November 28, 2022

Gabe Klein Executive Director Joint Office of Energy and Transportation 1000 Independence Avenue SW Washington, DC 20585

Re: NEVI Community Grant Program

Dear Mr. Klein:

We, the undersigned associations, are writing to share some thoughts for you as you design the competitive discretionary charging grant programs including the **Corridor Charging Grant Program** and the **Community Charging Grant Program**.

Fund Projects Quickly

We are already behind schedule to launch these programs, and we strongly encourage you to begin funding projects quickly. The NEVI formula corridor program has generated much attention — but also a great deal of frustration as it does not address some of the most pressing needs in our communities. It is important that you move quickly to demonstrate the ability of these grant programs to meet those needs.

The initial round can be relatively modest, as we encourage you to provide multiple rounds of funding each year. Ideally, proposals should be reviewed each quarter. Any new grant program inevitably will encounter challenges, and a quarterly cadence provides more opportunities to adapt your program guidance and processes over time. Furthermore, it will take time for applicants to learn about the program and for case studies and successful models to emerge. A regular and predictable cadence will help create "buzz" for the program and provide more options for applicants to submit proposals when they are ready — not try to chase an arbitrary annual deadline. As an additional benefit, this approach will reduce (space out) workload for your review team, as well as for community applicants.

Center Equity

We applaud this Administration for recognizing the need to center underserved communities, and for working hard to apply Justice40 in the NEVI program. In general, centering equity requires that charging investments are designed to meet the needs of drivers who face the most barriers to accessing electric vehicles (EVs). Rural drivers, low-income drivers, and communities of color have disproportionately lower EV adoption rates, though they have a high level of interest and stand to benefit greatly from air-quality improvements. Building the

network with a focus on those hard-to-reach drivers, and ensuring charging access is not a barrier to EV access, will help the national charging network better serve all drivers. (See <u>https://tinyurl.com/CenterEquity</u> and <u>https://tinyurl.com/EquitableChgAccess.</u>)

In general, this approach requires your discretionary grant programs to be flexible enough to meet a variety of needs and ensure that underserved areas are able to benefit from a transition to electric vehicles. We note several specific areas throughout our comments here where an equity-centered approach suggests particular program design approaches.

Maximize Flexibility

Discretionary grant applications that center equity will require the greatest degree of flexibility allowed by statute, including support for a comprehensive and holistic approach to reducing barriers to electric vehicle access. We strongly recommend that you allow the broadest possible range of costs to qualify for discretionary grant funds and/or required matching funds. We appreciate past guidance that has clarified qualifying costs, such as grid connections and onsite energy storage/generation. In many cases, however, the major barriers to charging are information, motivation, permitting, and programming that would enable access to charging infrastructure. In historically underserved communities especially, we need to support community-based needs assessments, outreach, planning, and community-engagement programs to increase utilization in addition to hardware and installation. (See https://tinyurl.com/NotJustHardware) We encourage FHWA to adopt broad definitions of terms such as the following:

- "Development phase activities" should include community engagement and activation
- "Mapping and analysis activities" should include community engagement and needs assessment
- "Operating assistance" should include subsidized charging for targeted populations and other programs to activate charging and increase utilization
- "Evaluation activities" should include program assessment and impact analysis, including community-based feedback

State plans and federal funding should prioritize applications that demonstrate meaningful involvement of local residents and community groups in deciding where to site charging infrastructure and for what purpose, which will create more community support and utilization. The Joint Office should clarify that these community engagement expenses would be considered eligible expenses as part of "development phase activities" or "mapping and analysis activities." To the extent possible, given programmatic funding limitations, FHWA should also encourage state plans and partners to implement programs to make local residents more aware of charging infrastructure and how to use it, to "activate" the charging infrastructure, and to make it more likely that this infrastructure will be used. Examples may include:

