



June 6, 2017

Joint Committee on Transportation Preservation and Modernization
Oregon State Legislature
Salem, OR 97301

Dear Co-Chair Senator Beyer, Co-Chair Representative McKeown, and Members of the Committee:

I am writing on behalf of Tesla to express our support for the inclusion of point-of-sale Electric Vehicle (EV) incentives in the Joint Transportation Preservation and Modernization Committee's transportation funding package. As a company that invests exclusively in products advancing the world's transition to sustainable energy and zero emission transportation, Tesla appreciates your efforts to promote policies that accelerate EV adoption and reduce harmful tailpipe emissions.

Today, the greatest barrier to widespread EV adoption is the upfront cost of the vehicle. This is demonstrated by the fact that within two months of the unveiling of Tesla's mass-market, \$35,000 Model 3 sedan – which will be a significantly lower price point than the Tesla vehicles currently for sale - we received more than 370,000 customer deposits, including many from Oregonians.

Our experience is consistent with the experience of clean transportation advocates, utilities and other automakers who have found that point-of-sale incentives are currently the most effective method of driving EV adoption.¹

We believe EV incentives are a worthwhile investment for the State and should be included in the transportation funding package. With an incentive value of \$2,500 per battery electric vehicle, the proposed rebate program has the potential to significantly impact EV sales and reduce tailpipe emissions in Oregon. At Tesla, we share Oregon's vision for a sustainable future and are committed to helping the State achieve its transportation electrification and greenhouse gas emission reduction goals. Please do not hesitate to contact me at (meroberts@tesla.com) if you have any questions.

Sincerely,

Meredith A. Roberts
Associate Manager & Regulatory Counsel
Tesla, Inc.

cc: Co-Vice Chair Senator Boquist, Co-Vice Chair Representative Bentz
Senator Girod, Senator Johnson, Senator Monroe
Senator Taylor, Senator Winters, Representative Lively
Representative McLain, Representative Olson, Representative Smith
Representative Smith Warner, Representative Helm

¹ International Council for Clean Transportation, *Principles for Effective Electric Vehicle Incentive Design*, (June 2016). Plug In America for CalETC, *Evaluating Methods to Encourage Plug-in Electric Vehicle Adoption: A review of reports on PEV incentive effectiveness for California Utilities*, (October 2016). California Public Utility Commission, *Decision to adopt the LCFS Revenue Allocation Methodology*, (December 2014).