

# **Shelton Rivian Service Center Opens**

## **Rivian Service Center in Shelton is Finally Open**

After a lengthy legal battle, followed by the time necessary to build out the facility, the Rivian Service Center in Shelton, CT has finally opened. Rivian R1S owner and EV Club member, Jeff Manfredonia, sent us these pix after his recent service experience, which he characterized as “excellent” and which included a tour of the facility (no pix allowed in the service area).

The facility is located at 2 Mountain View Drive in Shelton, east of Route 8 and west of the Housatonic River. It was a long road to get to this point.

## **Dealerships Do Everything They Can to Interfere With Automakers That Use A Direct Sales Model**

As we have seen happen with Tesla, a local dealership will step in with a lawsuit using the pretext that the company plans to violate the law. In the case of Tesla, East Hartford was successfully bullied into rescinding a permit, and South Windsor, after the dealerships showed up in force for a hearing, was afraid to grant one. The legal action in the case of Rivian was filed by the local dealership, Mario D’Addario Buick, and TD Properties. The complaint followed the same playbook with the same made-up accusation. The specific language in the filing said Rivian planned to engage in the “sale of new and used Rivian vehicles in violation of

Connecticut law.” (For the record, the franchise laws apply only to new vehicles.)

After a favorable ruling and an unsuccessful appeal by the plaintiff, Rivian ultimately prevailed. We published multiple blog posts describing these events in [this](#) and two earlier posts.

Shelton granted zoning approval in October, 2022 and the subsequent 12 months were consumed by the litigation. The final denial of the plaintiff’s appeals and motions for reconsideration occurred on October 18th, 2023. Rivian then had to renovate the structure for its purposes.

## **The Facility**

This is a service facility with a visitor lounge and service area. There is no showroom and no sales activity of any kind takes place there. The facility will not be used for the delivery of new vehicles. There were reports that Rivian was considering this. We don’t know definitively if that was true but if that were the case, it would skate close to the line drawn in the franchise laws.





## Rivian Electric Van

Aside from the R1T pickup and R1S SUV, Rivian manufactures an electric van. The one in the photo is used for Rivian mobile service. The company has an order of 100,000 delivery vans from part-owner Amazon.





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## **Legal Battle Over Proposed Shelton Rivian Service Center Continues**

**Court Rules in Favor of Rivian's Motion to Dismiss; Plaintiffs File**

# Motion to Reargue

Note: For those following this case, the docket number is AAN CV 22-6049137 in Superior Court, J/D of Ansonia, Milford. This is the [link](#).

**Update:** Hearing scheduled for June 20 regarding plaintiffs motion.

**June 20 Update:** Court denies plaintiff motion for re-argument and sustains Rivian's objection to plaintiff's motion.

Rivian needs a license from DMV. Should they get that, and if there are no further appeals, they should then be in a position to begin renovating the site. The plaintiff has 20 days from June 20 to file an appeal if they so choose.

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Rivian seeks to open a service center in Shelton, though they also want to deliver new vehicles at the location. There would be no showroom and no sales activity. Shelton granted an approval for a facility to be located at 2 Mountain View Drive. Mario D'Addario Buick, along with TD Properties, the owner of the D'Addario property, filed a lawsuit to force the Town to rescind the approval.

On May 16, the court ruled in favor of a motion filed by Rivian to have the lawsuit dismissed. The court ruled that the plaintiffs lacked standing due to their arguments not being a zoning issue but rather a licensing issue, which is the province of the Department of Motor Vehicles. Zoning regulations are meant to protect the public interest and are not intended to address business competition. Furthermore, Rivian acknowledged that it cannot carry out any activities that may require a license until it obtains such a license.

On June 5, the plaintiffs filed a Motion for Reconsideration

and Reargument. They contend that since D'Addario has a new car dealer license and Rivian does not, they are a protected class of business in this licentiate, and this amounts to illegal competition.

This is not a legal blog and we don't know whether DMV will get involved or where this will go. This is an earlier [post](#) from when the initial lawsuit was filed. Our opinion, in general, is that the dealerships are trying to make it as difficult as possible for direct sales companies to open servicing facilities. We have seen this with Tesla in East Hartford and South Windsor, and now this episode with Rivian.

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## **Delaware Gets Direct Sales; Not So Connecticut**

Post by Barry Kresch

### **The Direct Sales Morgue is Enlarged By One More Year as Bill Dies in Committee**

As the legislative session inches towards its conclusion on June 7th, we have been through another year without enactment of legislation that would permit electric vehicle manufacturers using a direct sales business model to open stores in CT. These bills would permit manufacturers of exclusively battery electric vehicles (BEVs) that do not have an established dealership network (and are not majority owned by a company that does) to open company stores to sell and deliver directly to CT customers. These are companies such as

Tesla, Rivian, and Lucid, with others on the horizon.

The proposed legislation would not affect the arrangements that existing dealerships have with their affiliated manufacturers. Governing the dealer/manufacturer relationship was the intent of the laws when they were passed long ago. All these dealer claims about how the franchise laws protect consumers is just smoke.

CT Insider, reporting on the current legislative session, quotes Transportation Committee Co-Chair, Sen. Christine Cohen characterizing the bill as “controversial,” that it would take up a lot of committee and floor time, and lack the votes to pass.

To quote former State Senator Will Haskell (D-Westport) when he previously raised direct sales, *this bill is only controversial in Hartford*. The way the bill was killed this year is the way it is always defeated – without being called for a vote. The legislators well know that their constituents support this bill. Many legislators are afraid to cross the dealerships, an entrenched and well-funded special interest. By working behind the scenes to prevent the bill from being called, they can have it both ways. They keep the dealers happy and they don't have to go on the record opposing their voters, not to mention ding their environmental scorecard. (The CT League of Conservation Voters, the organization that publishes the scorecard, views direct sales a pro-environment measure, but the scorecard can only count votes that are cast.)

This blog wagers that a number of these behind-the-scenes “no” votes would turn to “yes” votes if taken publicly.

The CT Insider reporting also quoted Cohen as citing the actions of Tesla CEO, Elon Musk, as being a factor costing support. It is fair to acknowledge this. He is not helping matters. Direct sales used to be referred to as the “Tesla



Bill,” but there are now other companies using this model. This blog sees this as a larger issue of consumer choice, EV adoption, and economics. It is the single most effective thing that can be done to accelerate EV sales.

Dealerships at times object even to their own affiliated manufacturers’ efforts to sell more EVs. For example, Ford’s new [Model-e program](#) seeks to more aggressively position dealerships to sell EVs is moving forward, but it has engendered resistance and [dealership lawsuits](#). The CT dealership trade association enlisted several CT federal and state elected officials to speak out publicly against the Ford plan.

Some legislators do openly support direct sales. Included among them is Rep. Keith Denning (D-Wilton), who submitted a direct sales bill this year, which was not raised by the Transportation Committee Chairs. This blog reached out to him and he provided this statement:

*“My name is Keith Denning and as a freshman legislator I raised a bill in the Connecticut Legislature for direct sales of electric vehicles to the citizens of Connecticut. While the bill was not raised in committee, I still support the ability of car manufacturers to sell their product directly to the public.*

*With the revolution of transportation into electric vehicles that we are currently experiencing, the sales of cars directly allows new companies coming into the market to keep their costs down by not having dealerships and can give lower pricing to the consumer.*

*I am not asking for current dealerships to close, but allowing for a new way for cars to be sold. This builds our economy, allows for small new manufactures to enter the market and makes Connecticut a leader in the transition to the new electric car economy.”*

# Delaware State Court Rules Direct Sales Does Not Violate Franchise Law

A nearby state, Delaware, now has direct sales. This came via the judiciary. A recent ruling from the Delaware Supreme Court held that the language in the franchise law applies only to existing manufacturer-dealer relationships and is not applicable to new companies that operate sans dealerships. Tesla filed the lawsuit.

