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Implications of Electric Vehicle Investments for Agriculture/Rural America: U.S. House of Representatives Agriculture Committee Hearing

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The United States House of Representatives Agriculture Committee held a January 12th hearing titled: Implications of Electric Vehicle Investments for Agriculture and Rural America (“Hearing”)

This was a Full Committee Hearing.

The witnesses testifying included:

Mr. Geoff Cooper

President and CEO

Renewable Fuels Association

Ellsville, MO

Mr. Cooper states that the biofuels industry needs “smart policy and regulation” including:

- Fairness and consistency in how the carbon footprint of different fuels and vehicles is measured;
- Removal of unnecessary regulatory barriers that are blocking the use of fuel blends that contain higher levels of ethanol, such as 15 percent ethanol blends (E15);
- Investment in storage and distribution infrastructure for higher ethanol blends like E15 and flex fuels like E85;
- Implementation of strong Renewable Fuel Standard volume requirements in 2023 and beyond;
- Equitable incentives for the production of flex-fuel vehicles that can operate on fuels containing up to 85 percent ethanol; and
- A nationwide technology-neutral, performance-based low carbon fuel standard.

Mr. Cooper’s testimony also argues:

- As the leading source of GHG emissions in the United States, the transportation sector must be a central focus for national decarbonization efforts;
- Increased deployment of electric vehicles will play an important role in reducing transportation-related GHG emissions, but other complementary solutions will also be required to truly decarbonize transportation fuels by mid-century;

- Through renewable fuels like ethanol, the U.S. agriculture sector offers an effective and immediate solution for decarbonizing liquid fuels across all segments of the transportation sector;
- Decarbonization strategies must adopt fair and accurate methodologies for assessing the lifecycle GHG emissions of various fuel and vehicle options;
- Smart policy can ensure agriculture and renewable fuels are able to effectively contribute to national decarbonization efforts.

Mr. Matthew Laughridge

President and Managing Partner

Terry Reid Automotive Group

Cartersville, GA

(on behalf of National Automotive Dealers Association)

Mr. Laughridge states:

- Automobile dealers are making substantial investments to sale and service the dozens of new electric vehicles;
- Estimates are that dealers will send \$2 to \$3 billion on installing electric chargers, purchasing special equipment, parts and tools, and investing in training sales and service personnel;
- Dealers are essential adoption by consumers of electric vehicles;
- Franchise dealers perform necessary services for tens of millions of Americans annually in regards to the necessary infrastructure;
- It makes no sense to have a system where the sale of one vehicle is under one set of rules and the vehicle next to it is under no rules at all;
- Congress should continue to preserve the states' traditional role to license and regulate vehicle commerce by rejecting attempts to preempt state dealer franchise laws.

Mr. Mark Mills

Senior Fellow

Manhattan Institute

Chevy Chase, MD

Mr. Mills states:

- EVs still can't meet overall practical performance requirements, especially in rural areas;
- Mass adoption of EVs will stress global supply chains and lead to higher, not lower, prices;
- EVs will reduce oil use only slightly, and have an even smaller impact on carbon dioxide emissions.

Mr. Josh Nassar

Legislative Director, International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), Washington, DC

Mr. Nassar addresses:

- Importance of the United States Motor Vehicle Industry;
- Difference between being in a union versus not being in a union in terms of higher wages;
- Electric vehicles are growing steadily;
- Electric vehicle charging infrastructure is inadequate and the electrical grid is unprepared;
- Consumers shopping for an electric vehicle face barriers in battery range and charging speed;
- Global challenges noted;
- Need to create and maintain good jobs

The Honorable David Strickland

Vice President, Global Regulatory Affairs

General Motors, Washington, DC

Mr. Strickland states:

- General Motors' vision for the future includes:
- Zero crashes, zero emissions, zero congestion
- Key to unlocking the previous vision is automobile electrification
- General Motors is stated to be on track to invest \$35 billion in electric and autonomous vehicles by 2025;
- No other automaker matches the depth and range of General Motors all-electric portfolio;
- General Motors is converting large portions of its manufacturing footprint for electric vehicle production;
- Charging deserts are stated to still exist in many rural and underserved areas that lack critical electric vehicle charging infrastructure necessary for more widespread adoption;
- There is a need to augment private sector efforts to lead in electrification, including:
- Investing in infrastructure
- Investment tax credits
- Consumer incentives

Mr. Trevor Walter

Vice President of Petroleum Supply Management

Sheetz, Inc.