- "Ride and drive" events
- Ribbon-cutting events

- Promotion of subsidized charging for low-income residents or transportation network company (TNC)/gig drivers
- Placement of electric car-share programs at the charging locations and availability for rent by local residents
- Hiring of local business (electricians, construction and maintenance workforce)

We strongly encourage FHWA to make funding as flexible as possible, and particularly to allow the use of funds for more than hardware — including community-based needs assessments, planning, program design, implementation, program assessment and impact analysis, etc., as discussed above. For example, whereas the statute only allows 5% of grant funds to be used for "educational and community engagement activities," we encourage you to allow these activities to fully count toward project match requirements. To the extent that Charging and Fueling Infrastructure Program funds are constrained by statute, FHWA should encourage the use of more flexible funds from other government, utility, and private sources for these purposes. FHWA should identify and promote diverse funding sources, allow them to count as matching funds, and favor proposals that include such flexible funds for expanded programming, broader reach, and amplified impact. Applications that include these kinds of activities should be encouraged and rewarded during the proposal review process.

We also recommend that detailed submission plans regarding site identification, design, or other detailed technical information not be required in initial applications. This will eliminate an unnecessary barrier to potential applicants who might otherwise be deterred due to lack of experience, familiarity with technical language, or funding. These proposals will already be time consuming, expensive, and challenging to develop for many communities – especially underserved communities. If you require a great deal of upfront detail, it will become nearly impossible for underserved communities to apply, or they may turn to expensive consultants who likely will not fully reflect the community's perspective and needs. Additional technical information can be developed later in the review process, or during project implementation.

Finally, we note that although some NEVI formula criteria may also be applied to discretionary grant programs, those requirements should not be simply duplicated for these programs. Most obviously, discretionary grant programs should not be focused on direct-current fast charging (DCFC), should not require 150-kW speeds for DCFC, and should not be constrained so much that it only benefits travelers. Level 1 and level 2 charging, V2X, and energy storage are valuable for their flexibility and should be among the available options for consideration by applicants when developing their projects.

These grant programs represent a once-in-a-lifetime opportunity to fund infrastructure that can make an incredible impact on communities, but only if we allow it to fit the needs of each community.

Priority Needs and Best Practices

Over the past decade, USDOE and other stakeholders have developed a great deal of expertise about how public charging funds can best be deployed to maximize access to EVs and accelerate the transition to electric mobility. You should ensure that discretionary grant programs are built on this foundation and direct applicants to use these resources, tools, and best practices.

First and foremost, we recommend that you require applicants to clearly define what use cases they are seeking to meet. During the EV Project nearly a decade ago, the U.S. Department of Energy (DoE) effectively demonstrated that simply placing L2 chargers at random where there were willing site hosts was not helpful in driving EV adoption. By contrast, years of experience and work by DoE and others have clarified several high-impact use cases and developed best practices for many. The DoE should encourage applications that explicitly meet these priority needs and that use best practices and established tools to do so. Four priority needs are detailed below.

- Apartments and multifamily housing are critically in need of charging infrastructure. Data from DoE have shown that 80% of EV charging happens at home, where it is both cheapest and most convenient for drivers, and unlocking those benefits for renters will generate enormous equity wins. The DoE's Vehicle Technologies Office (VTO) has an open solicitation process and plans to award a single grant to help build a national platform to encourage and support multifamily charging. Discretionary grant applications should be encouraged in this area, and such applicants should be required or strongly encouraged to partner with that initiative. Other best practices in this area include: robust outreach to residents that includes helping them access available EV incentive programs, a close partnership with electric utilities, intensive outreach to affordable housing providers, and collaboration with the federal, state, and local housing agencies to bring mobility options to housing alongside charging to ensure local residents benefit.
- 2. Workplace charging should be encouraged. Being able to charge at work has been shown to increase the likelihood that employees will purchase an EV. The VTO has funded three major national initiatives to encourage and support workplace charging. Discretionary grant applications should be encouraged in this area, and such applicants should be required or encouraged to partner with those initiatives. Other best practices in this area include a close partnership with electric utilities; collaboration with local transportation management associations and chambers of commerce; and robust outreach to employees.
- 3. **TNC/gig drivers require additional fast charging**. Drivers for Uber, Lyft, DoorDash, GrubHub, Postmates, etc., travel many miles in a day. Helping them go electric may substantially reduce their costs as well as air pollution and carbon emissions. Best practices in this area include forging close partnerships with electric utilities, ensuring there is an affordable "all-you-can-eat" charging rate, implementing strategies to avoid wait times, establishing charging that does not require drivers to participate in car rental programs or tie them to a single employment platform, and robust outreach to