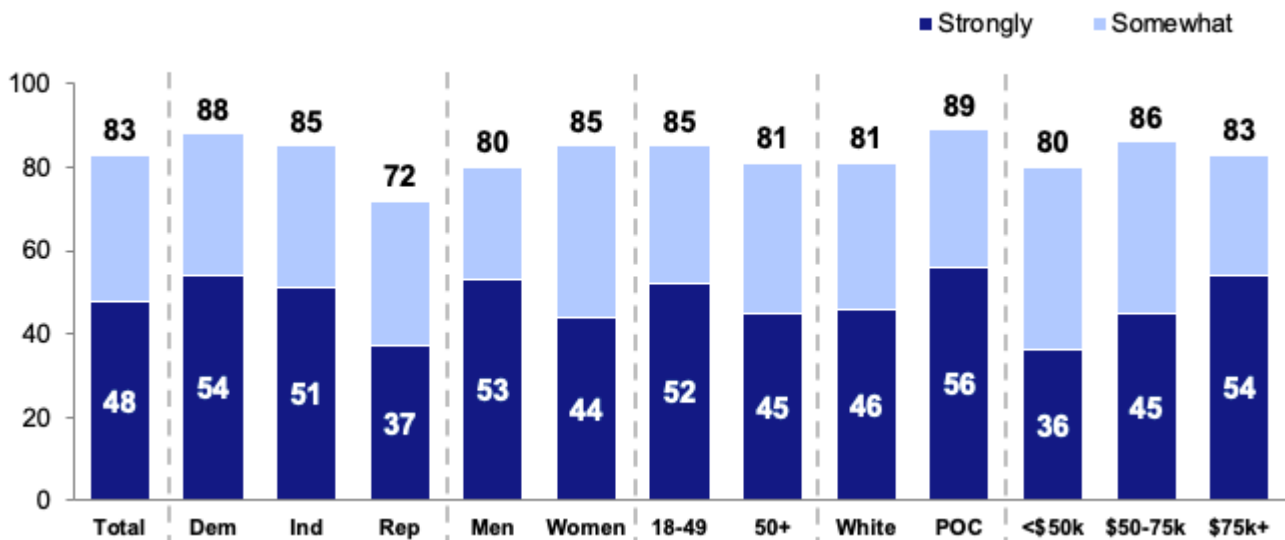
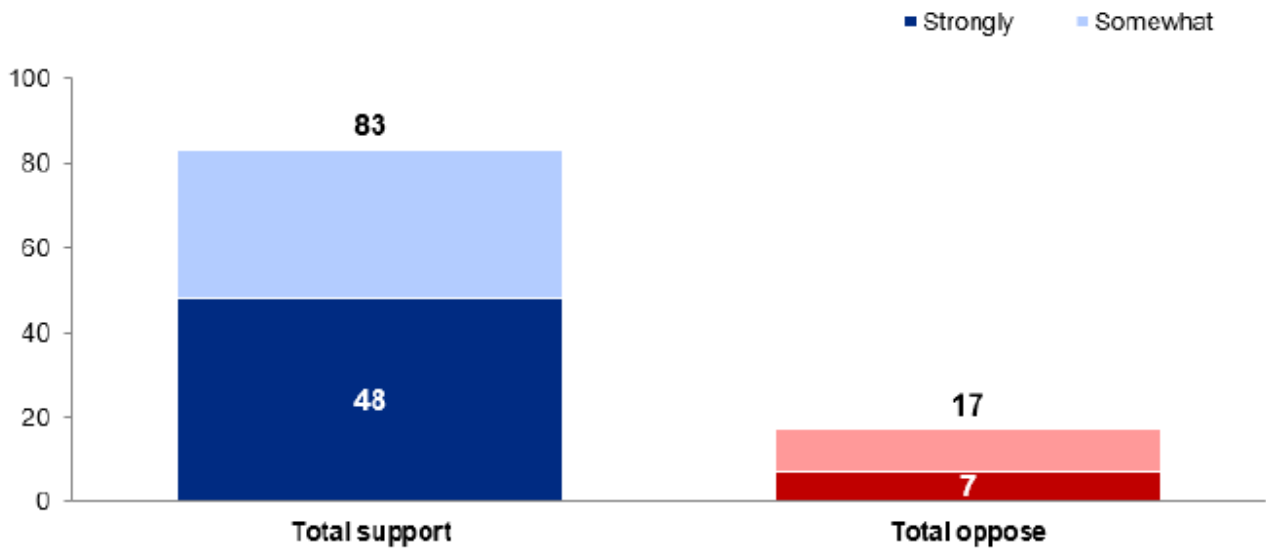
For this to have a chance to happen in CT, Tesla or another manufacturer would have to file a lawsuit in state court. They are a legitimately injured party and would have the standing to proceed. The unsuccessful efforts to date in CT to legalize direct sales have only gone through the legislature. One potential downside is that if such an action were to be filed, the legislature would likely punt on dealing with it (which is basically what they've been doing anyway) until the process plays out. That could take some time. The Delaware case was appealed before it was taken up by the Supreme Court.

Massachusetts is another state in the region where direct sales came about via a lawsuit. However, if there is one takeaway from the Delaware ruling, it is that franchise laws are not uniform across states. The language of the CT law would have to separately be tested.

## Consumers Support Direct Sales

The option of buying a vehicle via direct sales is overwhelmingly favored by consumers. When last the issue was polled in CT, [83%](#) were in favor. Support cut across age, party affiliation and ethnicity. (The polling was fielded by public-opinion firm, GQR, with a sample of 500 likely voters and had a margin of error of +/- 4.4% at a 95% confidence interval.

More detail is in the linked page.)



**Testimonial Unanimity** – When there was open testimony in 2021, 81 written testimonies were submitted to the Transportation Committee. If one excludes the 9 from individuals associated with the dealerships and the 3 from Tesla, Rivian, and Lucid, we are left with 69 from members of the public at large. *All 69 of them were in favor of direct sales.*

When Sen. Cohen remarks that the bill takes a lot of floor time (i.e. inconveniencing the legislators), the reason is that many people register to offer oral testimony. Public hearings package multiple bills into a day of hearings. When direct sales is on the agenda, it becomes a very long day

indeed. In past hearings, some legislators have looked visibly annoyed, and some of them verbalized it, that they have to sit through more hearings about direct sales, where everyone but the dealers are in favor. Legislators, generally speaking, exhort the public to get involved. In this case they do, and ironically, it's a problem for them. This was mitigated in a narrow sense in the short session of 2022, where by prearrangement, only a small number of people were permitted to testify.

## **Dealerships Now Seek To Block Service Centers**

A more recent insidious development is that dealerships have mobilized to block direct sales manufacturers from opening service centers. They want to make getting the vehicles serviced as inconvenient as it is to buy them.

Hoffman Auto sued East Hartford when they granted a permit to Tesla to open a badly needed second service center to complement the existing one in Milford. East Hartford subsequently withdrew the permit and Tesla did not further pursue it. Dealer representatives showed up in force for a hearing in South Windsor regarding a proposed Tesla service center. More recently, Mario D'Addario Buick and TD Properties sued Shelton and Rivian after the Town granted Rivian a permit to build a service center. Rivian's motion to dismiss is awaiting a ruling. The dealers latch on to anything they can to throw up roadblocks for these companies.

## **That New Tesla Service Center – It's In Massachusetts**

Tesla is building a new sales and service center in Springfield, MA. Springfield is just north of CT off I-91. This location will be more convenient for customers in

Hartford and points north than Milford. That sound you hear is those jobs and taxes going to MA. This will take some of the pressure off getting a Tesla serviced locally. It doesn't change the fact that CT Tesla purchase customers have to pick up their vehicles in Mt. Kisco, NY.

