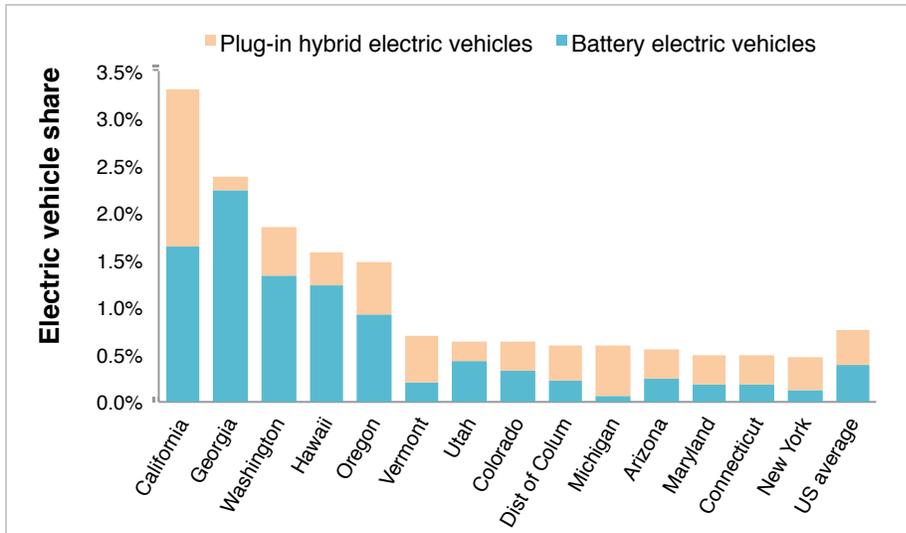


Re: Comments on New York's Regional Greenhouse Gas Initiative Operating Plan  
Amendment for FY2015-16  
To: New York State Energy Research and Development Authority (NYSERDA)  
From: Nic Lutsey, Stephanie Searle, The International Council on Clean Transportation  
(ICCT)  
Date: May 22, 2015

The ICCT applauds New York State for committing funds to support the rollout of electric vehicles (EVs) to help reduce greenhouse gas emissions, petroleum use, and air pollution in New York while contributing to technology development and consumer choice for state residents. We provide these comments, based on our recent analysis, to put New York's efforts in context of leading electric vehicle policy and promotion activity around the US.

ICCT's research has shown that offering greater policy incentives to prospective EV consumers is effective at driving EV sales across US states and internationally. Based on our analysis of 2013 data, states like California and Georgia that offer strong and diverse incentives – including purchase subsidies, tax credits, carpool lane access, and EV charger installation support – have seen significantly higher sales of battery electric and plug-in hybrid electric vehicles than the US average (See Jin et al 2014). Our research has also shown that countries such as Norway and the Netherlands that offer higher fiscal incentives have higher EV sales than other nations (See Mock & Yang 2014). Our continued analysis of state and metropolitan area EV promotion actions in greater detail is deepening our understanding of the diversity of EV activity across the US for 2014 data and is confirming the importance of incentives (See Lutsey, 2014). As shown in Figure 1, New York State ranked 14<sup>th</sup> in total EV sale share out of all US states and the District of Columbia in 2014. The five states that are greatly outpacing the US average EV deployment each have extensive efforts with fiscal incentives, non-fiscal incentives, charging infrastructure, and other promotion and awareness activity.



**Figure 1. Top US electric vehicle markets according to share of new vehicle registrations in 2014 that are plug-in-electric (Data source IHS Automotive)**

Other states have also implemented creative, low-cost actions and demonstration projects that have contributed to rapid EV rollout. Hawaii allows EV drivers to park for free at public meters and requires new parking lots to include reserved parking and charging infrastructure for EVs; our analysis has shown that these measures have likely played a large role in Hawaii's high EV sales share (Jin et al., 2014). Creative solutions implemented by other states include: publishing educational websites and materials; hosting outreach events like participating in National Electric Drive Week (see Plug in America, 2015); partnering with car-sharing programs; increasing the number of EVs in state government fleets; streamlining charger permitting; requiring charger installation in building codes; and working with utilities to offer support for charger installation and smart charging.

New York's current EV policy (e.g., charger installation tax credit, HOV access for EVs, direct support for infrastructure development) offers important early actions in developing the EV market. NYSERDA's proposed allocation of \$3 million for Charge NY in FY2015-16 will be an important addition to the State's EV effort, and the proposed focus of this program on charger installation in workplaces and multiunit dwellings is an intelligent strategy.

However, when comparing New York to efforts elsewhere, it appears that without significant additional EV incentives, New York's efforts will be insufficient to make New York an attractive place for consumer purchasing and automaker deployment of EVs. For comparison, California has been investing on the order of \$100 million per year with a comprehensive package of incentives, infrastructure, and awareness activities (California Public Utilities Commission 2012). As a result, there were 60,000 EVs sold in California in 2014, approximately 13 times the total number of EV sales and 7 times the EV sale share of New York. Georgia, with a automobile market less than half the size of New York's, became a leading market for EVs by spending about \$15 million per year on EV incentives through its alternative fuel program (DOE 2015a); it was the second leading state in 2014 EV sales in the US, with a sales share five times that of New York's. Washington State's automobile market is about a quarter the size of New York's and it has spent \$5-10 million per year in consumer incentives and other actions to become an EV leader; it is now the third leading state for EV sales with a sales share about 4 times that of

New York's. These states all also have outreach campaigns and other EV promotion activities, including the development of extensive charging infrastructure networks. Notably New York State has a relatively underdeveloped charging infrastructure network (See Chambliss, 2015 and DOE, 2015b). On a state level, California, Oregon, and Washington have charging infrastructure (fast charging and Level 2) that exceeds that of New York state on per-vehicle and per-capita bases by a factor of 2 to 5.

When contrasted with these leading states, investing only \$3 million in FY2015-16 in EV chargers and outreach through Charge NY is not likely to position New York as a leader in the electric vehicle market. New York State could become a national leader in promoting advanced vehicle technology, providing greater alternative fuel vehicle choices, reducing petroleum expenses, and reducing air pollution and greenhouse gas emissions by following the emerging best practices of leading EV deployment areas around the country. Our research indicates that investing more funds in consumer incentives and programs like Charge NY is an effective strategy to achieve this aim. Increasing funds for Charge NY and introducing rebates or tax credits for EV purchasers would allow NYSEDA to offer a more complete package of incentives, more effectively spur EV uptake, and aid New York in meeting its ZEV program goals.

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