gig drivers from trusted sources.

4. **Rural communities and small towns need additional charging support.** There's currently a push to increase charging infrastructure along key corridors. However, these same corridors are often out of reach for millions of Americans. By ensuring that charging infrastructure is going into downtowns and main streets of rural towns, this will enable rural communities to not only use and benefit from the infrastructure themselves, but also encourage travelers who might need to charge their vehicles to stop and generate economic benefits for the community.

Require Reliability

Historically, EV charging infrastructure has suffered from hardware and software performance problems. Inoperable and broken chargers reduce driver confidence in infrastructure reliability, which undermines confidence in EV adoption. Therefore, NEVI Community Community Grant Program-funded chargers must ensure chargers remain operational by requiring and funding 5-year warranties and obligating responsible parties, including charging station providers and site hosts, to maintain charger access and functionality.

Set Clear Evaluation Metrics

We encourage you to provide a short, clear, well-defined set of metrics for scoring and evaluating discretionary grant applications. We also request that you include metrics such as:

- Estimated increase in equitable access to EVs in the community,
- Estimated reduction in transportation costs in the community,
- Estimated reductions in pollution and greenhouse gas emissions in the community,
- Demonstrated level of community engagement and support, especially to fulfill Justice40 requirements,
- Job creation and workforce development opportunities created in the community,
- Leveraged funding from other sources,
- Safety, reliability, and ease of access of the charging infrastructure,
- Long-term operation and performance measures

Requiring leveraged or matching funds or using matching funds as an evaluation criteria can be problematic. The discretionary grant program should encourage and incentivize private investment, and such investment can be one metric of partner support. On the other hand, historically underserved communities have less capacity to provide matching funds. We suggest you address this issue by reducing requirements and/or providing less weight to this factor in Justice40 communities.

Clarify Non-Corridor Funding

Three quarters of the NEVI funding is dedicated to charging in corridors — \$5 billion in formula funds for corridor fast charging within one mile of freeways, and \$1.25 billion in

community grant funding that must be invested "along" these corridors. This represents a heavy focus on long-distance corridor charging.

However, we know from FHWA data that 95.1% of passenger vehicle trips are 30 miles or less, and approximately 60% of trips are less than 5 miles. The United States desperately needs charging that will serve EV drivers in their everyday lives where they live, work, and play. This is particularly critical for underserved communities, where drivers are less likely to have easy access to home charging overnight.

Therefore, we strongly recommend that guidance for the Corridor Charging Grant Program be less restrictive than NEVI formula funding. We suggest you allow charging within 15 miles of a designated corridor to qualify, which would help serve the 95.1% of trips that are less than 30 miles round trip. We also recommend that you highly discourage applications for fast charging designed to serve corridor travel, which are projects that could be funded with NEVI formula funds.

Additionally, we recommend that the Community Charging Grant Program clarify that these funds will only be available for charging infrastructure that *does not* qualify for either the Corridor Charging Grant Program or NEVI formula funding. This will reduce duplication and ensure the maximum possible funding for rural, underserved, and other charging needs not along major fast-charging corridors.

Funds Can Help Electrify Vehicles of All Types

The \$7.5 billion provided by NEVI over five years is a substantial and transformative investment in building a national charging network that will increase consumer confidence in buying EVs. However, as many analysts have noted, it is far from sufficient to fully build out that network.