## **Direct Sales = Greater EV Adoption**

Every year there has been testimony before the legislature, the dealer representatives talk about how all-in they are for electric vehicles. Then every year, they keep not selling them, or not that many of them. When we look at the data, we see only modest growth.

Tesla has testified that an ideal scenario in its view is that Tesla becomes a smaller slice of a rapidly growing pie. That hasn't happened. In fact, the Tesla share of registered EVs is higher now than when we began tracking it in 2017.

## **New Sierra Club Study**

The Sierra Club recently released the third wave of its ongoing [EV Shopper Study](#) with fieldwork conducted in 2022. These studies have been fielded in 3-year intervals. Consumers visit or call dealerships to ask about EVs, see if the salespeople are able to answer basic questions, find out whether there is a charged vehicle available for a test-drive, etc. The findings of the new study are as disheartening as those of past studies.

- 66% of car dealerships did not have a single EV for sale. Keep in mind, this includes both new and used vehicles.
- To some degree, supply-chain issues persisted into 2022, but of the 66% of dealerships without EVs, 45% of them said they had no interest in selling EVs.

These numbers are exclusive of companies such as Tesla,



Rivian, and Lucid that do not have dealerships, and which obviously want to sell EVs. Also, they are national numbers. The Sierra Club does break the numbers down by region, but the numbers in the Northeast were not that different from the overall profile.

Some dealers make an effort, but we are still a long way from where most or all dealers act like they actually want to sell EVs. This is consistent with what we have been seeing in our ongoing analyses of [CT CHEAPR](#) rebate data.

## **Atlas Public Policy – Direct Sales Would Remove an Estimated 42 Million Metric Tonnes of CO<sub>2</sub>**

Atlas Public Policy builds analytical tools to help policy makers and businesses make decisions. [Atlas](#), in conjunction with the Electrification Coalition, undertook an analysis to assess whether a state's adoption of direct sales accelerates EV adoption. Their findings were that, indeed, it does. From the report:

- Consumers have reported poor EV buying experiences at dealerships,
- Dealers are incentivized to sell internal combustion engine vehicles rather than EVs due to the dealership revenue associated with future servicing needs,
- Dealer franchise laws add costs for consumers, and
- Giving consumers the freedom to buy via direct-to-consumer models leaves both consumers and manufacturers better off.

The report goes on to forecast what the emissions impact would be if direct sales were to be adopted country-wide. Because it is a forecast, it presents its findings as a range. The midpoint of the range would result in the removal of 42 million metric tonnes of CO<sub>2</sub> in the period of 2023-2030.

## **Bloomberg Analysis**

Bloomberg published an opinion piece entitled, "[Car Dealership Laws Aren't Fit for the Electric Age](#)," in which they looked at EV adoption in open vs. closed states. (The article is behind a paywall.) The results were quite striking with over 3X the EV adoption rates in states with uncapped direct sales, compared to those prohibiting the practice.

## **The legacy Automotive Industry Is Often Its Own Worst Enemy**

One could be forgiven for thinking that the strategy of many of the established automotive companies has been denial.

Ford is a notable exception. They made the Model-e gambit, followed last week by the hugely consequential announcement that the company has negotiated an arrangement with Tesla to give Ford owners access to the Tesla Supercharger network, and that beginning in 2025, Ford vehicles will be manufactured with native Tesla-compatible connectors. In our view, the Supercharger arrangement is a smart move for both companies. It potentially could influence other companies to follow suit. (We understand that existing Ford EV owners will be able to get adapters. We would be interested in hearing from Ford owners who are readers of this blog about how and what Ford is communicating. Please leave a comment.)

CCS stands for Combined Charging Standard and NACS stands for North American Charging Standard. CCS is backed by most manufacturers. Where it says "Tesla" below, it is the NACS connector, which is the standard Tesla uses and has been pushing to be the universal connector without much success until now. You be the judge of which is the more elegant design. Between Tesla and Ford (and, I suppose, I shouldn't overlook Aptera; though they haven't delivered any vehicles yet, they still get points), the majority of EVs on the road

will have NACS.



Not all companies are moving aggressively like Ford. Stellantis is a major manufacturer, the owner of Jeep, Chrysler, Dodge, Ram, Alfa Romeo, Fiat, Maserati, and several others. And yet if we look at their profile in CT, they are nearly invisible. They have a modestly successful Jeep Wrangler PHEV and that is about it. (Stellantis represents 1553 of 30,017 EVs registered in CT as of Jan 1 – 1,200 from Jeep, 317 from Chrysler, 36 from Fiat. Only the Fiat are fully electric – BEV and they are not currently being manufactured.) Now, as they play catch-up – they announced a new EV platform – they are laying off thousands. From Yahoo Finance: “The company has about 56,000 workers in the U.S., and about 33,000 of them could get the (buyout) offers.”

## Larger Environment

While we’re fighting over the right to buy an EV directly from the manufacturer, China is banning the sale of ICE vehicles that don’t meet its new, stringent emission standard (VI B) by July 1. That could send shock waves across the world as inventories of unsellable ICE vehicles grow. We are seeing states ban the sales of new ICE vehicles as of around 2035.

# Closing Thoughts

How dealerships and the legacy automobile industry writ large will ultimately fare is up to them. If they innovate and compete, they'll be fine. Some of them have embraced EVs, but judging by the data, not nearly enough. In CT, the dealership special interests have thus far been given the message that they can sit back and not worry about it, that change can happen on their timetable, negative consequences for those of us who live in the state be damned.

There are many EV Club members who own or have ordered a Tesla, Rivian or Lucid. For those of us who have made the trek to Mt. Kisco to pick up a Tesla, it stares us in the face that the jobs to build, staff, and maintain the facility are in New York, and the company pays property taxes to Mt. Kisco and a franchise registration fee to NY. Manufacturers selling directly, a large and fast growing industry, are not choosing CT to set up manufacturing facilities, despite our ports, roadways, railways, and highly educated and trained workforce. We lose twice.

Today's headlines and accompanying disruptions in the oil and gas market punctuate the urgency of moving away from fossil fuels. Allowing direct sales will help CT meet its EV adoption objectives, create green jobs, reduce pollution, and, most importantly, it is what is right for the citizens of CT.

## How Can You Help

We agree with Rep. Denning that a direct sales law is not anti-dealer; it is pro-consumer and pro-CT.

We have to ask ourselves why we're okay with making it harder for CT residents to buy an EV, not easier. Why are legislators ignoring the will of the people and bowing to the dealerships?

Our EV Club is not a political organization (501(c)4). We do

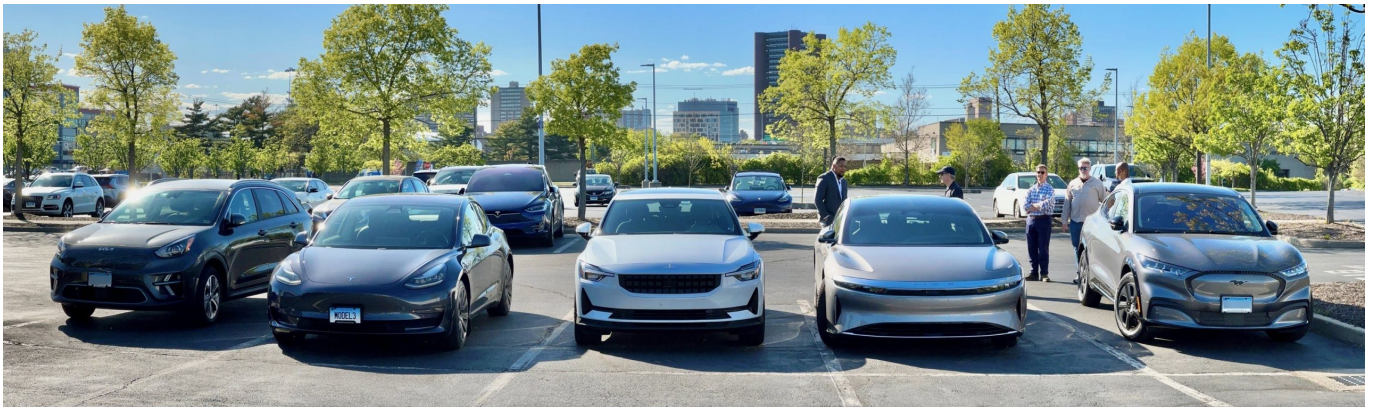
not have paid lobbyists prowling the Capitol. We can only operate as a grassroots organization evangelizing for EV adoption, promoting free competition, and being open to new and innovative ways of doing business.