Altoona, PA

(on behalf of National Association of Convenience Stores)

Mr. Walter states:

- Environmental transportation policy principles should include:
- Science should be the foundation for transportation climate policies
- Establish performance goals without mandating specific technologies to allow for the benefits of innovation and technology development
- Develop competitive market incentives to ensure a level playing field and provide long-term consumer benefits
- Harness existing infrastructure to help commercialize new technology, maximize diverse investments and achieve near-term and long-term emission reduction goals
- Set consistent, uniform national policy so that (i) the market has certainty to help it invest, and (ii) state policies do not create inconsistent or counterproductive measures
- Ensure fair treatment so that all households are not forced to subsidize alternative energy users
- Retail fuels market is the most transparent, competitive commodities market in the United States;
- Fuel retailers are agnostic to the type of fuels sold to satisfy consumer demand and have demonstrated they are prepared to invest in any transportation energy technology that their customers desire;
- Fuel retailers are the solution to range anxiety;
- Electric vehicle charging needs price competition;
- Federal policies should incentivize private investment;
- Many states allow utilities to charge all of their customers, regardless of the type of vehicle they drive, for the utility's investment in electric vehicle charging stations via their monthly electric bill;
- No public policy rationale pursuing the above approach;
- The utility type of pricing system was designed for fixed locations and does not take into account electric vehicles;

- Cost burden will hit hardest on those least able to afford it;
- Federal policy should maintain the ban on commercialized interstate rest areas (including disallowing electric vehicle charging within federal interstate rights-of-way);
- Fuel retailers getting hit with demand charges cannot compete with the utility that has a substantially lower cost for energy and power;
- If combustion engines are banned, investments to find ways to take carbon out of the operation of those engines will be stunted;
- Renewable fuels have already delivered most of the decarbonization gains that have been made in the transportation sector to date;
- A ban on internal combustion engines would have significant negative consequences for agriculture in rural America;
- No matter how rapidly electric vehicles are adopted, large numbers of people will be driving traditional cars and trucks for a long time;
- Electricity has more emissions than many people assume;
- Policy mechanisms to address the various concerns should include:
 - Ensure Federal funding does not block private sector investment by compounding the problem of utilities charging all their customers more for chargers and not putting capital at risk
 - End the electricity pricing problem of demand charges that make the business case unattractive for retailers to sell electricity
 - Prioritize credit regimes and or tax incentives that make alternative energy less expensive for the end use thereby providing a stable economic case for upstream investment. Tax credit and other incentives targeting the underlying economics of different fuels are a far more efficient, effective way to incentivize behavior than grant and rebate programs.
 - Permit all EV charging station owners to generate a profit by selling electricity to EV owners without being subject to regulation as a utility. This allowance is essential if fuel retailers are to have any incentive to invest in EV charging technology.
 - Adopting uniform retail pricing measurements (e.g., dollars per kilowatt-hour) and requirements for consumer-friendly price disclosures

Mr. Lincoln Wood

Electrification Policy Manager

Southern Company, Atlanta, GA

Mr. Wood addresses:

- Steps Southern Company and its affiliates taking to electrify the transportation sector;
- Infrastructure Investment and Jobs Act will dramatically increase the availability of electric vehicle charging;
- Southern Company among the first United States utilities to set a goal of net zero greenhouse gas emissions by 2050;
- Southern Company offers specific electric vehicle programs and pricing options designed to meet customer electric transportation requirements;
- Southern Company offers two regulated electric vehicle charging infrastructure programs
 - Community Charging Program – business and residential
 - Make Ready Program – business and residential
- Leadership role with the United States Department of Energy to produce a state-of-the-industry report “Voices of Experience: an EV Transition”;
- Partnering with the University of Georgia College of Engineering to create an e-Mobility Certificate program;
- Requesting Congress to provide additional support to transportation electrification such as:

- Create multi-stakeholder, agriculture-focused electrification research program where new technology can be tested at reduced risk to farmers
- Continue to provide budgetary support to ARPA-E and other research programs, especially battery recycling and autonomous technologies
- Consider funding a specific electric vehicle education center at the federal level as a resource for K-12, technical schools, and universities nationwide, using the joint Department of Transportation and Department of Energy offices as a starting point

Testimony of the witnesses can be found below:

[Mr. Geoff Cooper](#)

[Mr. Matthew Laughridge](#)

[Mr. Mark Mills](#)

[Mr. Josh Nassar](#)

[The Honorable David Strickland](#)

[Mr. Trevor Walter](#)

[Mr. Lincoln Wood](#)