



The Advanced Technology Vehicles Manufacturing (ATVM) Loan Program: A Success Building the Next Generation of Technology in America

The U.S. Department of Energy's (DOE) Advanced Technology Vehicles Manufacturing (ATVM) Loan Programⁱ plays a critical role in rebuilding U.S. manufacturing and helps ensure we make the next generation of globally competitive clean transportation technology in America.

Bipartisan and Critical for Economic Growth

The ATVM was created as part of the bipartisan 2007 energy bill signed into law by President Bush. It was designed—rightly and effectively—to ensure that at the same time that we make big steps to improve vehicle fuel economy, we also invest in building the next generation of globally competitive advanced vehicle technology, components and materials in the U.S. and position the U.S. as a technology leader. Motor vehicle and parts manufacturing is one of the largest manufacturing sectors in the U.S., supporting nearly a million direct manufacturing jobs and millions of additional indirect jobs across all 50 states. The more than \$8 billion dollars in loans the program has made to build or retool factories in the U.S. helped underpin an earlier, stronger recovery of the manufacturing sector—one that is ongoing.ⁱⁱ The auto industry is also the leading manufacturing export sector.ⁱⁱⁱ This is momentum we cannot afford to lose.

DOE Loan Program Producing Results

Workers assemble the Ford F-150 pick-up at Ford's Kansas City, MO assembly plant. ATVM funding helped retool this facility to build the Transit van and increase production of the F-150 pickup. The F-150 incorporates the innovative EcoBoost engine and state of the art lightweight materials to achieve deep fuel efficiency improvements while simultaneously enhancing power and performance. **At risk of closure in 2009, the Kansas City plant now has over 6400 hourly employees, its highest ever.**

Extremely Successful: 17 Factories, 38,000 Direct Jobs

The multi-billion dollar private investments enabled by ATVM loans have created or saved more than 35,000 direct manufacturing jobs.^{iv} The indirect jobs and broader impact on the recovery were even greater. ATVM loans have been used to build or retool factories in eight states.^v Including:

- \$5.9 billion to Ford for 13 facilities in Illinois, Michigan, Missouri, Ohio, Kentucky and New York;
- \$1.5 billion to Nissan for two facilities in Tennessee; and
- \$465 million to Tesla for two facilities in California.

These ATVM loans are being matched with private funds for a total of more than \$14 billion in investment in state-of-the-art manufacturing in the U.S. Vehicles and technology built in these facilities will make a major contribution towards meeting fuel economy standards and achieving carbon emissions reductions. Lower gasoline consumption also means large savings for consumers.

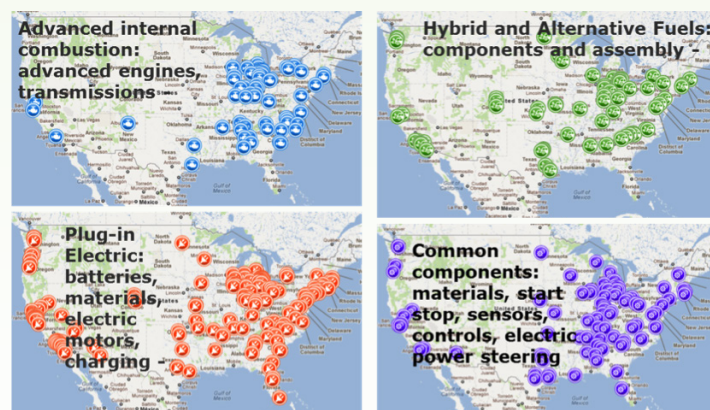
The Taxpayer is Well Protected

The ATVM is a loan program, not a grant program. Taxpayer funds are repaid with interest. Tesla's loan, for example, has already been repaid in full.^{vi} As with the DOE's Clean Energy Loan program as a whole, the ATVM program has an extremely high success rate—98 percent of ATVM funds have gone to successful projects.^{vii} The overall loan program's portfolio has been so positive to date that interest on successful projects has exceeded the losses from the few smaller projects that were ultimately unsuccessful—keeping the taxpayer more than whole—while bringing added jobs and new revenues to communities across the country.

Now Streamlined for Greater Impact on Business and Job Growth

In 2014, the DOE clarified its guidance on the ATVM and streamlined and modified its processes.^{viii} These changes make the program more accessible not just to major auto-makers, but provide a powerful potential opportunity to hundreds of automotive suppliers making advanced engines, powertrains, electronics, materials and other critical advanced technology all across the country.

The ATVM is a critical part of an ongoing automotive, transportation technology, and manufacturing recovery that is bringing back factories, jobs, profits and global competitiveness to the U.S., while making major strides forward in cutting carbon pollution and combating climate change. This is momentum we can't afford to lose.



Suppliers across the country stand to benefit from the ATVM program

In 2011, BlueGreen Alliance members the United Auto Workers (UAW), Natural Resources Defense Council (NRDC) and National Wildlife Federation (NWF) released *Supplying Ingenuity*, a report identifying over 500 factories in 43 states that were already building the components, materials, and technology that contribute to achieving higher fuel economy. These companies and similar ones across the auto supply chain stand to benefit from ATVM loans that could aid them in making new investments in innovation and growth. Interactive maps available from *Supplying Ingenuity*^{ix}

Endnotes

i. U.S. Department of Energy, Advanced Technology Vehicles Loan Program. <http://energy.gov/lpo/services/atvm-loan-program>

ii. Natural Resources Defense Council, National Wildlife Federation and the Michigan League of Conservation Voters Education Fund, *How Fuel Efficiency is Driving Job Growth in the U.S. Auto Industry*. <http://drivinggrowth.org/how-fuel-efficiency-is-driving-job-growth-in-the-us-auto-industry/>

iii. U.S. Department of Commerce, International Trade Administration, *U.S. Export Fact Sheet*. <http://trade.gov/press/press-releases/2014/export-factsheet-february2014-020614.pdf>

iv. U.S. Department of Energy, Loan Program Office Projects. <http://energy.gov/lpo/projects>.

v. U.S. Department of Energy, "DOE Awards \$8 Billion in Loans for Advanced Vehicle Technologies." http://apps1.eere.energy.gov/news/news_detail.cfm/news_id=12594

vi. Tesla Motors, "Early Repayment of Tesla AVTM Loan." <http://www.tesla-motors.com/blog/early-repayment-tesla%E2%80%99s-atvm-loan>.

vii. Media Matters, "STUDY: How Mainstream Media Misled On The Success Of The Clean Energy Loan Program." <http://mediamatters.org/research/2014/04/10/study-how-mainstream-media-misled-on-the-succes/198834>

viii. U.S. Department of Energy, "Secretary Moniz Discusses Advanced Technology Vehicle Manufacturing Loans." <http://energy.gov/articles/sec-moniz-discusses-advanced-technology-vehicle-manufacturing-loans>

ix. NRDC, NWF, and UAW, *Supplying Ingenuity*. <http://www.nrdc.org/transportation/autosuppliers/>



The BlueGreen Alliance unites America's largest labor unions and its most influential environmental organizations to solve today's environmental challenges in ways that create and maintain quality jobs and build a stronger, fairer economy.

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