You can be sure that legislators hear from the dealerships and their lobbyists whenever there is a bill. They have to hear from as many of us as possible. Even if you have emailed or called previously, every year is a new game.

The 2024 legislative session will be a short session, which happens in election years. The rules are more restrictive and there may well not be a direct sales bill introduced. But as we get into election season, that will be a good time to make your voice heard.

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## **EV Meetup At Hotel Marcel**



Above photo by Paul Braren

## **Successful EV Showcase with Hotel**



# Tours

Thanks to everyone who made this a successful event, with numerous EVs, including Lucid, Rivian, Tesla, Ford, Kia, Chevy, Polestar, and others.



The Westport Police brought their Tesla Model Y patrol car that went into service January of this year.



Tours of the hotel were given. This is the first net-zero hotel in the country, LEED Certified Platinum, Passive House Certified. The hotel has no fossil fuel connection. It is powered by solar, augmented with battery storage. Air-source high efficiency heat pumps provide the heating and cooling. The lighting is high efficiency Power over Ethernet. The elevators have regenerative braking. The kitchen uses induction. The envelope is so tight that if you are in a guest room, about one-tenth of a from I-95, it is totally quiet.

There are over 1000 solar panels on the hotel roof and the solar canopies. There is a bank of Tesla V3 Superchargers and, under the canopy, 12 level 2 chargers with J-1772 connectors.

There is already in place infrastructure to install another 12. The level 2 chargers are part of the EV Connect network, though they can also be activated with a ChargePoint account.



This event was jointly produced by the EV Club of CT and the CT Tesla Owners Club. We thank the Tesla Club for its partnership.

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## **Rivian Guilty of “Pre-Crime”**

### **Rivian Service Center Stalled By Dealership Lawsuit**

We’ve seen this movie before.

In a replay of what we recently saw with Tesla, a lawsuit by an auto dealership has stalled the opening of a service center by a company that employs a direct sales business model. As reported in the [GreenwichTime](#), the Town of Shelton approved a permit for Rivian to build a service center and this was appealed by Mario D’Addario Buick, Inc. As noted in the



article, the complaint states that the facility will engage in the “sale of new and used Rivian vehicles in violation of Connecticut law.”

Tesla previously received a permit from East Hartford to open a badly needed second service center in Connecticut. Hoffman Auto promptly filed an [action](#) specifying a similar basis. East Hartford subsequently withdrew the permit and Tesla did not further pursue the matter. The company continues to scout for another suitable location.

Of course, both Rivian and Tesla know the law and don't have plans to violate it. However, if the law were to be changed, and it has come before the legislature repeatedly (thus far unsuccessfully), their use of the facilities may change accordingly.

There is a difference between the Rivian and Tesla cases, which is that Rivian plans to use the proposed facility to deliver vehicles bought online. In Texas, another state that bans direct sales, Tesla has been able to deliver new vehicles at its service centers. They do not make deliveries in CT.

With a hat-tip to Philip K. Dick who coined the phrase, pre-crime refers to knowing someone is going to commit a crime they haven't yet committed, and is in the realm of science-fiction where it belongs. In our version of reality, it amounts to dealerships using the franchise laws pretextually to make getting these vehicles serviced as inconvenient as it is to buy them. It is part of the dealerships' continuing campaign to stifle competition and consumer choice.

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# Rivian In The House

## Members of Rivian Owners Club Northeast to Bring Their Vehicles to Bridgeport on Saturday

The EV startup Rivian, manufacturer of the R1T pickup truck and R1S EUV (along with an electric delivery van for Amazon), will be holding a meetup and showcase on **Saturday, May 14th** in Bridgeport at the Brewport Brewing Company (225 South Frontage Road). There should be a half dozen or so Rivian vehicles. The meeting time is **11 AM – 1 PM**.

While Rivian has had its challenges with its production startup, it has been delivering vehicles. Some of the early reservation holders have been waiting for 3 years. Now they have them, and early reports are that they are thrilled with them.

Here is a chance to take a look and ask questions. At least one of them will have his camping tent set up.

Free registration required.

<https://www.eventbrite.com/e/north-east-rivian-club-may-2022-meetup-tickets-335374683707>

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## Direct Sales Bill Passes Out



# of Committee

## SB-214 Passes with 21 Votes

SB-214 has passed the Transportation Committee by a vote of 21-14. To see how individual members voted, check out the tally on the [committee website](#).

Legislators are offered time to comment before the vote is taken and several took the opportunity.

Representative Devin Carney (R) (Ranking Member), who is a no vote, said that there is no longer a need because dealerships are now selling EVs, a change from several years ago. He opined that Tesla is a legitimate company, but that other, newer entrants like Rivian and Lucid, with their difficulties in ramping production, are not, and thus do not deserve this “carve-out.” He also objected to characterizations made of the legacy companies that they don’t care about the environment, and cited some of the challenges of sourcing the materials necessary for battery manufacturing from places like the Democratic Republic of the Congo.

Representative Jonathan Steinberg (D), a longtime supporter of direct sales, said this year’s bill was an improvement over past bills. (The bill is restricted to battery electric vehicles and is no longer just a Tesla bill). Steinberg notes that the dealers say that direct sales will hurt their businesses but that the data from states where direct sales is legal just don’t support that conclusion. He thinks the entire auto purchasing relational experience will change, that it’s about competitiveness, and that this bill supports consumer choice. Interestingly, he said that he would support a bill that goes further than this one and do away with the franchise laws entirely.

Representative Stephen Meskers (D) said he was a yes because “at some level, the markets should decide.” His main concern was about whether this would extract profits from the state and vowed to engage with Tesla and the other companies to push them to maximize their investment in CT, including vocational-technical training.

Senator Henri Martin (R), voting no, complained that he doesn’t understand why this bill keeps coming back year after year. He feels that this bill does not protect consumers, questions whether there will be adequate servicing facilities, and that it comes down to having two sets of laws.

The actual committee vote was more bipartisan than the above comments might indicate. However, as best we know, last year there were no Republican votes in the Senate for this bill (since the bill didn’t get called, there was no recorded vote). That is something we hope to see change.

Bills similar to SB-214 have made it out of committee in the past but haven’t made it across the finish line. The Senate is the next stop for SB-214.

We think that Representative Steinberg is spot on. This industry is changing but it needs to change faster. Consumers overwhelmingly [support](#) this legislation. Now is the time to tell your legislators that you support the free-market and consumer choice, and that the current, antiquated laws are holding back EV adoption.

You can use [this page](#) to find your state senator and representative.

