



COMMITTEE ON
TRANSPORTATION AND
INFRASTRUCTURE

COMMITTEE ON VETERANS' AFFAIRS

## Congress of the United States

House of Representatives

Washington, **DC** 20515

June 28, 2022

Mr. Elon Musk Chief Executive Officer Tesla, Inc. 1 Tesla Road Austin, TX 78725

Dear Mr. Musk:

I write to express my deep concerns regarding the potential inefficiencies of our nations power grids as electric vehicles continue to become more popular. While the Biden administration refuses to acknowledge the expertise you bring as the Chief Executive Officer (CEO) of the largest electric vehicle (EV) company in the world, I believe you bring a unique perspective to help strengthen and increase the resiliency of the nation's power grids.

Last November, President Biden signed into law his \$1.2 trillion Infrastructure Investment and Jobs Act. While less than one percent of the cars, SUVs, and light-duty trucks in the U.S. are electric, this bill will spend nearly \$7.5 billion of taxpayer money to build a nationwide network of 500,000 EV chargers. In Texas alone, the Texas Department of Transportation has released a five-year plan to have charging stations every 50 miles. With over 683,000 miles of road in Texas, this plan will create over 13,500 additional charging stations.

In August 2021, President Biden signed an Executive Order that sets a goal that 50 percent of all new passenger cars and light trucks sold in 2030 must be zero-emission electric vehicles.<sup>3</sup> Since 2003, Tesla has been at the forefront of innovation and production of EVs. But now with the probability of more out of control spending from the Biden administration, we have seen traditional automakers making astronomical emission reduction plans to capitalize on the opportunity to receive more federal subsidies for their companies. Ford plans to invest \$22 billion through 2025, GM will invest another \$35 billion, and Chrysler's parent company—Stellantis—will invest \$35.5 billion.<sup>4</sup>

With nearly every automotive manufacturer increasing their EV production, many are rightfully worried about the significant increase in electricity consumption. According to Pew Research Center, the average EV requires nearly 30 kilowatt-hours to travel 100 miles—which is what an average American home uses each day to run appliances, computers, lights, and heating and air

<sup>&</sup>lt;sup>1</sup> The long road to electric cars in the U.S. (reuters.com)

<sup>&</sup>lt;sup>2</sup> Texas plans to place charging stations for electric cars every 50 miles on most interstates

<sup>&</sup>lt;sup>3</sup> Executive Order on Strengthening American Leadership in Clean Cars and Trucks | The White House

<sup>&</sup>lt;sup>4</sup> Every Automaker's EV Plans Through 2035 And Beyond - Forbes Wheels

conditioning. Additionally, a U.S. Department of Energy study found that increased electrification across all sectors of the economy could boost national consumption by as much as 38% by 2050, in large part because of electric vehicles.<sup>5</sup>

Power grids across the country are already struggling to keep up with American's electrical demands. California continues to experience power grid failures and rolling blackouts. Now state officials say for the next five summers, extreme heat will threaten the reliability of California's electric grid.<sup>6</sup>

In February 2021, Texas suffered one of the worst energy infrastructure failures due to Winter Storm Uri. The severe weather event caused a near complete failure of the Electric Reliability Council of Texas (ERCOT)—which cost the Texas economy up to \$130 billion in economic loss. ERCOTs failure left 69 percent of your fellow Texans without power and almost half having disruptions in water service—which contributed to at least 210 deaths. The time is now to make sure this calamity never happens again.

The U.S. has been blessed with an abundance of oil and natural gas. Yet, in Washington, Democrats continue to push for energy sources such as wind and solar energy. Not only are these energy sources more costly and dependent on large swaths of land, but they are largely unreliable. Power generation from windmills and solar panels cannot be scheduled in advance because the sun does not always shine, and the wind does not always blow. For onshore wind units, the percentage of time that wind units actually produce electricity is 40 percent or less. For solar facilities, it is less than 30 percent. As demand for electricity continues to increase, prices will largely be unattainable for working class Americans if we continue to advocate for unreliable energy sources.

The continued success of the people of Texas and Tesla Inc. and its stakeholders is largely dependent on a reliable electricity grid. As we continue to work towards solutions to guarantee our power grids can meet the Nation's increased electric demands, I believe—with your help—we can cultivate an effective relationship between private business and government to ensure the long-term stability of our electric grid. I would appreciate hearing from you on what Tesla Inc. is already doing, and plans to do in the future, to help stabilize the U.S. energy grid as electricity consumption is expected to increase as yours and other EVs become more popular.

Sincerely,

Troy E. Nehls

Member of Congress

<sup>&</sup>lt;sup>5</sup> Electric Cars Will Challenge State Power Grids | The Pew Charitable Trusts (pewtrusts.org)

<sup>&</sup>lt;sup>6</sup> California Faces Summer Blackouts from Climate Extremes - Scientific American

<sup>&</sup>lt;sup>7</sup> Cost of Texas' 2021 Deep Freeze Justifies Weatherization - Dallasfed.org

<sup>&</sup>lt;sup>8</sup> Winter Storm Uri 2021 (texas.gov)

<sup>&</sup>lt;sup>9</sup> The Trouble with <u>'renewable'</u> Energy | American Enterprise Institute - AEI