Projects that seek to ensure that passenger vehicle charging systems are also useful to other modes should be permissible and encouraged. For example, select vehicle charging locations should also provide charging for electric bicycles or electric micro-mobility devices, serving as mobility hubs. To the extent possible, charging locations should also be designed to allow for use by medium- and heavy-duty vehicles where appropriate, since these vehicles can utilize the same chargers as passenger cars. For instance charging locations should include some pull-through spaces and any canopies providing enough clearance for larger vehicles. To put it another way, given that different communities will have different needs, the Joint Office should not be overly prescriptive about what will be funded.

Provide Technical Assistance

A "first-come, first-served" approach will serve those who have had the most resources and access to information, and the most prior experience with transportation electrification. By contrast, communities with little experience and few resources, such as historically underserved communities and rural areas, will need substantial support to compete. We believe it is critical that FHWA provide substantial outreach, education, and technical assistance from trusted brand-neutral sources to help communities apply for and make good use of these funds.

Examples include:

- Funding for community members and community based organizations to participate in proposal development;
- Robust outreach and culturally competent communications to ensure diverse communities are aware of this funding;
- Teaming lists for public- and private-sector partners;
- Model proposals, templates, and tools;
- Trusted information and research sources on consumer behavior, charging reliability, and other relevant topics;
- Examples of past successful applications;
- Micro grants (up to \$25,000) to reduce the upfront cost of preparing applications; and,
- Community-centered resources to guide technical site design, payment options
- Creation of a technical assistance hub for communities comparable to the AASHTO/NASEO hub you are supporting for government agencies.

Although you can and should provide some of this support directly, we also encourage you to broaden your network of partnerships with nonprofit organizations to assist you. In addition to the National Association of State Energy Officials and the American Association of State Highway and Transportation Officials, organizations like those that are submitting this letter can be valuable allies in this work and may be better positioned to provide some forms of support. Specifically, we encourage FHWA to use some of the 1% set aside for technical assistance to fund multiple third-party technical assistance providers to reach different key stakeholders.

Encourage Partnerships

Many historically underserved communities will not be prepared to compete for grant funds or manage grant-funded charging projects. In the long term, we should be working to help these communities build their capacity. For the next several years, however, we encourage you to provide maximum flexibility for communities to partner with diverse third parties nonprofits, electric utilities, for profit companies, or others — to develop and manage programs.

However, we note that the grant program requires that any private entity contracting with an eligible recipient "shall" pay the 20% project match, whereas for formula funds, the private entity "may" do so. This creates a potential additional barrier to partnerships that could bring high-impact charging programs to historically underserved communities. To address this issue, we encourage FHWA to be as flexible as possible in accepting sources of this 20%

match. Eligible sources should include additional "educational and community engagement activities" by the partner, operating expenses and revenue, including subsidized charging for low-income drivers, other sources of federal or public funds, and in-kind as well as cash contributions.

Conclusion

Thank you for the opportunity to comment, and we look forward to working with you to implement these important programs over the coming years. We would welcome an opportunity to discuss these ideas, and your plans, with the appropriate members of your team in the coming weeks.

Sincerely,

Name	Title	Affiliation
Jeff Allen	Executive Director	Forth
Francsco Sayu	Emerging Technology Director	RENEW Wisconsin
Stuart Gardner	Director	Generation180
Stan Cross	Electric Transportation Policy Director	Southern Alliance for Clean Energy
Jane McCurry	Executive Director	Clean Fuels Michigan
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Katherine Garcia	Director, Clean Transportation for All	Sierra Club
Laura Morrison	Executive Director	Texas Electric Transportation Resources Alliance (TxETRA) Education Fund
Charles Griffith	Climate and Energy Program Director	Ecology Center
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Ross Gavin	Policy Director, Urban Land Use, Water Infrastructure & Transportation	Michigan Environmental Council
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Lauren McCloy	Policy Director	NW Energy Coalition

cc: Dr. Rachael Nealer Alex Schroeder Steve Lommele