

North Carolina Plug In Electric Vehicle (PEV) Task Force

Incentives & Economic Development
Working Group Meeting
January 10, 2012 10:00-12:00

Agenda

- Introductions
- Task Force & PEV Symposium Review
- Workgroup Review & Discussion
- Workgroup Next Steps
- 2012 Meeting Schedule
- Next Meeting Topics
- Interim 'Assignments'

Mountains To Sea (M2S) Project

- 1 year planning grant awarded to Centralina COG from U.S. DOE. Advanced Energy, NC Solar Center, Land of Sky COG, Triangle J COG, Piedmont Triad Regional Council are all subcontractors
- M2S project period Oct 2011-September 2012
- Funds part of the Taskforce and working groups
- Working group and taskforce must meet criteria of DOE sample plan

2011 NC PEV Symposium Review

Economic Development Group

Discussion Categories:

- Incentives
- Supply Chain
- Recruitment
- Technical Knowledge among economic developers
- Workforce Training
- Marketing
- Creating Standards
- Business Support
- Next generation technology development
- PEV tech demand
- Resources (tech, EVSE as partners, liaisons for new tech)
- Electric rates
- Pilot projects, events
- Environment/Sustainability
- Technology

2011 NC PEV Symposium Review

Economic Development Group

How can NC leverage existing landscape to encourage PEV related economic development?

- Incentives/subsidies for EVSEs
- Integrate public and private charging with smart grid tech
- Encourage EV and EVSE parts manufacturing in NC

- Opportunities:
 - Partnering among organizations
 - Learn from others mistakes

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Economic Development Group

What types of support should be provided to emerging NC PEV-related companies?

- loan guarantees for emerging businesses
 - Tax and relocation incentives
 - Green jobs credit
 - Identify a trained workforce
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- ☐ Opportunities (for green job training):
 - Create statewide curriculum
 - NC STEM; community college system, EV Challenge program

NC PEV Symposium Review

Economic Development Group

How can PEV sector help ensure strong economic development and deployment of smart grid tech?

☐ ...

☐ Opportunities:

- ...

☐ Barriers:

- ...

NC PEV Task Force Symposium Review

Economic Development Group

What tools would help recruit PEV related companies to NC?

- Proximity to markets
- State tax credits for consumers to purchase PEVs
- Skilled /low cost workforce

Task Force Review

Economic Development

What role can electric utilities play in recruitment of companies to NC?

- Offer high visibility pilot projects
- Economic development rates
- Attract smart grid through utility investments

Task Force Review

Economic Development

What national/regional conferences, exhibitions, events, etc. should be targeted for recruitment or enhancement of NC's PEV brand?

- Car shows
- Hybrid truck users forum
- Municiple Conference (mayors/town managers)
- Parts manufacturers/distributors

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Incentives Group

Why are incentives important?

- Cost (market parity)
- Capturing consumer attention
- Ensuring consumer confidence (overcome market failures)
- Build momentum
- Reduce risk in adopting emerging technology

- Other Notes:
 - Non-financial incentives important too
- Barriers:
 - weak economy
 - lack of awareness/interest

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Incentives Group

What are potential incentives barriers?

- NC Politics (no home rule makes local incentives challenging)
- Weak economy
- Perception of value
- End of funding for existing incentives
- Negative perception of incentives in general (not fair)
- Smaller communities may not be able to access them

- Opportunities:
 - Educating those who create budgets
 - Total cost of ownership benefits considering high/unpredictable gas prices & not paying NC road taxes is already an incentive

- Barriers:
 - PEVs not widely available; fear of unknown
 - End of stimulus funding

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Incentives Group

What role should private sector play?

- Company provides incentives to employees for PEV adoption
- Turn key purchasing: EV purchase includes arrangements for charging equipment
- Road-side assistance (i.e AAA services)
- Parking incentives (preferred, free, reduced rate)
- Lobbying to pass state incentives

- Opportunities:
 - Marketing a green image has payoff
 - Green/EV has trendy factor
 - Potential for accessing new customer base

- Barriers:
 - Long-term payback
 - Up front cost

2011 PEV Symposium Review

Incentives Group

What are the most critical steps/characteristics for effective incentives?

- Private sector lobby arm
- Quick payout/payback
- Easy and simple
- Broadly available/accessible
- Target incentives to alleviate “pain points”
- Apolitical
- Certainty/Reliability

- Opportunities:
 - Add PEV to NCSEA Agenda; recruit other environmental & business interests
 - Layer incentives

- Barriers:
 - How to build the business case for PEV, avoid creating incentive-dependent market

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Incentives Group

What types of incentives will be most successful?

- Infrastructure development
- Vehicle rebates (that also apply to public sector)
- Off-peak rates
- Expedited permitting

- Opportunities:
 - Some best practices to glean from states like Georgia (has up to \$5,000 for PEVs)

- Barriers:
 - Identifying key people to overcome barriers
 - Gas tax issue (lost revenue from reduced fuel purchase); may be resistance to shifting to weight-based or mileage-based

Database of NC PEV Business & Related Support Groups

- We need your help in gathering contacts
- Draft Contact categories :
 - Battery or component manufacturer
 - EVSE or component manufacturer
 - PEV vehicle distributor
 - EVSE or component distributor
 - Smart grid component manufacturer/supplier
 - General Interest/PEV Support groups

Work Group Deliverables

- Survey of NC stakeholders about potential incentives
- White paper on effectiveness of incentives in other states
- Addressing anticipated or desired incentives as stated in DOE's sample plan outline
- Potential policy language to support PEV expansion

DOE's Sample Plan Outline: Incentives

An assessment and plan to communicate available or anticipated benefits or incentives for plug-in vehicle owners; and identify and establish other potential needed or desired benefits or incentives.

These may include:

- 1) rebates of part of the purchase price of the vehicle;
- 2) state and federal tax incentives/credits
- 3) reductions in sales taxes or registration fees;
- 4) rebates or reductions in the costs of permitting, purchasing, or installing home plug-in electric drive vehicle charging infrastructure; and
- 5) rebates or reductions in State or local toll road access charges;
- 6) additional consumer benefits, such as preferred parking spaces or single-rider access to high-occupancy vehicle lanes for plug-in electric drive vehicles;

Working Group Member Roles & Responsibilities

- Recruit stakeholders to this group!
- Solicit and collect incentive surveys
- Review and provide input on work group documents
- Build momentum for incentives. Even public sector stakeholders can be involved- i.e local govt's can encourage League of Municipalities to support PEV incentives

2012 Meeting Schedule & Next Steps

- Potential meetings dates- monthly as needed?
- Topics for next meeting?
- Interim Assignments?
- What's missing?