

ELECTRIC VEHICLES IN VIRGINIA

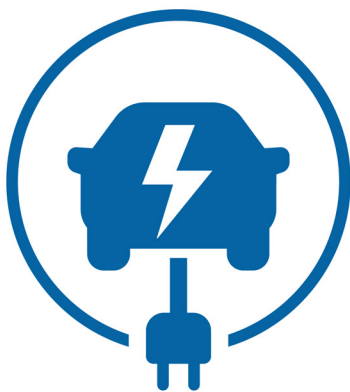
Supporting House Bill 1965 (Bagby)



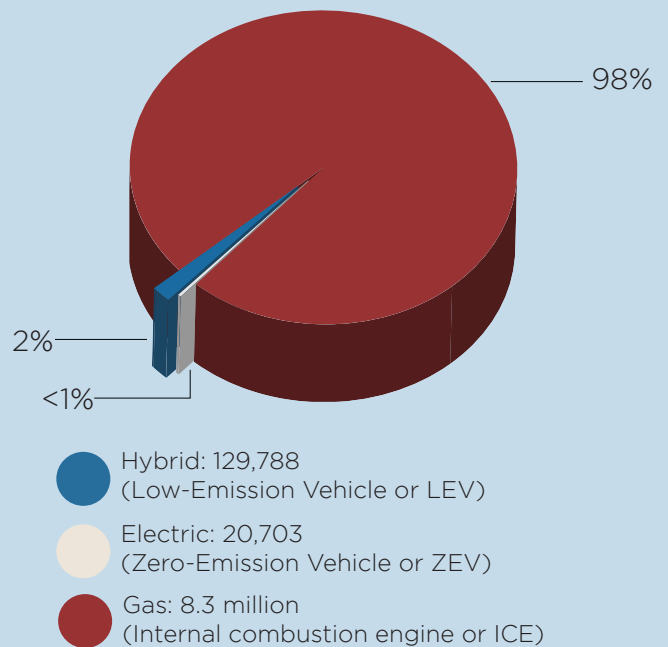
Virginia's nearly 500 franchised new car and truck dealers fully support adoption of electric vehicles. EVs, which currently account for less than 2% of all automobiles sold in Virginia, inspire a new way of thinking about transportation, and we support a cleaner future. VADA now supports House Bill 1965.

The bill will direct Virginia's Air Pollution Control Board to adopt California's vehicle emissions regulations, which would include:

- 1. Low-Emission Vehicle (LEV) Program,** which includes criteria and greenhouse gas emissions standards
- 2. Zero-Emission Vehicle (ZEV) Program,** mandating manufacturers include an increasing percentage of EVs in their total new car volumes in a ZEV state



Here's how hybrid and fully electric vehicles compare to all automobiles on roads in Virginia.



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A Comprehensive Plan for EV Adoption

In addition to HB1965, Virginia is pursuing additional measures that consider other aspects to support transportation electrification. Beyond legislation, discussions with stakeholders as well as federal policies will help to usher in a new era for automobiles in Virginia.

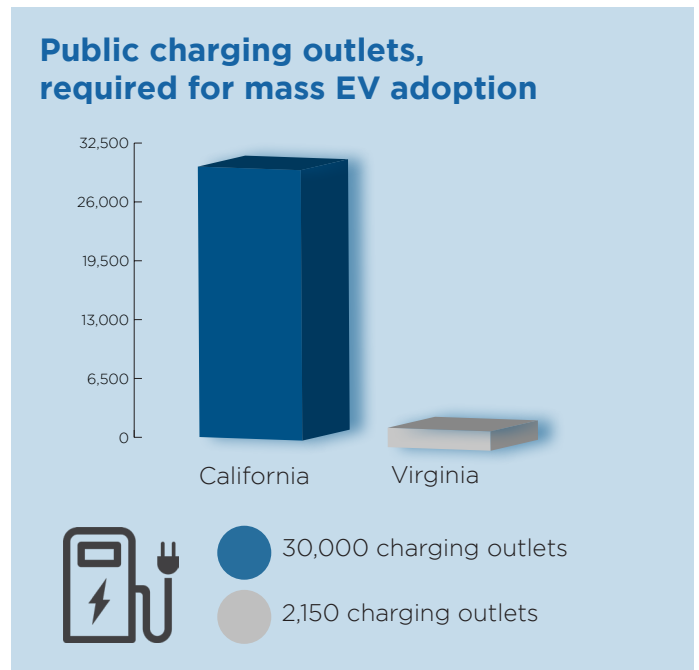
Incentives

Emulating California means matching its investment. California has committed about \$3.5 billion through purchase incentives (such as rebates for buyers) and charging-station infrastructure. Based on vehicle market size proportional to California, **Virginia should commit no less than \$720 million over the next five years** to prepare and grow market demand for EVs. These funds must be appropriated in advance of any mandate taking effect.

HB1979 (Reid) is an important first step as it would establish an **EV rebate program, offering \$2,000 “on the hood” for buyers and even more for low-income customers.** This is a critical part of efforts to spur the adoption of EVs. However, sufficient funding for this program would run into the tens of millions of dollars, and only several million are on the table right now.

Infrastructure

Virginia needs more infrastructure to support expanded EV adoption. SB1223 (Boysko) will analyze the charging infrastructure required, and HB2282 (Sullivan) requires utility regulators to provide policy proposals to accelerate transportation electrification.



Our Position: SUPPORT HB1965 and Corresponding Bills

Taken together, HB1965 and corresponding bills (HB1979, HB2282, SB1223) are consistent to our stated position that the issue of EV adoption should be considered comprehensively. After numerous discussions with legislators and various impacted parties, it is clear HB1965 can proceed as we are comfortable with the understanding and commitment shown by legislators to address other major components of this issue. They understand the adoption of EVs will be achieved, but only with the investment of all parties: manufacturers, dealers, electric utilities, environmental groups, government, consumers.

Over the next two years, all stakeholders should continue our efforts and develop a comprehensive plan to ensure the successful adoption of EVs in Virginia and the corresponding reduction in emissions that we all know to be the beneficial end goal.

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