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# **If You Want To Get a Tesla in Connecticut, Go to Hertz**

Post by Barry Kresch

Photo: EV Club members with a pre-production Rivian R1T

## **Consumers Must Leave the State to Buy an EV Not Sold Through a Dealership**

If a consumer wants to go electric and buy or lease not only a Tesla, but also a Rivian or Lucid, to name two of a number of new EV manufacturing startups, they have to travel out of state to do so. For years, CT Tesla customers have been schlepping to Mt. Kisco, NY to pick up their vehicles. It's long past time for this to stop.

## **SB 214 – An Act Concerning the Sale of Electric Vehicles In The State**

A bill has been raised in the Transportation Committee, SB No. 214, that will amend the law to allow EV-exclusive manufacturers without an existing dealer franchise network to open stores and sell directly to consumers, "direct sales" for short.

The EV Club of CT supports this bill as the current situation is anti-consumer, anti-free-market, holds our state back from achieving its EV adoption goals, and forces its citizens to breathe dirty air. The transportation sector is responsible for 38% of the state's greenhouse gas emissions, not to mention other pollutants such as particulate matter, making it the most polluting sector.

# EV Deployment Is Far Behind Target

The state has signed a [resolution](#) committing to getting 150,000 EVs on the road by 2025 and 500,000 by 2030. We have a long way to go as we are only 14% of the way to our 2025 goal and 4% of the way to the 2030 goal. If you want to see a depressing visual, click [here](#). We need all hands on deck.

## Background: The Franchise Laws

These laws are what currently prohibit Tesla and other companies from opening stores in CT. They were written long ago to protect dealerships from being bullied by their own affiliated manufacturers. These laws are not about the consumer and never were.

## Protectionism

The language in these franchise laws requiring new vehicles to be sold by an independent business has been conveniently repurposed to exclude new EV manufacturers from opening stores in CT. In other words, the laws are now being used for protectionism.

The Federal Trade Commission has [written](#), “A fundamental principle of competition is that consumers – not regulation – should determine what they buy and how they buy it. Consumers may benefit from the ability to buy cars directly from manufacturers – whether they are shopping for luxury cars or economy vehicles. The same competition principles should apply in either case.”

The Union of Concerned Scientists [wrote](#), “...the dealer franchise laws represent not only a ban on Tesla, but a ban on all innovation in distribution methods.” Also, “There is no justification on any rational economic or public policy grounds for such a restraint of commerce.” They also cite

studies showing that these laws restricting new distribution models serve to “raise the average vehicle cost by 8.6%.”

Dealer franchise laws have also been criticized from the right. The Koch brothers [signed onto a letter](#) opposing the Michigan version of this law. Their libertarian instincts chafe at the anti-free-market nature of these laws. And the [CATO Institute](#) has described these circumstances, “Where state legislatures are captured by rent- $\square$ seeking incumbent market participants...” which impose “unnecessary transactions cost.”

These are but a few examples of the many organizations that support direct sales.

There has also arguably been spillover from the dealership laws as the Hoffman Auto Group, which owns dealerships in CT, has used them as a basis to file a [lawsuit](#) to prevent Tesla from opening a planned second service center in East Hartford. It seems Hoffman’s strategy is to make the experience of owning a Tesla as difficult as buying one.

## **Consumers Want The Freedom To Buy An EV However They Choose**

Consumers have made it clear that they should have the freedom to choose where and how to buy or lease an EV.

In a poll taken last year, an identical proposed law, SB 127, polled at an [83% level](#) of support among likely voters in CT. This support cut across party affiliation, age, income level, and ethnicity.

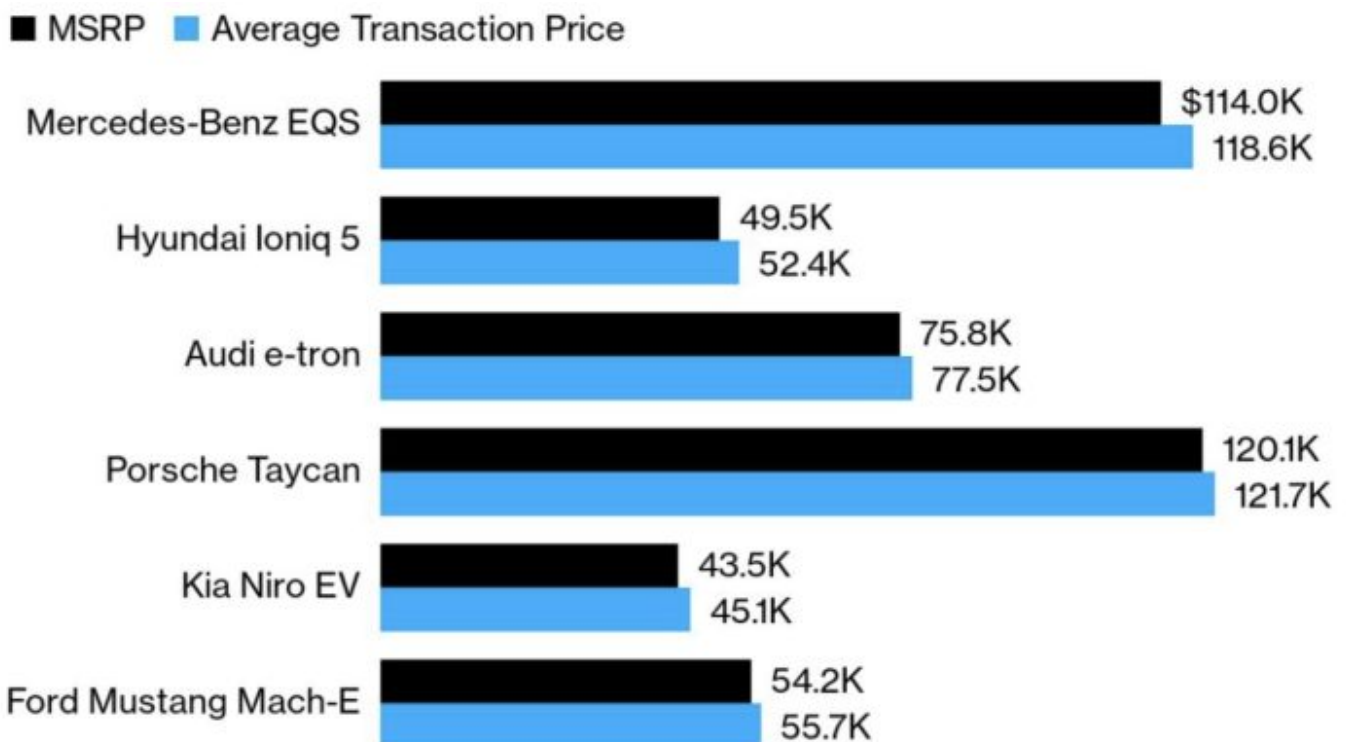
The Transportation Committee held a public hearing on last year’s direct sales bill, SB 127. There are 81 testimonies posted on its [website](#). If one excludes the 9 from individuals associated with the dealerships and the 3 from Tesla, Rivian, and Lucid, we are left with 69 from members of the public at large. All 69 of them were in favor of direct sales. Even with



this overwhelming level of support, there was not a single Republican vote in the Senate and an insufficiency of Democratic votes to pass the bill.

## Is The Dealership Model Better For Consumers?

During this current period of supply chain turmoil, many dealers have been marking up the cost of EVs (and presumably other vehicles) above MSRP. In a recent [Washington Post](#) article, it read “that Ford and GM have warned dealerships to stop selling vehicles above MSRP,” and that GM characterized these markups as “unethical.” So much for the multi-year argument dealerships been making that franchisees protect consumers. Below, from Edmunds.



Source: Edmunds

One of the selling points for direct sales is that there is pricing transparency. You're not required to give your email

to get an online quote, you won't be forced to visit a dealership to get a final price, you won't have anyone pestering you afterward to buy the vehicle, and you're not bombarded with after the sale upsells, or a surprise markup.

