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Oregon scores millions for electric vehicle development

By Harry Esteve, The Oregonian

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Oregon will become part of a five-state pilot program to test the Nissan Leaf, an electric car with a range of about 100 miles.

Oregon has scored big in electric car development, becoming one of five states to test market Nissan's new Leaf plug-in model and winning millions of dollars in federal stimulus money to research and build better batteries, the White House announced Wednesday.

The state is getting a chunk of \$2.4 billion in federal grants aimed at launching the nation into a new transportation world where electric sockets replace gas pumps and cars hum down the highway without spewing climate-warming carbon.

Much of the money is headed to traditional auto manufacturing centers in the Midwest, such as Michigan, where it will go toward innovation and production of electric motors, drive trains and batteries. Oregon stands to receive more than \$40 million in battery research and production grants in addition to the Nissan pilot program.

Wednesday's news, announced in Indiana by President Barack Obama, gives Oregon a second economic shot in the arm after Tuesday's revelation that Newport will become the home of a major federal ocean research center.

It's also a triumph for Gov. Ted Kulongoski, who wooed Nissan officials during a trade trip to Japan last year as part of his effort to make Oregon a center for alternative energy and technology.

"This is huge," said Kulongoski spokeswoman Anna Richter Taylor. The grants keep the state in the thick of the competition to build technology for a new generation of automobiles, she said.

In a related matter, Kulongoski signed a bill into law Wednesday that gives buyers of plug-in cars a \$1,500 credit on their state income taxes. The credit replaces one that buyers of hybrid cars, such as the Toyota Prius, used to get.

Oregon and Washington were named as test markets for the new all-electric cars by the **Electric Transportation Engineering Corp.**, known as eTec, which will get \$99.8 million in federal funds to study electric vehicle use. As part of the study, Nissan will deploy 1,000 cars in Oregon and 2,500 charging stations will be installed at homes and businesses, primarily in the Portland area.

To date, **Portland General Electric** has installed about **20 charging stations** around the metro area and in Salem. PGE will team with eTec to help analyze electricity use once the cars are on the market.

The big increase in charging stations is meant to prove that the cars, which have a range of about 100 miles, can be used for commuting as well as around-town errands, Taylor said.

Nissan North America is a partner with eTec, a subsidiary of ECotality, to test 5,000 electric cars and 12,750 charging stations in Oregon, Washington, California, Arizona and Tennessee.

Three Oregon companies will receive federal stimulus money aimed at developing new battery technology. The goal is a battery that lasts longer and can be recharged more quickly than any on the market.

- **Entek**, of Lebanon, will work with Michigan car battery company Johnson Controls, which is getting \$299 million to

produce nickel-cobalt-metal battery cells and packs. It was unclear Wednesday how much of the grant would go to Oregon.

- **EnerG2**, of Albany, will get \$21 million for production of high-tech materials for "ultracapacitors," a new type of material that produces longer-lasting, faster-charging batteries.

- **Cascade Sierra Solutions**, of Coburg, will get \$22.2 million to install electrical units at truckstops to reduce idling of large semis.

"For too long, we failed to invest in this kind of innovative work, even as countries like China and Japan were racing ahead," Obama said in a speech delivered in Elkhart, Ind. "This represents the largest investment in this kind of technology in American history."

No solid job figures were available Wednesday. Information supplied by eTec said that the electric car test marketing and construction of charging stations would generate 750 jobs in the five participating states by 2012 and as many as 5,500 by 2017.

The first Leafs are likely to arrive in Oregon in fall 2010. Construction of charging stations is slated to begin in the summer of 2010. The cars will be available at local Nissan dealerships.

The company has yet to set a price, although car magazines have speculated it would be in the \$30,000 range. The Leaf is a five-passenger medium-sized hatchback that uses a lithium ion battery. It boasts a top speed of about 70 mph. The car's compact, aerodynamic design was unveiled earlier this week.

The Leaf can be recharged with a regular 200-volt household outlet in eight hours, according to Nissan. A special quick charger can reduce that time to about half an hour.

"Oregon is pretty well positioned to play a significant role in the electric vehicle industry," said Stephen Saltzman, director of venture capital for Intel and a member of Kulongoski's working group on alternative transportation.

Electric cars have far fewer moving parts than those with internal combustion engines, Saltzman said, and they rely heavily on energy-management software. Oregon, with its well-developed software industry and its green-friendly reputation, has proved highly attractive to electric car companies.

"This has the potential for a big economic impact for the state," he said.

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