



North Carolina is one of five states in the Electrification Coalition's (EC) Electric Vehicle (EV) State Policy Accelerator Program. The Electrification Coalition initiated the program by conducting a state-by-state analysis of six factors: history of EV policy support, EV policy gaps, policy risks, political landscape, EV market share, and existing commitments to renewable energy and carbon emissions targets. We identified North Carolina as a state with prime potential for EV policy adoption. Other states in the Policy Accelerator include Michigan, Virginia, Pennsylvania, and Nevada. In these priority states, the EC works closely with state leaders, industry partners, and a broad set of stakeholders¹ to identify top transportation electrification policy priorities and drive their adoption.

1 Policy Priorities

In 2020, the EC identified the following policy priorities in North Carolina:

- Adopt policy and rulemaking at the executive and agency levels to implement the NC light-duty zero-emission vehicle (ZEV) and NC motor fleet ZEV plans
- Enact legislation enabling direct-to-consumer EV sales
- Adopt policies that obtain the goals committed to in the Multi-State Medium- and Heavy-Duty (MHD) ZEV Memorandum of Understanding (MOU)
- Enact MHD EV incentive legislation
- Defeat policies that seek to raise NC's EV registration fees

2 Outreach & Education

To achieve our policy goals, the EC developed an outreach and education campaign:

- We hosted the North Carolina EV Policy Bootcamp for advocates, policymakers, and stakeholders in September 2020.
- The EC led and participated in EV policy working groups to provide expertise and share best practices.
- The EC met with key North Carolina state legislators to provide policy advice throughout the 2021 legislative session, including for discussions on EV registration fees, EV direct-to-consumer sales, and funding for EV charging infrastructure.
- The EC participated in Duke Energy's collaborative stakeholder process, which was organized with NC Public Utilities staff.
- The EC provided input and testimony on a new set of transportation-electrification projects filed by Duke Energy as part of Phase II of the electric transportation pilot program
- Thirty-three companies in North Carolina—from small businesses to multinational industry leaders—signed a letter urging the governor to develop policies to achieve the goals of the Multi-State MHD ZEV MOU, signed in July 2020, pledging that all new trucks and buses sold in the state will be ZEV by 2050.
- The EC established relationships with key staff in legislative offices and the administration and partnered with a diverse set of organizations and advocates.

3 Policy Wins

- [Governor Cooper signed EO 246](#), which calls for increasing the number of registered ZEVs to at least 1.25 million by 2030, and for 50% of new vehicle sales to be zero emission by 2030. It also directs NC Dept. of Transportation (NCDOT) to develop a North Carolina Clean Transportation Plan for decarbonizing the transportation sector and instructs cabinet agencies to prioritize equity in the transition to a clean energy economy.
- The NC General Assembly approved the NC Dept. of Environmental Quality's (NCDEQ) plan for [Phase II of the Volkswagen Settlement Fund](#), which prioritizes EV replacement projects to maximize emission reductions and public health benefits. The NCDEQ will allocate \$10.2 million to the ZEV infrastructure program to increase the state's charging capacity.
- We defeated attempts to increase EV registration fees in the 2021-23 conference budget
 - Legislative proposals that attempted to raise the EV registration fee to \$200 annually were defeated by the EC's legislative engagement and EV champions on the 2021-23 Joint Budget Conference Committee.

4 Future Opportunities

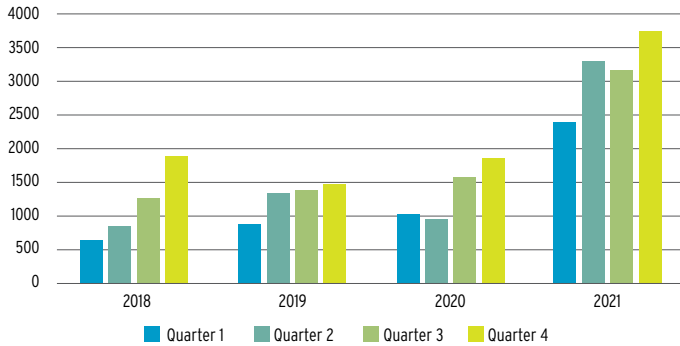
- Ensure state fleet-electrification commitments are met, with clear, actionable steps to meeting targets
- Adopt MHD vehicle-electrification policies, including adopting the Advanced Clean Truck rule
- Educate legislators further on EV policy opportunities for rural and low-income communities, potentially including opportunities for direct EV sales and EV incentive legislation
- Collaborate with NCDOT and the NC Dept. of Administration on use of federal funds for EV charging infrastructure
- Support communities, businesses, and other stakeholders on the use of federal funding for EV charging infrastructure and EV deployment, with an emphasis on public-private partnerships
- Develop additional fleet-electrification tools and resources for state policymakers and local governments
- Advance EV policies and programs at the county level

¹ In North Carolina, the EC partners closely with the NC Department of Environmental Quality, NC Department of Transportation, NC Conservation Network, NC Justice Center, Southern Alliance for Clean Energy, North Carolina Sustainable Energy Association, Advanced Energy Economy, Ceres, American Lung Association, Plug In America, Natural Resources Defense Council, and others to advance transportation electrification policy.