This [opinion piece](#) in the Washington Post by Ian Ayres, a law professor at Yale, discusses how for customers using dealer financing, the dealerships often markup the interest rate without disclosing this to the consumer. These hidden fees are legal, which they shouldn't be, but their application in a discriminatory way is not. For example, [Honda](#) and [Toyota](#) have both settled lawsuits brought by the Consumer Financial Protection Bureau for more than \$20 million because minority borrowers were charged higher interest markups than equally qualified white borrowers.

## Watch What They Do, Not What They Say

Are dealers selling EVs? We would like to see them be proactive in their EV sales efforts. Every year, they come before the legislature and profess to be invested in EVs. They talk a good game, but what are they actually doing?

The NY Times published an article in 2015 entitled, ["A Car Dealers Won't Sell: It's Electric."](#) That was 7 years ago and we have to make allowances for the possibility that things can change. Have they? Judging by data from the CT DMV, not so much. There are [8944 registered Teslas](#) in CT. The number 2 make is Toyota with 3238. Of course, the Toyotas are plug-in hybrids. The make that is number two in BEVs is Chevrolet with 824. Teslas comprise 71% of all the battery electric vehicles currently registered in the state. In 2017, when I first began tracking this, that number was 61%.

This is from an article in [TechCrunch](#), published in 2017, in which the first sentence proclaims, "Mercedes-Benz is the

latest automaker to embrace electrification, announcing that it will be electrifying its entire vehicle lineup by 2022," according to Mercedes-Benz chief Dieter Zetsche. There are 21,382 EVs in CT as of January 1, 2022. 75 are Mercedes.

The headline from a Bloomberg [story](#) in January reads, "Car Dealership Laws Aren't Fit for the Electric Age." The first sentence: "More EVs are being sold in states that allow direct sales."

And the manufacturers have their own imperatives. From Bloomberg Intelligence analyst Kevin Tynan, "If Ford could sell one million Lightnings a year, they wouldn't," he explains. "The reason why EV penetration is as low as it is in the U.S., is because that's what automakers want it to be. People think it's the consumer pulling – it's not; it's the automaker's pushing."

This really does matter when it comes to EV adoption, states with uncapped direct sales had 6.8 registered BEVs per 1000 registrations. Closed states had 1.4. CT is a closed state. How much closer to our EV deployment goals would we be and how much healthier would our air be to breathe if we were an open state?

## **Will Direct Sales Drive the Dealerships Out of Business?**

Whenever they testify, that is pretty much what they say will happen. There was one dealer who said during testimony that if direct sales passes, he will immediately start laying off employees. AND IT WILL BE THE FAULT OF THE LEGISLATORS!

The truth is the dealers want it both ways. They say their model is better for consumers. If they really believe that, then why the need for these restrictions in the first place? Then in the next sentence, they'll say their businesses will

implode.

Direct sales has been around for as long as 10 years in some states. So we have comparables! And the dealers are doing just fine in open states according to data from their own national association. A study by the [Acadia Center](#) documented this in states near to ours.

## Closing Thoughts

The question of how dealerships and the legacy automobile industry writ large will ultimately fare is up to them. If they innovate and compete, they'll be fine. A few of them have embraced EVs, but judging by the results, not nearly enough. In CT, the dealership special interests have thus far been given the message that they can sit back and not worry about it, that change can happen on their timetable.

There are many EV Club members who own or have ordered a Tesla or are reservation-holders for Rivian or Lucid. For those of us who have made the trek to Mt. Kisco to pick up a Tesla, it stares us in the face that the jobs to build, staff, and maintain the facility are in New York and the company pays property taxes to Mt. Kisco. All of these companies stand ready to invest in CT. And others, as well. CT is sending the wrong kind of signal to any company that is part of the green economy.

Allowing direct sales will help CT meet its EV adoption objectives, will create green jobs, and, most importantly, it is what is right for the citizens of CT Consumers. Tell your legislative representatives that you support SB 214.

## How You Can Help

Contact your state senator and state representative. This page will enable you to find out who they are:

<https://www.cga.ct.gov/asp/menu/cgafindleg.asp>

Clicking on their name will take you to their contact form. Tell them you support SB 214 because allowing direct sales allows for free-market innovation enabling consumers to buy the EV of their choice in the manner of their choosing. It will accelerate EV adoption, create jobs, and let the companies of the new green economy know that CT is open for business.

Also, contact your mayor or first selectman and ask them to support SB 214 and contact the legislators who represent their town. Their voices carry weight with the legislature.

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## **Looking Back, Moving Forward**

### **Looking in the Rearview Camera Back Over a Busy 2021**

As the year winds to a close, we take this opportunity to give our sincere thanks to all who have joined us for our meetings, events, advocacy, and information efforts. We look forward to seeing you in 2022!

### **Legislation**

2021 was a disappointing year for climate legislation with our

top priorities of direct sales, TCI, and adoption of the California emission standards for medium and heavy-duty vehicles not making it through the legislature.

The EV Club worked with the other members of the CT EV Coalition on these efforts but the Club was the tip of the spear on direct sales. We wrote [blog posts](#) and op-eds such as [here](#) (Hartford Courant) and [here](#) (CT Mirror). We called, emailed and met with legislators and gave testimony in support of [SB 127, a bill we call EV Freedom](#). Our social media team did an outstanding job promoting direct sales and debunking bad PR meant to sow confusion and doubt about direct sales. Club member Will Cross – also Communications Director for [Tesla Owners Club of Connecticut](#) – built a platform, [evfreedomct.com](#), to educate and inform the public about the bill, allow readers to show support by signing a petition and using social media to reach legislators and share excellent EV footage debunking many of the myths being advanced about direct sales.

**The EV Freedom Bill made it out of the Transportation Committee but did not get called for a vote in the Senate. We were told that we were 1 vote shy. The bill will be reintroduced by Senator Haskell in 2022.**

We held a well-attended [press conference](#), as seen in these photos, with state officials, environmental organizations, labor, and others speaking.











We had support from Tesla and Lucid and were graced by the presence of a Model Y and the Lucid Air. Also, Rivian brought a pre-production R1T to Hartford and gave rides to legislators, followed by a small reception for club-members in [New Haven](#). This was the vehicle's first appearance in the



We thank the bill sponsors, Senator Haskell and Representative Steinberg, our friends at the CT Tesla Owners Club, and all of our members and others who reached out to their representatives, wrote an op-ed, or gave testimony before the legislature.

The only way this bill will pass is if constituents keep the pressure on. 2022 is an election year and it is the time to make our voices heard. We will be asking everyone to reach out again. Each year starts anew. If you have contacted your representatives in the past, memory is fleeting; it is important to do so again. Our state's ability to meet its EV and emission reduction goals depends on it, not to mention that it has overwhelming consumer support. We will be communicating more specifics about the policy agenda for 2022 as they become available.



The footprint of the club continues to expand. We have now become a go-to source for press when comments about EV-related news are sought, including a recent, not as yet published article from CNN.com. The EV Club has also been invited to sit on the policy committee of the (national) Electric Vehicle Association (formerly the Electric Auto Association) even though we are not a chapter. The EVA formally endorses direct sales and will be another resource for us.

## Events

- The EV Club again partnered with Sustainable Fairfield to stage an [EV Parade](#) from Westport to Fairfield for National Drive Electric Week (NDEW). This year it was followed by an EV showcase at the parade terminus with speakers.



- We supported as best we could other NDEW events held around the state, such as a successful event at Central Connecticut State University in New Britain.
- We were pleased to again support the Electric Car Guest Drive folks at their ride and drive event in Montgomery, NY.

