



February 20, 2013

Senate Environment and Natural Resources Committee
900 Court St. NE
Salem, Oregon 97301

RE: Senate Bill 536

Dear Committee Members:

Drive Oregon is pleased to offer this testimony in **strong support of SB 536.**

Drive Oregon is a nonprofit public-private partnership with diverse membership from across the range of companies and organizations involved in electrifying the transportation system. Drive Oregon's mission is to promote, support, and grow the electric vehicle industry in Oregon. Drive Oregon is funded in part with Oregon State Lottery Funds administered by Business Oregon.

Expanding Charging Access is Important

Currently over 80% of electric vehicle charging happens at home. Many drivers may never need to use any other charging infrastructure. However, driver surveys consistently show that access to public charging in key locations – as well as to charging facilities at places of work – will encourage more drivers to purchase electric and plug-in hybrid vehicles, and to drive them further.

Oregon has benefited from being part of the national “EV Project” and from federal grant funds that have allowed construction of charging facilities along I-5 and other key loops around the state. The Portland metropolitan region now has more public chargers per capita than any other US metropolitan area, but is in a tight race with communities in California and elsewhere to maintain that lead. SB 536 is a common-sense way to support the further expansion of this infrastructure at no cost to the state.

SB 536 Permits Innovation

It is important to emphasize that SB 536 **allows** state agencies to partner with these companies where it makes sense – without mandating that they do so. The insurance requirements and other provisions of the bill will protect the state’s interests, while enabling innovation and maximum flexibility for agencies to pursue partnerships that make sense for their particular circumstances.

There are many unique circumstances where state agencies may wish to enter into partnerships with private companies to offer charging. In doing so, they will be providing a valuable service to

visitors and state employees. A few examples:

- Large state offices may wish to have charging infrastructure available for employees who drive electric vehicles to work, or for visitors to popular state offices. This bill would allow agencies to support such employees without imposing costs or liabilities on the state.
- Agencies may wish to provide charging infrastructure as a service to the public at state sites, buildings, and facilities. For example, some RV parks offer electric vehicle charging, and state parks may wish to do so as well.
- An agency may wish to add electric vehicles to its fleet (e.g. for staff who travel to meet clients) in order to take advantage of the lower operating costs of electric vehicles. Privately-operated charging infrastructure could provide a cost effective means to charge these vehicles, and could also be made available to employees and the public.

Doubtless other opportunities and partnerships will emerge over time. State agencies can take advantage of resources and support provided by Drive Oregon, Oregon State Building Codes Division, utility companies, and the Oregon Department of Transportation to design the optimal charging infrastructure solution for their site.

Private Businesses Will Provide Charging

Many private businesses are manufacturing and installing charging equipment in Oregon – including Eaton, Ecotality/Blink, Clipper Creek, OpConnect, EV4 Oregon, Shorepower, Aerovironment, and a number of others. Most of these companies are based in Oregon or have offices here, and all of them employ Oregon electricians in the installation of their equipment. SB 536 will help open up new business opportunities for these local companies.

These companies are testing various competing business models – monthly subscription payments, per-use payments, advertising-based models, tax credit financing, etc. There is no doubt that Oregon state agencies will have a number of options and opportunities to provide charging to their fleets, employees, and customers at no cost to the state.

No Cost to State

It bears repeating: this bill protects the state's interest, and the state budget, by ensuring that private businesses and their customers bear the costs of electric vehicle charging infrastructure installation, maintenance, and use. These costs are low in any case – about 2.5 cents per mile in PGE service territory, or about \$2 maximum for a “full tank.” One might argue that providing charging is cheaper than providing free parking, wireless internet, coffee, or other minor comforts that we now take for granted. However, SB 536 takes the conservative and fiscally prudent course of ensuring that even these modest costs are not unduly subsidized.

Immediate Economic Benefits to Oregon

In fact, Oregon stands to benefit substantially from increased use of electric vehicles. Oregonians spend some \$6 billion per year for gasoline and diesel. Oregon has no oil refineries or facilities, so virtually all of that money quickly leaves the state. Every dollar shifted from gasoline to

electricity increases local economic activity; cumulatively, these impacts can be substantial. A recent California report found that every dollar **not** spent on gasoline would create sixteen times more jobs in the state; the figures in Oregon are likely to be comparable or higher. (See <http://www.caletc.com>)

Long Term Economic Benefits to Oregon

Oregon has made a significant investment in the electric vehicle industry cluster by funding Drive Oregon, through the Oregon Innovation Plan. A recent study commissioned by Drive Oregon and completed by Professor Tom Potiowsky found that this cluster is significant and growing rapidly, even in the face of the recent recession. (See <http://driveoregon.org/resources/>) SB 536 sends a further signal that the state is supportive of the growing electric vehicle industry and is “open for business” to electric vehicle drivers and charging infrastructure companies.

In conclusion, we thank you again for the attention and energy you have brought to these issues, and for the opportunity to testify in support of SB 536.

Best regards,

Emmaline Pohnl
Program Manager
Drive Oregon
1600 SW 4th Avenue, Suite 112
Portland, OR 97201
www.driveoregon.org
emmaline@driveoregon.org
(503) 725-3867

