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November 3, 2025

Ambassador Jamieson Greer
United States Trade Representative
Office of the U.S. Trade Representative
600 17th St. NW
Washington D.C., 20508

PUBLIC COMMENTS

Submitted electronically via https://www.comments.ustr.gov

Re: Request for Comments on the Operation of the Agreement between the United States of America, the United Mexican States, and Canada (Docket No. USTR-2025-0004)

Dear Ambassador Greer:

Tesla, Inc. (Tesla) appreciates the opportunity to respond to the United States Trade Representative's (USTR) request for public comments in advance of the joint review (Joint Review) of the Agreement between the United States of America, the United Mexican States (Mexico), and Canada (USMCA).[1]

Tesla was founded in 2003 as a small startup building electric vehicles to accelerate the transition to sustainable energy. Today, Tesla is proudly headquartered in Texas with major manufacturing gigafactories across the United States—including in California, Nevada, New York, and Texas—employing over 70,000 people domestically. Our manufacturing ecosystem includes an array of electric transportation models, energy storage, energy generation, humanoid robots, tool and die manufacturing, and critical mineral refining, as well as all the software development needed to support our products and manufacturing.

To support our U.S. manufacturing, we utilize all three countries—the United States, Mexico, and Canada—that comprise an interrelated value chain from raw materials to manufactured inputs to consumption in our U.S. produced products, which we sell across North America, as well as exporting to Europe and Asia. For our vehicle production, our largest supply base is from right here in the United States—American part and component manufacturers—which support our domestic vehicle production.

This focus on domestic sourcing, along with vertical integration, has made Tesla vehicles consistently ranked at the top of the list for most American-made vehicles. In 2025 alone, Cars.com's American-Made Index awarded the top four spots to Model 3, Model Y, Model S, and Model X, respectively.[2] Over the last half decade, either the Model Y or Model 3 was ranked as the most American-Made vehicle.[3] Beyond

[1] *Notice of Request for Public Comments and Notice of Public Hearing Relating to the Operation of the Agreement Between the United States of America, the United Mexican States, and Canada,* 90 Fed. Reg. 44869 (Sept. 17, 2025).
[2] See, Cars.com 2025 American-Made Index (June 17, 2025) at https://www.cars.com/american-made-index/.
[3] See, Cars.com 2024 American-Made Index at https://www.cars.com/articles/2024-cars-com-american-made-index-which-cars-are-the-most-american-484903/; Cars.com 2023 American-Made Index at https://www.cars.com/articles/2023-cars-com-american-made-index-which-cars-are-the-most-american-467465/; Cars.com 2022 American-Made Index at https://www.cars.com/articles/2022-cars-com-american-made-index-which-cars-are-the-most-american-451057/; Cars.com 2022 American-Made Index at https://www.cars.com/articles/2022-cars-com-american-made-index-which-cars-are-the-most-american-451057/; and Cars.com

domestic manufacturing suppliers, our next largest supply base for inputs to our U.S. vehicle production comes from Mexico and Canada, aligning with the intended regional goal of USMCA.

To this end, Tesla urges USTR to support extension of USMCA in the Joint Review. Tesla offers specific suggestions to support the Joint Review discussions below and welcomes further collaboration with USTR in this process.

USMCA Bolsters U.S. Manufacturing

Tesla was pleased to see USMCA originally finalized under the first Trump administration, and we support the continuation of this important trilateral free trade agreement in the years ahead. Building on the North American Free Trade Agreement (NAFTA) before it, USMCA was a historic trilateral agreement intended to bolster U.S. and regional North American industrial competitiveness in an incredibly globalized world. Since USMCA went into effect in 2020, Tesla has invested heavily in expanding U.S. manufacturing operations, alongside a robust North American supply chain, to continue to localize our domestic supply chain and scale up production of our vehicle and energy products.

Below is a summary of the major manufacturing investments by Tesla in the United States since the announcement of USMCA:

- ***Gigafactory Texas (Austin, Texas)***
  In 2020, Tesla announced Gigafactory Texas, a 10 million square foot state-of-the-art factory that sits on 2,500 acres along the Colorado River, and today serves as our global headquarters in Austin, Texas. Since the announcement, over $16 billion in capital expenditures has been invested in the site and over 40,000 jobs have been created. Gigafactory Texas is actively manufacturing Model Y—the best-selling vehicle in the world—and Cybertruck, as well as cathode active materials, lithium-ion battery cells, battery packs, drive units, vehicle seats, stampings, and castings. It will also be home to Tesla's next-generation vehicle assembly line and production of the fully autonomous Cybercab.

- ***Lathrop Megapack Factory (Lathrop, California)***
  In 2021, Tesla broke ground on a nearly $300 million Megafactory in California to manufacture our utility-scale battery storage system: Megapack. Today, it is one of the largest utility-scale battery factories in North America, capable of producing 10,000 Megapack units each year, equal to 40 gigawatt-hours (GWh) of clean energy storage.