## Speaking Engagements

- [AIACT](#) – All electric home and BEVs webinar for architects
- Sustainable Essex – Deep dive into EV charging

- Route 7 EV Corridor [dedication](#)



- Municipal Police EV Adoption Workshop
- West Hartford Environment Committee
- Sustainable Weston
- Sierra Club Hartford
- Save the Sound Legislative Panel
- Webinar (Please subscribe to our YouTube Channel!) – [How to Save on an EV and Get Free Charging](#)

(We will be updating our incentive content. There is a lot of news on the near-term horizon with the PURA/utility incentives about to be finalized, and the possibility of major changes to the federal purchase incentive in the Build Back Better bill.)

## Data

- Two updates to the [EV Dashboard](#) with more charts added.
- Track of CHEAPR performance, which continues to under-perform (that means allocated funds are underspent)
- [Financial Analysis](#) of Westport Police Model 3 patrol

car, along with modeling out the financial implications for fleet adoption.

## Select Meeting Speakers

- Marissa Gillett, Chair of Public Utilities Regulatory Authority, spoke about the upcoming [EV Rate Design](#).
- Congressman Himes – A look forward to climate legislation
- Citizens Climate Lobby – Dr. Roger Kuhns discussed a proposal for a [carbon tax](#) with dividend.
- Stephen Wagner of South Windsor Planning and Zoning discussed using [zoning regulations](#) to improve charging access
- Kim Pacquette, early Tesla [FSD beta tester](#) spoke early in the year, followed by a [recent panel](#) of local drivers who have the received the recent upgrade

## Westport Fire Department

EV Club Members loaned their vehicles for [training](#) so first responders can learn how to handle the cables and where to cut if necessary. We have had another request, this one from the Bethel Fire Department. We are waiting on a firm date before asking for volunteers. All that is involved is leaving the vehicle for a few hours so they can look at the wiring.





Club members participated in a fund-raiser to help Louisiana residents after the hurricanes. It was a grassroots effort driven by Tesla owners and coordinated with local LA resident, Clean Technica journalist, Johnna Crider.

Finally, this post is being composed on giving Tuesday, though it most likely will not make it live until Wednesday (yep, that's what happened). The EV Club does not take donations, but several of our esteemed partners on the EV Coalition would be happy for any largess, for example, Save the Sound, The Sierra Club, Acadia Center, League of Conservation Voters, Electric Vehicle Association. If you are considering further giving options this year, please consider them.

Please scroll to the bottom of the [home page](#) to fill out the form to join the club (free) and sign up for our email blasts inviting you to our virtual meetings and events.

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# Driving Electric Is Now a Moral, Fiscal and Climate Imperative

Post by Analiese Paik and Barry Kresch

## EVs Are Essential to Mitigating the Climate Crisis

We're in a climate crisis and each of us should be taking action, regardless of state and federal policy. Driving electric has become a no brainer now that new models are out with longer-range batteries in styles and sizes that fit varying consumer needs. The Rivian R1T pictured above is a luxury adventure pickup with an optional camp kitchen with an induction cooktop that tucks away in a gear tunnel.

If Congress passes the [Clean Energy for America](#) bill, or folds it into other legislation, EV buyers could enjoy up to \$12,500 in tax incentives/rebates on qualified vehicles until fully 50% of the cars on the road are electric. Currently the full \$7,500 tax credit is still available to all-electric car (BEV) buyers as long as they aren't buying a GM or Tesla vehicle (they met their 200,000 vehicle quota). Connecticut also provides a cash rebate for certain EVs, both new and used, but the parameters are always changing ([read more here](#)).

## Create Zero Tailpipe Emissions

A battery electric vehicle is a zero-emissions vehicle. If we are to mitigate climate change, it is imperative to electrify

transportation which currently accounts for 38% of statewide greenhouse gas emissions in the form of carbon dioxide and methane. The state has set a goal for itself of 500,000 registered EVs by 2030. We are less than 3% of the way there. Zooming out, the bigger transportation picture includes mass transit, active transport, and medium/heavy duty vehicles.

Every year, we see rising temperatures, as evidenced by heat waves, more severe hurricanes, drought, and wildfires. This is climate change made manifest. We can't afford to be complacent. **The time for rapidly transitioning to a zero emissions transportation system is now.**





# Connecticut's Air Quality Earns Straight Fs for Ozone, Despite Improvements, Finds 2020 'State of the Air' Report

American Lung Association's annual air quality report finds nearly half of Americans breathing unhealthy air, Fairfield County has the highest ozone readings in the eastern U.S.



**HARTFORD, CT | April 21, 2020**

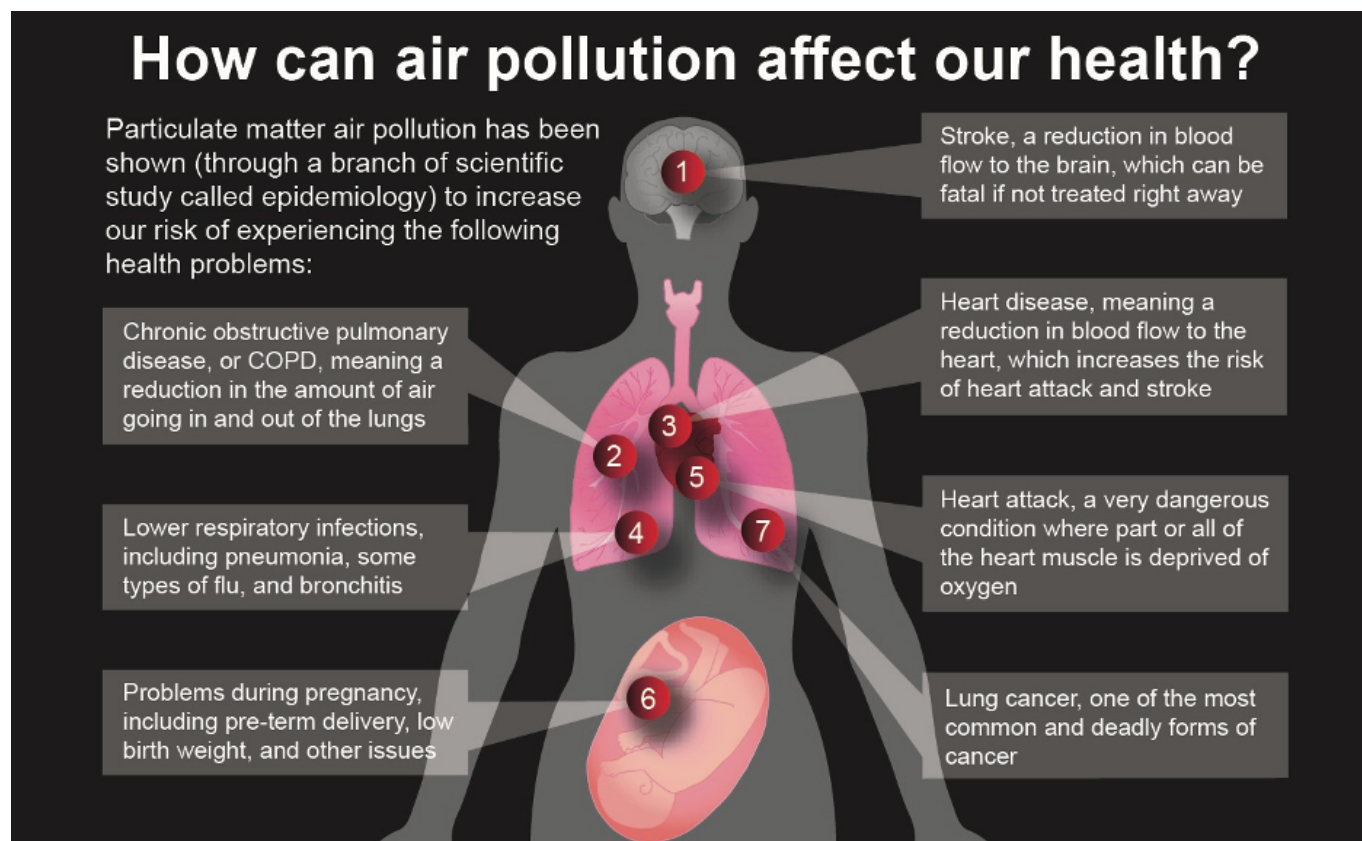
*Editor's Note: The full report, as well as trend charts and rankings for metropolitan areas and county grades are available at [Lung.org/sota](https://lung.org/sota)*