Market Analysis

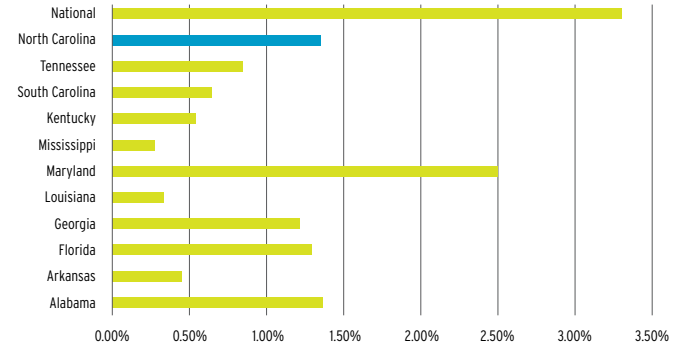
EV market penetration was one of several factors the EC considered before selecting our five EV Policy Accelerator states. We conduct market analysis on a quarterly basis, which helps us make the case for continued policy action and assess the impact of policy victories. *Data source: Atlas Public Policy*

North Carolina BEV & PHEV Sales, 2018-2021



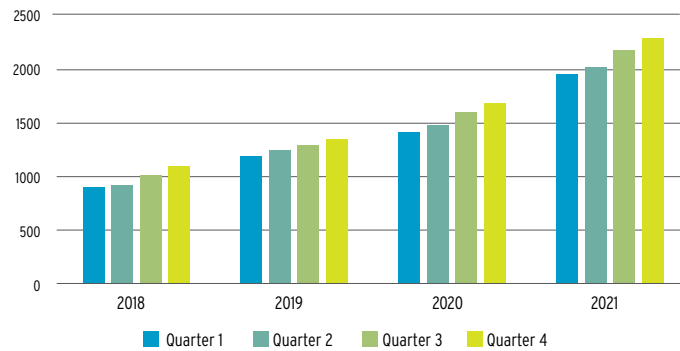
North Carolina EV sales have been steadily increasing, except for a temporary drop during the early part of the COVID-19 pandemic in 2020.

EV Market Share, Southeastern States Since 2019



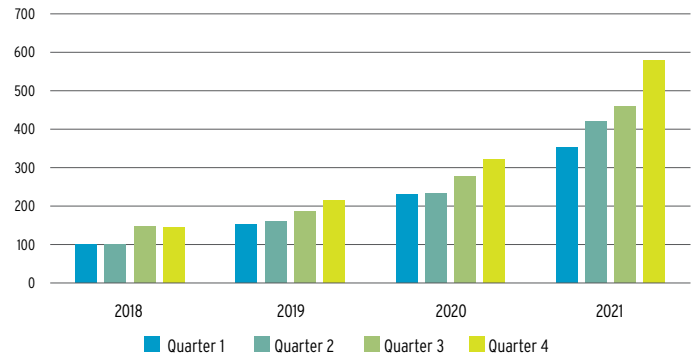
North Carolina's EV market share is lower than the national average. Relative to its neighbor states and other nearby states, North Carolina is ahead of the pack, in the lead of Mississippi, Louisiana, Alabama, and Arkansas, and almost equivalent to Georgia and Florida.

North Carolina Level 2 Charging Ports, 2018-2021



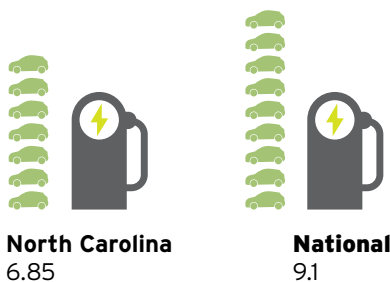
The number of Level 2 charging ports has been increasing consistently during the past several years, with marked growth in 2021.

North Carolina DC Fast Charging Ports, 2018-2021



The number of new DCFC ports increased substantially in Q4 2021.

EVs Per Charging Port, Q4 2021



The number of BEVs per public charging port (including Level 1, Level 2, and direct current fast chargers) is slightly less than the national average. As EV adoption rates continue to rise, it will be important for the state to continue to foster charging infrastructure development.

Data source: Doll, Scooter. "The best (and worst) US states for EV charging." *Electrek*, last modified January 23, 2022. <https://electrek.co/2022/01/23/the-best-and-worst-us-states-for-ev-charging/>.