

Judy Kruger
20-2-6

THE ELECTRIC MOBILITY REVOLUTION

ENERGIZING AN ECOSYSTEM

IN SOUTHERN CALIFORNIA



Energizing an Ecosystem:
The Electric Mobility Revolution
in Southern California



LOS ANGELES COUNTY
ECONOMIC DEVELOPMENT CORPORATION

KEY FINDINGS BULLETIN



01

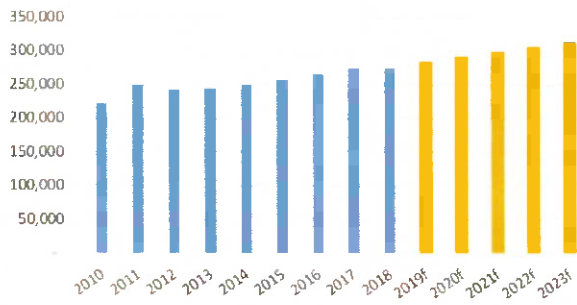
The Electric Vehicle (EV) Industry in California

The EV industry is quickly making California a globally leading researcher, designer, manufacturer and exporter of transportation-related products, services and technologies; shifting the industry's U.S. footprint from Michigan to California. According to the LAEDC, no other region in the U.S. has California's EV industry is unique ecosystem.

02

Employment in California's EV Industry is Growing

Employment in EV Ecosystem in California, 2010-2018, with LAEDC Forecast 2019-2023.



275,600 EV industry jobs in California, 43% of which are in SoCal.

LAEDC estimates EV-related jobs will grow 27.8 percent between 2018-2023 in CA.

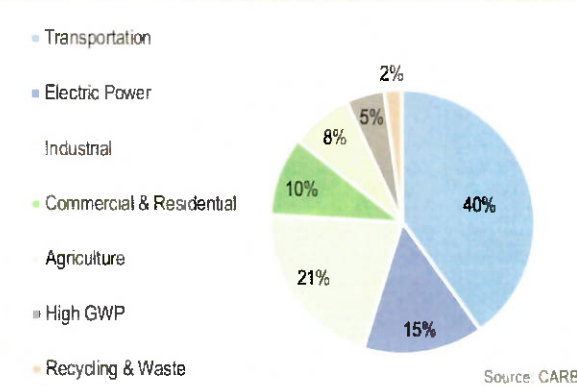
Average annual wage of \$91,321, well above the \$68,500 average across all CA industries.

Education requirements for the industry include a broad range, providing opportunity for a diverse workforce of Californians.

03

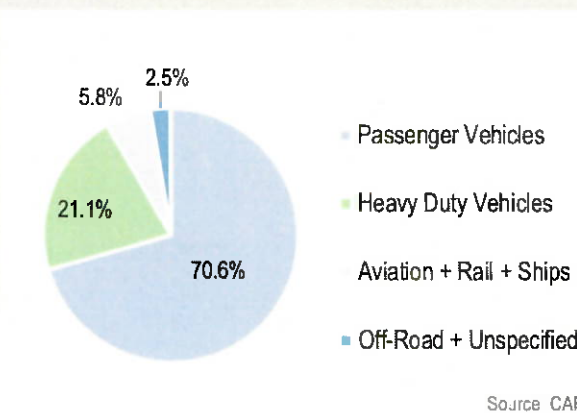
How Important are EVs to California's Environmental Goals?

GHG Emissions by Source



40% of CA's GHG emissions come from vehicles.

Share of CA Emissions - Transportation



71% of vehicle emissions are from passenger vehicles.

04

California's EV Industry is Unique. Encouraging Its Vibrant Growth Makes Good Economic Sense.

42 major passenger vehicle company locations in CA

- 13 are company headquarters
- 6 are research and development facilities
- 19 are design and technical studios
- 4 are manufacturing sites

Heavy vehicle manufacturing growth (EV buses and trucks)

05

Reality Check

- Even with recent rapid increases in adoption, only 1.4% of vehicles on California's roads are EVs.
- This low penetration shows how much we need public policy to drive adoption.
- This low penetration also highlights how much upside potential there is for California's EV industry, as EV purchases increase exponentially, bringing money into California that circulates in the economy.
- California's competitive advantage in EVs may be fleeting, if we do not support the ecosystem of businesses in the state which are driving innovation.

84% average increase of new registrations
of Zero Emissions Vehicles in CA 2007-2018.