The American Lung Association's 2020 "[State of the Air](#)" report found that every county in Connecticut continued to earn failing grades for ozone pollution, despite marginally less unhealthy days. Connecticut

## Improve Public Health

CO<sub>2</sub> and, methane aren't the only pollutantants emitted from vehicle exhaust. There is particulate matter (pm) and oxides of nitrogen (NO<sub>x</sub>) to name two. NO<sub>x</sub> + volatile organic compounds + sunlight = ozone, the main ingredient in smog. The American Lung Association gives every county in Connecticut a

grade of F for ground-level ozone. Smog and particulate matter are major contributors to cardio-pulmonary disease and cancer, and is a risk for pregnant women. **Imagine the positive health impacts on communities near major transit lines no longer subjected to the noise a risk for pregnant, NOx and pm from road traffic.** Has anyone quantified the positive impact on real estate values as roadway noise, pollution and climate damage goes away?



## Save Money

While an electric vehicle can be more expensive to acquire, the cost of owning one is significantly less than an internal combustion engine (ICE) car according to [Consumer Reports](#). Not only is it less expensive to power a vehicle on electricity, but EVs also need much less maintenance. **The bottom line is that it's half as expensive to drive an electric than an internal combustion engine (ICE) vehicle because of the fuel and maintenance savings.** And the time you save could make it even cheaper. [So can free charging.](#)



While there is variation among EVs in terms of efficiency and electricity rates, a reasonable benchmark is a cost of 5 cents per mile to operate an EV. By contrast, if an ICE vehicle gets 20 MPG and gasoline costs \$3 per gallon, the operating cost is 15 cents per mile. And there are federal, state purchase incentives that can reduce or eliminate the differential in the EV acquisition cost. There are also forthcoming utility incentives that will lower the cost of charging.

Aside from the fuel costs, there are lower maintenance costs. With approximately 90% fewer moving parts in an electric vehicle relative to an ICE vehicle, there is simply less to maintain and fewer things to break. An EV has no spark plugs, catalytic converter, alternator, transmission, timing belt, water pump, and doesn't need oil changes to name a few examples. [A recent analysis conducted by EV Club of CT President Barry Kresch shows tens of thousands of dollars savings accruing to the Town of Westport after the PD opted for a fully-outfitted Tesla Model 3 squad car rather than a Ford Explorer \(gas powered ICE\).](#)

## **Drive More Efficiently**

Regenerative braking, where the engine slows the car and recaptures some of the kinetic energy to store in the battery, means there is less wear on the friction brakes and the energy isn't wasted and converted to heat lost in the atmosphere. It is not uncommon to go 70,000 or more miles before brakes need to be serviced on an EV.

**JULY 27,  
2021**  
7 PM  
**FREE ZOOM WEBINAR**

Advance registration  
required on [evclubct.com](http://evclubct.com) or  
[sustainne.com](http://sustainne.com)

**HOW TO SAVE  
MONEY ON  
YOUR NEXT EV  
AND GET FREE  
CHARGING**

Guest Panelists:  
Barry Kresch, President EV Club of CT  
Paul Vosper, CEO of Juicebar  
Analiese Paik, CEO of Sustainne

This event is produced and sponsored by the EV Club of CT and Sustainne as a public service and co-hosted by Sustainable Westport and the Town of Westport.

## Enjoy Reliability

Fewer things to break means fewer trips to the repair shop, less downtime, less inconvenience and more peace of mind. No oil changes saves a quarterly visit to the service department and avoids the time and hassle. A great strategy for someone with a daily commute of 60 miles or less would be to purchase a used EV that still has good battery life, charge it at home and use it as the daily driver. The state of CT's CHEAPR program now offers cash rebates to qualified buyers of used EVs. If you find DEEP's website confusing, join us on July 27, 2021 where we'll explain it in consumer-friendly English during our free webinar, [How to Save Money on an EV](#).

## Have More Fun Driving

EVs have instantaneous torque. Hit the accelerator and the electric motors immediately respond. This is why performance EVs can outgun the high-performance ICE vehicles. On Connecticut roadways, especially congested highway and parkway entrance and exit ramps, the instant speed means you can maneuver that much more quickly and safely. EVs come with

advanced safety and drive assist features that make your drive on our busy roadways safer. Bumper to bumper traffic? Turn on autopilot, keep your hands on the wheel and eyes on the road, but give your outstretched legs a break and let the car do the start and stops for you. Your daily commute just more relaxed.

## Save Time

You'll never have to go to a gas station again for fuel. That means no time taken out of your schedule to gas up or wait for an oil change or more complicated maintenance or repair. Most EV owners charge their vehicles at home at night and love the convenience. When you get up to go to work, you have a full "tank." When you're away from home, some EV chargers even let you charge at no cost. Your town likely has at least one free charger. Look for them near libraries and town halls; schools can be tricky, especially when in session. [Join us on July 27 to learn more free charging hacks.](#)

## Promote Energy Security

**The Solar Plus Home**

Solar panels generate energy during the day, when most homeowners are not home

There are a number of controllable appliances, like hot water heaters and air conditioners, that can be used to store energy during the day

With the addition of EVs and batteries, even more of that energy can be stored

Solar Plus looks at how more energy can be used in the home, which helps utilities better manage the grid

energy.gov/sunshot

**SunShot**  
U.S. Department of Energy

The infographic features a central circular icon with a house and a plus sign. It is surrounded by illustrations of a house with solar panels, a car being charged, and various household appliances. The background shows a landscape with power lines and a sun.

EVs go hand in hand with decarbonizing the grid and rapidly advancing the shift to [all-electric homes and a distributed](#)

[energy network.](#) NREL (National Renewable Energy Laboratory) is developing and evaluating fully integrated systems that [connect electric vehicles \(EVs\), transportation infrastructure, power grids, buildings, and renewable energy sources.](#)

We can produce the electricity we need from domestic renewables like solar and wind. If you have solar panels on your home, even better (consider adding battery storage for resiliency). The CT grid is moderately clean at present, mainly because the state gets 38% of its electricity from nuclear and almost none from coal; the great preponderance is from natural gas (sigh). There is a mandate for 30.5% of electricity in 2021 to come from renewables, though the state is falling short of that. However, in recent years, the legislature has authorized offshore wind and stationary storage projects, and there has been approval of some community solar. Even if you do not have solar on your roof, you can choose a supplier that generates its energy from renewables at [EnergizeCT](#).

## **Support Domestic Green Jobs**

Green jobs are new economy jobs that are critical to rapidly transitioning the US and world to a sustainable future while growing and creating well-paying, in-demand, skilled jobs (many unionized) in STEM, EV manufacture, EV charging infrastructure, energy storage, solar systems, wind turbines, and all manner of R&D, manufacture, service, maintenance and repair. Ohio's Mahoning Valley is home to a "fledgling electric vehicle manufacturing cluster" that is supported by the government, industry, unions, schools and universities working in concert with one another to ensure workforce training matches job creation. [Read about this exciting workforce development plan and growing EV industry in Ohio here.](#) Now imagine if we had that in Connecticut.

The EV Club of CT meets online monthly and all drivers are

welcome, as are EV-interested. Please comment below or send us your inquiries.