

GM venture starts building battery cells at new Ohio factory

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A General Motors logo is displayed outside the General Motors Detroit-Hamtramck Assembly plant on Jan. 27, 2020, in Hamtramck, Mich. General Motors said Wednesday, Aug. 31, 2022, that a new electric vehicle battery plant built in Ohio has started producing cells, which could help customers get federal tax credits. Credit: AP Photo/Paul Sancya, File

General Motors said Wednesday that a new electric vehicle battery plant built in Ohio has started producing cells, which could help customers get federal tax credits.

The joint-venture plant near Warren, Ohio, is focused on training as it prepares to ramp up manufacturing. A spokeswoman for the venture said it is producing cells but they are not yet being shipped. They'll go into vehicles with GM's Ultium batteries, which currently include Hummer EVs, Chevrolet Silverado EV pickups and the Cadillac Lyriq electric SUV.

Eventually, though, the plant should help GM's EVs meet requirements to qualify for a \$7,500-per-[vehicle](#) federal tax [credit](#).

Under the Inflation Reduction Act recently signed into law, [electric vehicles](#) and their batteries [must be manufactured in North America](#) to get the credit. Battery minerals must be mined or recycled on the continent as well, or half the tax credit would be lost. And the batteries can't have any components from China, another difficult hurdle.

The requirements are designed to build a North American supply chain for EVs so the country isn't reliant on China and other overseas countries.

GM says it's working to meet the requirements. The Ohio plant built with battery maker LG Energy Solution is a step toward getting the credits, which are key to boosting electric vehicle sales. No automaker wants to put EVs on the market that cost \$7,500 more than the competition.

The \$2.3 billion, 2.8-million-square-foot battery plant now employs 800 people, and eventually it will have 1,300. The factory is near Lordstown, Ohio, where GM closed a huge small-car assembly plant.

GM has a goal of making only electric passenger vehicles by 2035, and CEO Mary Barra has pledged to unseat Tesla as the top seller of EVs by the middle of this decade.

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