

New EV Coalition Will Pull ‘All Levers’ To Achieve All-Electric Fleet Goal

The new 28-member Zero Emissions Transportation Association (ZETA), the first industry coalition calling for a complete transition to all-electric vehicle (EV) sales within the decade, is crafting an agenda that will seek to pull “all levers” to achieve the sweeping target.

The group’s top five proposed policies include point-of-sale incentives for EV purchases and early retirement of non-EVs; greenhouse gas performance standards enabling full electrification in a decade; strong federal charging infrastructure investments; acceleration of domestic EV manufacturing across the supply chain; and allowing federal leadership to complement state and local efforts.

Joe Britton, ZETA’s executive director, tells *Inside EPA* the group will seek to bolster existing consumer incentives in upcoming appropriations and economic stimulus legislation, and it will also focus on regulatory and administrative options. “There is an arc of opportunity,” he says.

One of the most important legislative issues is ending the automaker-specific sales cap of 200,000 vehicles for consumers to be eligible for a \$7,500 federal tax credit. Tesla and General Motors have already reached their cap, meaning that the credit for buyers of those companies’ EVs is no longer available.

“Capping the tax credit literally could not be a worse policy,” Britton says, arguing it hurts consumers, punishes early investors in domestic EVs and encourages foreign automakers to enter the U.S. market.

Britton also argues that an all-EV move is in step with the global market, citing the Nov. 18 announcement by United Kingdom Prime Minister Boris Johnson to ban gasoline-powered vehicle sales in 2030. Johnson called the move a “green industrial revolution” and said it could create 250,000 jobs.

“The more laggard U.S. policy is, the further we fall behind competitively, because we’re going to be . . . producing technology in vehicles that are antiquated and not desired around the world,” Britton says.

None of the group’s 28 initial members include any traditional vehicle makers, though ZETA is communicating with them, Britton says, adding there is “nothing acrimonious” about their exclusion. “We wanted this group to be . . . about electric vehicles,” and while GM and other automakers are involved in their production, most of their business model focuses on gas-powered cars.

Axios noted Nov. 19 that an existing EV lobbying group, the longstanding Electric Drive Transportation Association (EDTA), [includes Ford and GM as members](#), and pointed out that those companies’ lobbying interests “can also collide” with pure electric players. EDTA declined to comment.

[EV manufacturers in ZETA](#) include Tesla, Rivian and Lordstown Motor Co.

Critical Minerals

Another ZETA member, Ioneer LTD, is poised to begin construction on a \$785 million lithium production facility in Nevada. The company’s executive chairman James Calaway tells *Inside EPA* that the plant will make enough lithium, a key component of batteries, to support the production of 400,000 EVs per year. In 2020, total U.S. sales of EVs are expected to be around 345,000.

Calaway anticipates the incoming Biden administration will have a comprehensive view of what is needed across the supply chain to speed the transition to EVs. “And what’s so important is we understand that without a concerted effort, the U.S. will become incredibly dependent on Chinese policy,” he says.

The Trump administration “has been asleep at the switch on a lot of these policies,” by failing to adequately recognize the need across the full supply chain, he adds.

“What ZETA is about is creatively, thoughtfully and realistically” advancing policies “to be able to deliver on the electrification future. That ought to be very important to the Biden administration, but I also think that, given the environment we’re in, with potentially divided government, you would think

there would be enough people on the other side of the aisle who recognize that jobs, jobs, jobs can come from this.”

Calaway cites as a good example of bipartisanship the Senate Energy & Natural Resources Committee, where outgoing Chairwoman Lisa Murkowski (R-AK) and ranking member Joe Manchin (D-WV) have “been having extremely thoughtful, civil, careful discussions about critical materials for the last several years. That’s the kind of thinking that needs to be encouraged. . . . And I hope more people like Murkowski will continue to help support” other Republicans to “understand that electrification is coming and that they don’t want to be on the wrong side of history.”

On critical materials such as lithium -- whose production can have adverse environmental impacts -- Calaway says, “Everyone needs to be absolutely completely clear that this electrification revolution we’re talking about, those materials you have to have, they don’t come from Santa Claus. They have to be produced, and so it is incumbent upon us in the U.S. not to be overly dependent on these lynchpin materials from foreign actors.”

Another group, Clean Energy for Biden, is urging EPA and the Interior Department [to jointly develop rules](#) to minimize pollution when mining resources for battery supply chains as part of a Nov. 13 set of recommendations.

Additionally, Murkowski and Manchin included a measure promoting domestic production of critical minerals in a broad energy policy bill pending in the Senate, though it is unclear if the provision would survive ongoing negotiations with the House as the two chambers hope to craft a consensus bill during this lame-duck session.

Industry Embrace

Ioneer’s Calaway acknowledges lots of potential roadblocks for ZETA’s ambitious EV goals. “We need to have our eyes wide open. Any transformational shift is going to have great challenges . . . and there are going to be points of resistance” but he says the transition is crucial, including retraining workers so they do not become obsolete.

The need “has to be addressed in a forthright way, and industry needs to embrace that transition along with government.”

Further, Calaway says EVs are already close to reaching cost parity with internal combustion automobiles, as the price of battery packs is decreasing quickly. Up-front purchase parity could come as soon as 2025, while buyers might already have operational parity after factoring in cost savings over the life of the vehicle.

The offerings over the next two years “are just going to explode” and will include mid-sized and sport-utility vehicles and pickup trucks, he says.

Finally, Calaway says ZETA is committed to equity and social justice and will work to have accessible high-speed charging in urban areas as part of any infrastructure push.

Meanwhile, Robert Wyman, an attorney with Latham & Watkins, which leads two climate-related industry coalitions, says “ZETA is a very exciting new organization” that is “likely to make a big impact.”

He adds that the group’s launch is “perfectly timed” given the election of President-elect Joe Biden, who has touted EVs as part of a sweeping climate plan.

The firm’s National Coalition for Advanced Transportation (NCAT) is already talking to ZETA, Wyman says, noting that about 80 percent of NCAT members also belong to ZETA. The firm’s National Climate Coalition has been dormant for much of the Trump administration but will be reactivated to focus on Clean Air Act climate change rules under a Biden EPA, he adds. -- *Dawn Reeves* (dreeves@iwpress.com)

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