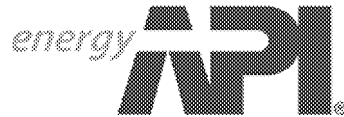


**From:** API Press [Press@api.org]  
**Sent:** 5/8/2018 9:05:20 PM  
**To:** API Press [Press@api.org]  
**Subject:** NEWS: Free market principles should drive transportation policies, mandates and subsidies increase consumer costs

NEWS



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**Free market principles should drive transportation policies, mandates and subsidies increase consumer costs**

WASHINGTON, May 8, 2018 – Today the American Petroleum Institute testified at the House Energy and Commerce hearing on policy implications of electric and conventional vehicles. API Group Director of Downstream and Industry Operations Frank Macchiarola said transportation and energy policies should be based on free-market principles that allow market participants to operate and compete on a level playing field.

“API opposes government intervention in the markets to pick winners and losers because it creates an un-level playing field. Subsidies such as federal and state income tax credits for the purchase of electric vehicles and tax credits for the installation of electric charging infrastructure distort free markets and are detrimental to taxpayers and the consuming public.”

According to a study done by University of California Berkeley faculty, clean energy tax expenditures have gone predominantly to higher-income Americans. Programs aimed at electric vehicles (EVs) found that top income earners receive about 90 percent of all credits.

“Some commentators refer to electric vehicles as zero-emission vehicles. EVs may better be described as emissions displacement vehicles. The zero-emission classification fails to acknowledge the energy required in manufacturing the vehicle and battery systems, the energy sources used to generate the electricity required to charge the vehicle, and the environmental cost of battery disposal.

“A strong oil and gas industry is essential to the vitality of America’s transportation sector and our standard of living. The oil and gas industry is committed to providing for our nation’s essential energy needs in the years ahead and we look forward to working with Congress on solutions that support the American consumer and strengthen our nation’s economy, environment and energy security.”

API is the only national trade association representing all facets of the oil and natural gas industry, which supports 10.3 million U.S. jobs and nearly 8 percent of the U.S. economy. API’s more than 625 members include large integrated companies, as well as exploration and production, refining, marketing, pipeline, and marine businesses, and service and supply firms. They provide most of the nation’s energy and are backed by a growing grassroots movement of more than 40 million Americans.

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