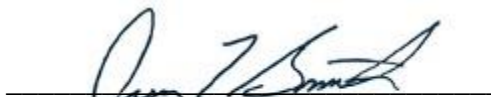
2. Does your company have any intellectual property or technology licensing agreements with companies that may be foreign entities of concern similar to the agreement between Ford and CATL described in this letter? If so, please list those agreements and describe their purposes.
3. Has your company agreed to, or does it plan to enter any agreements with any entities, which may be foreign entities of concern, to source, manufacture, or assemble EV battery components or EVs? If so, please provide details about those agreements (including but not limited to joint ventures, partnerships, royalty, licensing, services, or other agreements), including where that company is headquartered, why the partnership is being considered, and whether the company expects that those EVs would qualify for the clean vehicle credit.

I also ask that you answer one additional question:

4. Does Tesla have any contracts with CATL or is Tesla considering contracting with CATL? If yes, please describe, in detail, the nature of the contracts or potential contracts.

Thank you for your attention to this request, which is made pursuant to Rule X of the U.S. House of Representatives. Please provide a response to this request as soon as possible, but no later than 5:00 pm on October 3, 2023. Please contact the Majority staff of the Ways and Means Committee if you have any questions.

Sincerely,



Jason Smith
Chairman
House Committee on Ways and Means