MEASURE: HB 3672-4 EXHIBIT: F Joint Committee on Tax Credits 76thSession DATE: 6/14/11 PAGES: 2 SUBMITTED BY: DAN SATES

Thorn Run Partners
121 SW Morrison Street
Suite 1500
Portland, OR 97204
www.thornrun.com

June 14, 2011

Joint Committee on Tax Credits 900 Court St. NE, Room 143 Salem, Oregon 97301

Co-Chairs Bailey, Berger and Burdick -

On behalf, of ECOtality Inc., thank you for you hard work on this legislation. We commend the Committee for inclusion of alternative fueling stations in both the Trannie and the RETC. I would recommend the following changes to the 3672-4 Amendment to meet what I understand to be in the intent of the Committee.

Trannie: Alternative Fuel Vehicle Charging Infrastructure.

Current Language

In Section 56 (1) (HB 3672-4), the definition of Alternative fuel vehicle infrastructure project is "a facility for mixing, storing, compressing or dispensing fuels for alternative fuel vehicle fleets, and another necessary and reasonable equipment."

The most significant challenge in moving forward with an alternative fuel transportation system is ensuring the availability of alternative fueling stations. Thus, the early focus on charging stations is making sure that they are publically available for owners of alternative fuel vehicles to "fuel-up." The aim is to having charging stations at grocery stores, coffee shops, public buildings and other locations where car owners visit in the course of a business day. The language above would limit the credit to infrastructure aimed at fueling fleets. Thus, our read of the language is that it would preclude the use of the credit for a small business that wants to install a charging station but does not have a fleet of alternative fuel vehicles. Our expectation is that most early "hosts" of alternative fuel stations will not own a fleet of vehicles.

My verbal testimony with regard to fleets during committee related to a proposed narrowing of credits for vehicles to fleet purchases. Per the Committee's intent vehicles have been removed from the bill altogether and I would recommend eliminating the reference to fleets through the use of language proposed below.

Thorn Run Partners

Proposed Language

In Section 56 (1) (HB 3672-4), the definition of Alternative fuel vehicle infrastructure project should read "a facility for mixing, storing, compressing or dispensing fuels for alternative fuel vehicles fleets, and another necessary and reasonable equipment."

RETC: Alternative Fuel Vehicle Charging Infrastructure.

Current Language

In Section 70 (2) (HB 3672-4), makes an alternative fuel device eligible for RETC if it "includes a facility for mixing, storing, compressing or dispensing fuels for alternative fuel vehicle fleets, and another necessary and reasonable equipment."

The key corollary to having publicly available charging stations is having charging stations at home and is critical in the early market. The language used would make the fueling stations eligible only if they were intended to refuel a fleet. It is highly unlikely that any residence would install a fueling station for a fleet. I would recommend the proposed language below to make this clarification.

Proposed Language

In Section 70 (2) (HB 3672-4), should read "'Alternative fuel device' includes a facility vehicle for mixing, storing, compressing or dispensing fuels for alternative fuel vehicles fleets, and another necessary and reasonable equipment."

I believe these language changes meet the expressed intent of the Committee and in the absence of the changes would not embody the expressed policy preference.

I would be happy to answer any questions.

Warm Regards

Dan Bates