- ***Gigafactory Nevada and Semi Factory (Reno, Nevada)***
  In 2023, Tesla announced over $3.6 billion in continued investments at Gigafactory Nevada to add 3,000 new employees and construct two new factories. This included adding a 100 GWh 4680 battery cell factory (with capacity to produce enough battery cells for 1.5 million light duty vehicles annually), as well as our first high-volume Semi factory.[4] The construction of the Semi factory is nearing completion and, once at scale production, we plan to produce 50,000 all-electric Semi trucks annually.

- ***Lithium Refinery (Robstown, Texas)***

2021 American-Made Index at https://www.cars.com/articles/2021-cars-com-american-made-index-which-cars-are-the-most-american-437020/.

[4] See, Continuing Our Investment in Nevada (January 24, 2025) at https://www.tesla.com/blog/continuing-our-investment-nevada.

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In 2023, Tesla announced the groundbreaking of an in-house lithium refinery, located in the greater Corpus Christi area of Texas.[5] Once complete and fully operational, the facility will represent an investment of over $1 billion in South Texas and stand as the largest lithium hydroxide refinery in North America with an installed capacity of 30 GWh per year. This investment is critical to our mission to accelerate the world's transition to sustainable energy and represents our efforts to aggressively increase the supply of battery-grade lithium hydroxide available in North America, including through the use of a novel alkaline leach refining method that is both environmentally friendly and cost effective. The construction effort has created nearly 1,000 construction jobs, and the facility will employ upwards of 250 full-time employees long-term, including production technicians, operations managers, and engineering roles to support ongoing plant maintenance and optimization.

- ***Houston Megapack Factory (Brookshire, Texas)***
  Tesla is expanding its Megapack manufacturing in the United States with a new Megafactory in Brookshire, Texas, near Houston. Tesla is investing more than $200 million into the facility, which will employ roughly 1,500 people at the peak of its operation.

These investments demonstrate the agreement is working successfully to bolster U.S. manufacturing investments, build resilient supply chains, provide meaningful jobs, and drive U.S. exports. To continue this forward momentum and strengthen U.S. competitiveness, the United States should support the continuation of USMCA as a trilateral agreement.

Strengthen and Improve USMCA During Joint Review

Tesla supports the efforts by the United States to review this key free trade agreement, and we would like to be a collaborative partner during the Joint Review process. We have a unique manufacturing perspective and first-hand experience, as well as high caliber expertise, to offer in designing manufacturing processes, sourcing and standing up assembly lines, and building out robust supply chains to manufacture products here in America. Tesla's long-standing strategy for our U.S. manufacturing operations is to source domestically as much as possible, which develops more sustainable supply chains, reduces our carbon footprint, and mitigates geopolitical risk.

As USTR develops its position and entertains input in advance of the Joint Review in 2026, Tesla recommends the United States consider the following areas for improving and, ultimately, strengthening the USMCA trilateral agreement.

- ***Update Product Specific Rules of Origin to Account for Advanced Manufacturing (Chapter 4, USMCA)***
  Tesla recommends updating certain Product Specific Rules of Origin (PSROs) to account for advanced manufacturing. As a leader in this space with a deep understanding of integrating cutting-edge innovation into domestic manufacturing, Tesla looks forward to partnering with USTR in this review. In particular, Tesla notes that complex products and advanced manufacturing technologies may require specific analyses, phase-ins, and other mechanisms to accomplish the Administration's goal of solidifying U.S. and North American supply chain security. For these reasons, Tesla looks forward to discussing PSROs with USTR.

- ***Improve Consistency in USMCA Verification and Enforcement (Chapter 5, USMCA)***

[5] See, Tesla Lithium Refinery Groundbreaking (May 8, 2023) at https://www.tesla.com/blog/tesla-lithium-refinery-groundbreaking.

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Tesla recommends improving the consistency in verification and enforcement between the three countries when implementing USMCA. Specifically, increased transparency is needed from Mexico when it comes to enforcement and audits for strong, healthy trade relations to continue under USMCA. We encourage USTR to ensure that Mexico uses the same standards of review as Canada and the United States. It is critical that all three nations fully enforce USMCA requirements to guarantee that the agreement is delivering its intended results.

- ***Common Electric Vehicle Charging Standards***
  To support the integrated North American automotive market, as well as trans-border travel and commerce, Tesla recommends that the parties agree to adopt the industry-accepted North American Charging Standard (also known as Society of Automotive Engineers J3400 standard) as the single standard for North American light-duty vehicle trade. Additionally, we recommend that jurisdictions limit or halt the development and use of other charging standards.

- ***Automotive Safety Standards***
  Tesla supports the longstanding U.S. objective to pursue agreements by trading partners to recognize and align with the Federal Motor Vehicle Safety Standards (FMVSS). We urge USTR to reaffirm that Mexico will continue to do so pursuant to Mexico's measure "NOM-194-SCFI-2015." Alignment in automotive standards strengthens the North American automotive sector and actively promotes and facilitates fair and reciprocal trade.

