

June 16, 2020

The Honorable Peter DeFazio
Chairman
House Committee on Transportation and
Infrastructure
U.S. House of Representatives
2165 Rayburn House Office Building
Washington, DC 20515

The Honorable Frank Pallone
Chairman
House Committee on Energy and
Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

The Honorable Samuel Graves
Ranking Member
House Committee on Transportation and
Infrastructure
U.S. House of Representatives
2165 Rayburn House Office Building
Washington, DC 20515

The Honorable Greg Walden
Ranking Member
House Committee on Energy and
Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman DeFazio, Chairman Pallone, Ranking Member Graves and Ranking Member Walden:

The U.S. aluminum industry knows that a significant federal investment to modernize our nation's infrastructure will create jobs, boost economic growth and save lives. Further, we know that aluminum will be a critical building material in this new infrastructure because it is light weight, corrosion resistant and infinitely recyclable. As manufacturers who rely on efficient transportation and a reliable infrastructure, the U.S. aluminum industry strongly supports your efforts to increase public and private infrastructure funding – including those measure that will increase operational efficiencies and prioritize sustainability.

The Aluminum Association represents U.S. aluminum production and jobs across the entire industry value chain, from primary production to value-added products to recycling, as well as suppliers to the industry. As you consider funding for infrastructure improvement opportunities as a means of stimulating economic activity in the aftermath of the COVID-19 downturn, aluminum's lightweight, non-corrosive and infinitely recyclable properties make it an ideal material to contribute to an infrastructure-focused recovery.

Aluminum is a fundamental element of American manufacturing, supporting aerospace, transportation, construction, defense, packaging, infrastructure, and many other segments of the U.S. economy. Accordingly, aluminum is designated by the U.S. Geological Survey as a critical mineral and has been recognized by the Departments of Commerce and Defense as

“vital” to national security and a core part of the Critical Manufacturing Sector.¹ USGS added aluminum to its Critical Minerals List of 35 minerals and metals in 2018, and it's one of only nine critical minerals that are essential to all industrial sectors.

We are thankful for all you and your colleagues have already done to address the COVID-19 pandemic and its economic impact. As you move forward to craft an impactful infrastructure package, I urge you to enact the following proposals that will pay dividends to the nation for years to come.

Fund and Support Recycling

Aluminum is an ideal material for the circular economy, and more than 75 percent of the aluminum ever made is still in use today because it can be recycled over and over again and, unlike competing materials, without degradation in performance. There is tremendous opportunity to enhance the recycling system to capture more aluminum, a critical manufacturing material. In fact, more than \$800 million worth of aluminum beverage cans alone are sent to landfills every year. Enhancing recycling reduces this waste, reduces emissions, saves energy and returns critical feedstock to U.S. manufacturers.

U.S. aluminum producers depend on a stable supply of input materials both domestic and imported – including an increasing volume of secondary, or recycled, aluminum. In February 2018, the National Science and Technology Council’s Subcommittee on Critical and Strategic Mineral Supply Chains recommended increasing recycling and efficiency of critical minerals.² These recommendations echoed President Trump’s Executive Order 13817, which called for a federal strategy to ensure secure and reliable supplies of critical minerals.

The Association recommends that Congress establish and fund:

- A recycling infrastructure program that awards grants on a competitive basis to state and local governments to support and expand the recycling infrastructure and recycling programs – with the purpose of increasing recycling rates, expanding curbside recycling programs, expanding collection points, improving recycled material quality, improving material and alloy segregation, and developing the recycling process to increase return rates of high-quality feedstocks to aluminum manufacturers.
- Grants or tax credits for capital investment into recycling equipment by manufacturers.
- A new Department of Energy program to promote the efficient production, use and recycling of critical minerals and to provide grants for capital expenditures by secondary aluminum producers as well as accelerated tax treatment for investments in new recycling technology.

¹ Maynard et al. *The Effect of Imports of Aluminum on the National Security*. Department of Commerce, 2018. Accessed June 12, 2020. <https://www.bis.doc.gov/index.php/documents/aluminum/2223-the-effect-of-imports-of-aluminum-on-the-national-security-with-redactions-20180117/file>

² *Assessment of Critical Minerals: Updated Application of Screening Methodology*. National Science and Technology Council, 2018. Accessed June 12, 2020. <https://www.whitehouse.gov/wp-content/uploads/2018/02/Assessment-of-Critical-Minerals-Update-2018.pdf>

Electrical Grid Modernization & Electric Vehicle Infrastructure

With a better conductivity-to-weight ratio than copper and significant economic benefits, aluminum has for decades been used for wiring power grids, including high-voltage long distance power transmission lines as well as local power distribution systems. The federal government should invest to modernize the aging patchwork system of power generating plants, transmission and distribution lines, and substations that must operate in a smart and cohesive way to power the growing demands for electricity from both homes and businesses.

According to the Department of Energy's 2015 *Quadrennial Technology Review*, 70 percent of power transformers and transmission lines are at least 25 years old.³ Further adding to the aging grid's challenges is the fact that Americans are utilizing more distributed power technologies than ever before. Most electric transmission and distribution lines were constructed in the 1950s and 1960s with a 50-year life expectancy, according to the American Society of Civil Engineers (ASCE), and the high-voltage transmission lines in the country's power grids are at full capacity.

