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States turn next to RFPs for electric vehicle charging network

By

Caitlin Devitt

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States could begin releasing RFPs as early as the first quarter of 2023 to build out a national public electric vehicle charging network that's a top priority for the Biden administration.

All 50 states, the District of Columbia and Puerto Rico met the Aug. 1 deadline to submit an EV charging station deployment plan. That marks the first step to unlocking the \$5 billion National Electric Vehicle Infrastructure formula program, one of the highest-profile investments in the \$1.2 trillion Infrastructure Investment and Jobs Act.

The states submitted plans even as the program's rules have <u>yet to be finalized</u>, in a sign of the Biden administration's <u>push to quickly roll out</u> the program.

"The states' plans are about the 'where,' and the [final rules] are about the 'what,'" said Susan Howard, director of policy and government relations at the American Association of State Highway and Transportation Officials, which represents state departments of transportation.

AASHTO <u>signed an MOU</u> in June between state and federal officials to ensure the EV charging station infrastructure investments are "invested in a strategic, coordinated, efficient, and equitable manner."

"We're really proud of the work that went into getting all the plans in by the date set," Howard added.



The creation of an electric charging network with 500,000 station across the country, to be built by state departments of transportation, is a top priority for the Biden administration. **Bloomberg News**

In addition to the \$5 billion NEVI program, the IIJA provides \$2.5 billion in competitive grants for things like increasing access in underserved areas and improving air quality.

The state plans, based on federal guidance released in February, outlined stations placed every 50 miles and within a mile of a major highway with fast-charging stations, operating on the same national software with mobile apps to show real-time pricing and port availability.

All the plans were pretty similar due to the clarity of the federal guidance, said Dedrick Roper, a partner at consulting firm eMobility Advisors.

"What they're saying is very similar from state to state, and that's great for the market because there's going to be less ambiguity and questions and that's going to manifest in faster deployment and more qualified contractors," Roper said.

All states intend to award contracts on a competitive basis, which is "another pleasant surprise," because it will mean more qualified third parties, Roper said.

Most states don't plan to build or operate the stations themselves though the exact nature of the public-private partnership remains to be seen, Roper and Howard both said. Final rules will help determine the nature of the private agreements, Howard said.

"There's a lot of detail that we're just beginning to get into," she said, like payment methods and labor agreements. "Having clarity on those types of issues will help states if they do want to enter into an agreement with a third party."

The Federal Highway Administration has said it wants to approve plans by Sept. 30.

After that, the states will turn to crafting the solicitation documents and RFPs, Roper said.

"That's where we'll get into the nitty gritty details," he said. Most states plan to ask for public input, a move that's "really, really critical" to ensure that residents, developers, EV charging companies and others weigh in on the final plans, he said. With final plans in place, states could begin to issue RFPs as soon as early 2023.

The NEVI program calls for a 20% local match. Private investment is expected to cover much of the 20%, though state-issued bonds remain an option.

"There's a lot of investment flooding into this space," Roper said.

The White House wants 500,000 EV chargers installed by 2030. There are currently just under 50,000 public charging stations in the U.S., though most of those are not fast-charging stations, according to the U.S. Department of Energy. It's part of the administration's goal to have electric vehicles account for 50% of all vehicle sales by 2030. Electric vehicle sales doubled in 2021 to 608,000 from 308,000 in 2020 and are expected to double again in 2022, according to the Department of Energy.

NEVI allocates the biggest chunk of the funds to Texas, at \$407 million. California is next in line, with \$383 million. No other state receives more than \$200 million, though Florida comes close at \$198 million.