Conclusion

Tesla manufactures a fully integrated ecosystem of products that address energy generation, energy storage, transportation, and manufacturing. Since its founding, Tesla has prioritized vertical integration and streamlined manufacturing processes in the United States, as well as globally, including investing and localizing supply chains around its factories because it is efficient, economical, and sustainable.

In the United States, Tesla is committed to fully onshoring our supply chains to build the products that will ensure America is a manufacturing powerhouse and to achieve sustainable abundance. This transition will take time still, but continuing and strengthening USMCA trilateral trade agreement will be a consequential factor in building out this future. Tesla's principal recommendation remains that USMCA continue as a strong three-nation free trade agreement that supports the integrated North American automotive market and supply chain.

Tesla looks forward to working with USTR, as well as the broader U.S. government, during USMCA Joint Review process and welcomes any opportunities to discuss these recommendations further or share our expertise. Thank you in advance for the consideration of these comments.

About Tesla, Inc.

Tesla's mission is to accelerate the world's transition to sustainable energy.[6] Tesla is a U.S. company, headquartered in Austin, Texas, and publicly traded under the ticker symbol "TSLA".[7] To accomplish its mission, Tesla designs, develops, manufactures, and sells high-performance fully electric vehicles (EVs) and energy generation and storage systems, installs, and maintains such systems, and sells solar

[6] *See*, Tesla, About, *available at* https://www.tesla.com/about.
[7] *See*, U.S. Securities and Exchange Commission ("SEC"), https://www.sec.gov/edgar/browse/?CIK=0001318605. *See also* Tesla's most recent Form 10-Q filed with the SEC, *availableat* https://www.sec.gov/ix?doc=/Archives/edgar/data/0001318605/000162828025045968/tsla-20250930.htm..

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electricity.[8] Consistent with this effort, Tesla was recently ranked as the world leader in the transition to vehicle electrification.[9] Tesla also develops and deploys autonomy and real-world artificial intelligence at scale, in vehicles and robots, through the development of hardware and software, including Full Self-Driving (Supervised), Robotaxi, and the Optimus humanoid robot.[10] Tesla currently produces and sells five fully electric, zero emissions light-duty vehicles (ZEVs): including the best-selling car in the world (EV or otherwise), the Model Y compact sport utility vehicle.[11] Along with the Model Y, Tesla manufactures the Model 3 mid-sized sedan, Model S sedan, the Model X SUV, and Cybertruck.

In the United States, Tesla conducts manufacturing operations across multiple facilities. Collectively, Tesla's U.S. facilities support over 70,000 employees and generate billions of dollars of U.S. investment and economic activity each year. Specifically, in its facilities in Fremont, California, Tesla conducts vehicle manufacturing and assembly operations, as well as manufacturing lithium-ion battery cells, battery packs, vehicle seats, stampings, and castings. At Megafactory 1 in Lathrop, California, Tesla produces Megapack, a utility-scale grid storage battery.[12] At Gigafactory Texas in Austin, Tesla produces the Model Y and Cybertruck as well as cathode active materials, lithium-ion battery cells, battery packs, drive units, vehicle seats, stampings, and castings. Gigafactory Texas will also be home to Tesla's next-generation vehicle assembly line and production of the fully autonomous Cybercab. In Sparks, Nevada, Tesla produces drive units, battery packs, and energy storage products (Powerwall) at Gigafactory Nevada, and the fully electric Semi, a commercial heavy-duty vehicle, at a new nearby facility under construction, which will be completed and begin vehicle deliveries in early 2026. At Gigafactory New York in Buffalo, New York, Tesla produces its DC-fast charging equipment for the Tesla Supercharger network, solar energy products, and power electronics. Additionally, Tesla manufactures, builds, and services highly automated, high-volume manufacturing machinery at its facility in Brooklyn Park, Minnesota, and operates a tool and die facility in Grand Rapids, Michigan. Each Tesla factory uses state-of-the-art industrial robotics and manufacturing equipment to build an abundant future—they are the machines that build the machines.

[8] *See*, Tesla, Impact Report 2024 (June 30, 2025) *available at* https://www.tesla.com/impact.
[9] *See*, ICCT, The Global Automaker Rating 2022: Who Is Leading the Transition to Electric Vehicles? (May 31, 2023) *available at* https://theicct.org/publication/the-global-automaker-rating-2022-may23/.
[10] *See*, Tesla, AI & Robotics, *available at* https://www.tesla.com/AI.AQ
[11] *See*, Green Car Reports, The Bestselling Vehicle on the Planet is an EV (Jan. 25, 2024) *available at* https://www.greencarreports.com/news/1142104_tesla-the-bestselling-vehicle-on-the-planet-is-an-ev.
[12] *See*, Tesla, Megapack, *available at* https://www.tesla.com/megapack.

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