Investments in the electrical grid will support further development of clean energy opportunities and help support the modernization needed to ensure U.S. electricity supply stability. Modernizing and expanding capacity for the electrical grid represents a key area of opportunity for sustainable, transformative stimulus investment by the federal government. There are many shovel-ready projects in the energy sector, and the benefits to communities across the country would be immediate.

The Association recommends that you direct and fund the Department of Energy to establish grant programs that would:

- Carry out projects related to the modernization of the electric grid, including for distributed system technologies, and accommodating rapidly increasing renewable electricity generations.
- Promote the development of hybrid microgrid systems for isolated communities and microgrid systems to increase the resilience of critical infrastructure.
- Establish a strategic transformer reserve to improve grid resilience, as recommended by the Department in 2017.

Further, the economic effects of COVID-19 have reverberated throughout the economy and have particularly affected American automotive manufacturers. The disruption of the global supply chain has dire implications for the newer electric vehicle market. Despite the growing demand for electric vehicles, the nation does not yet have the necessary charging infrastructure. The use of aluminum in any new EV charging infrastructure would demonstrate similar benefits as those seen in high-voltage long distance transmission systems.

Congress has an opportunity to make long-term, sustainable investments while providing aid to a key American sector. The Association encourages you to:

- Utilize the Highway Trust Fund to establish a competitive grant program to strategically deploy alternative fuel vehicle charging and fueling infrastructure along

³ *Quadrennial Technology Review 2015*. Department of Energy, 2015.
https://www.energy.gov/sites/prod/files/2015/09/f26/QTR2015-3F-Transmission-and-Distribution_1.pdf

designated alternative fuel corridors that will be accessible to all drivers of electric vehicles.

- Direct the Department of Energy to update model building codes to account for electric vehicle supply equipment, electric vehicle parking and electric vehicle power.
- Direct the Department to provide financial assistance to states that are incorporating electric vehicles into their energy plan.
- Require the Chair of the Council on Environmental Quality to lead a Federal interagency working group to develop a strategy to transition the vehicle fleets of the respective Federal agencies to hybrid-electric vehicles, plug-in electric drive vehicles, and alternative fueled vehicles to the maximum extent practicable.

Public Transportation Building Construction

Aluminum is used extensively as a building material in large public transportation building projects, combining incomparable visual aesthetics with a high strength-to-weight ratio, corrosion resistance and desirable thermal properties. Aluminum's durability means it can serve its function in a building for many decades to reduce maintenance costs. When used for construction, aluminum structures can weigh 35 to 65 percent less than steel, while providing equivalent strength. Finally, using aluminum can help qualify a building for green building status under the Leadership in Energy and Environmental Design (LEED) framework.

In 2019, ACI-NA released a new report detailing the significant infrastructure needs of America's airports to keep pace with growing passenger and cargo traffic.⁴ This report asserts that our nation's airports require nearly \$130 billion of investment by 2023, with more than half of those needs inside aging terminals. Despite the recent drop in travel due to COVID-19, efficient airports will continue to be important to the economic vitality of established metropolitan areas as well as to burgeoning regions and small communities. Further, ASCE's latest Infrastructure Report Card cited overdue maintenance and underinvestment in giving the U.S. transit sector a low grade of D.⁵

Sustainable investments in our nation's transportation infrastructure will increase capacity while reducing carbon pollution. We recommend that Congress:

- Utilize the Airport and Airway Trust Fund to create a new Airport and Airway Investment Program focused on investing in modernization projects that enhance airport and airspace capacity.
- Support the buildout of charging infrastructure at airport facilities to increase customer convenience and assist rental car fleets to transition toward electric vehicles.
- Increase bus funding and invest in bus and transit facilities.

Increase Maximum Truck Weight Limits

Manufacturers, including aluminum producers throughout the value chain, can better contribute to the economy when goods and services flow efficiently through the nation's

⁴ *Terminally Challenged: Addressing the Infrastructure Funding Shortfall of America's Airports*. Airports Council International – North America, 2019. <https://airportscouncil.org/wp-content/uploads/2019/02/2019TerminallyChallenged-Web-Final.pdf>

⁵ *2017 Infrastructure Report Card*. American Society of Civil Engineers, 2019. <https://www.infrastructurereportcard.org/cat-item/transit/>

June 16, 2020

Page 5

transportation network. Lifting the interstate highway weight limits for trucks would alleviate the freight capacity shortage, driver shortage and highway congestion. It would also help companies and drivers navigate what is now a patchwork of state rules as freight volume continues to grow, requiring all modes of transportation to operate as efficiently as possible.

We urge you to allow states to increase truck weight limits on Interstate System highways within their borders to 91,000 pounds as long as those trucks are equipped with an additional sixth axle. The federal weight limit for Interstate highways has been set at 80,000 pounds since 1982.

Overall, the Aluminum Association believes the proposals outlined above represent sustainable and bipartisan stimulus opportunities that will contribute to a long-term economic recovery. The U.S. aluminum industry urges you to prioritize these policies as infrastructure funding advances through Congress.

Respectfully,

A handwritten signature in black ink, appearing to read "Tom Dobbins". The signature is fluid and cursive, with a large initial "T" and "D".

Tom Dobbins
President & CEO
The Aluminum Association