7 million EVs on the road by 2030

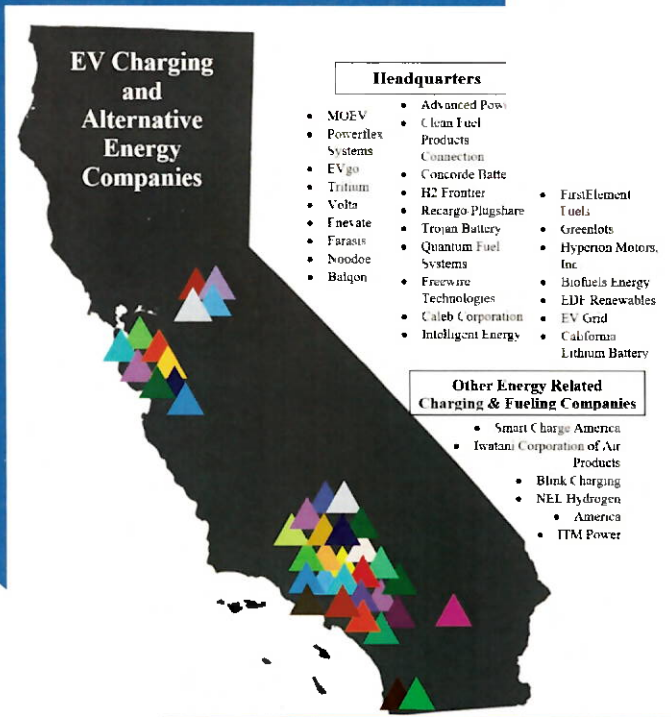
LAEDC analysis suggests that with the proper conditions, adoption can surpass CA's goal of 5 million EVs by 2030.

06

Public Policy Ideas to Accelerate EV Adoption, Improve California's Competitive Advantage and Support Job Creation

- Government procurement preference for EV product from CA companies.
- Create a state incentive for EV manufacturing.
- Expand purchase incentives for EVs (such as rebates, trade-in credits) for consumers, business, and fleets.
- Anticipate declines in the \$7500 federal credit and replace or augment with state incentives.
- Establish a California Green Mobility Commission to support job growth and industry competitiveness Incentivize, daytime (workplace) charging to align electricity demand with peak solar production, to best utilize California's renewable energy assets.
- A buy-EV statewide marketing campaign.

**Contact Judy Kruger at LAEDC, at 213-236-4837 or judy.kruger@laedc.org
Visit LAEDC.org/e4**



**MEMORANDUM**

TO: Chairwoman Mary Nichols, California Air Resources Board (CARB)

DATE: January 23, 2020

FROM: Los Angeles County Economic Development Corp (LAEDC)
Judy Kruger, Sr Director of Strategic Initiatives

RE: Policy/program recommendations to increase use of ZEVs per SB 498

BACKGROUND:

The State of California is tasked with meeting clean air climate goals through rapid adoption of ZEVs for consumer and fleet usage. The target is 5,000,000 ZEVs on the road by 2030. Currently, in support of this new market, existing and new ZEV companies are growing or locating in California forming a new vibrant cluster with over 275,000 good paying jobs.

The new ZEV cluster of R & D and manufacturers need support to meet production demands, mitigate costly tariffs, and grow good-paying California jobs. The LAEDC has existing programs that can support CARB, SB 498 goals, the rapid adoption of ZEVs and the cluster of companies now in California through California SmartMatch.

California SmartMatch (CSM) is a successful B2B matchmaking program launched two years ago by the LAEDC. The program offers large companies with introductions to start-ups, small and medium size firms. The goal of CSM is to grow local minority, disadvantaged, women, veteran, or HUB zoned businesses.

To date, CSM has provided over 200 B2B matching opportunities for start-ups, small and medium size businesses to large companies including BYD, Proterra, NASA, Boeing, Northrop Grumman, and Virgin Orbit – just to name a few.

GOAL:

- 1) Grow California SmartMatch – B2B matchmaking services
- 2) Establish and grow an online supplier directory to serve the ZEV industry
- 3) Set up certification classes for suppliers for FTA minority certification
- 4) Market “Buy California Made ZEVs” and California SmartMatch

REQUEST:

The LAEDC requests that CARB consider partnering / support the CSM program – B2B matchmaking, an online directory of suppliers, education and certification classes, and marketing services. Please contact Judy Kruger, Sr. Director of Strategic Initiatives, at Judy.kruger@laedc.org or 213.703.1340.

