NEVI Principles for Second-Year State Plans



EV adoption grew significantly in 2022, representing 5.8% of new light-duty car sales, a 65% increase from 2021. Private investment has surged in the automotive manufacturing sector for EVs, with an anticipated \$210 billion to be invested in the U.S. alone for manufacturing and battery facilities. The Bipartisan Infrastructure Law (BIL) also dedicated \$6.135 billion to additional battery manufacturing, minerals processing, and recycling facilities, with awards for \$2.8 billion already announced for 20 manufacturing and processing companies in 12 states.² The foundational elements of an electrified transportation sector are in place, and states need to be



aware of the broader dynamics of this accelerating market.

The National EV Infrastructure (NEVI) program is a foundational program that will accelerate EV adoption. The program calls for building a network of EV charging stations along designated alternative-fueled corridors (AFCs), enabling consumers to get from place to place easily and eliminating range anxiety. The Joint Office on Energy and Transportation provides requirements on how the NEVI funding can be spent, and information can be found on their website. The EC has outlined additional principles that states can follow for the submission of their second-year state plans:

Factor in additional EV market considerations since first-year submissions

- New EV policies from the Inflation Reduction Act (IRA), policies at the state level (such as the Advanced Clean Car Program and the Advanced Clean Truck Program), and other utility-approved programs will accelerate EV adoption across all vehicle sectors. The Charging and Fueling Infrastructure (CFI) Grant Program opened in March 2023 with \$700 million available in funding for building out EV charging infrastructure along corridors and in communities. States should know where potential CFI-funded EV charging stations may be installed and avoid redundancy in those locations. States can also look to provide more NEVI-funded stations depending on anticipated demand.
- o In addition, there have been significant announcements in terms of EV manufacturing, battery manufacturing, and additional supply chain announcements, which will also accelerate EV deployment. General Motors, the largest auto company in the U.S., is

¹ See more from the Atlas Public Policy Jan. 12, 2023 analysis, "\$210 Billion of Announced Investments in Electric Vehicle Manufacturing Headed for the U.S.", available at: https://www.atlasevhub.com/data_story/210-billion-of-announced-investments-in-electric-vehicle-manufacturing-headed-for-the-u-s/

² These states include Alabama, Georgia, Kentucky, Louisiana, Missouri, Nevada, New York, North Carolina, North Dakota, Ohio, Tennessee, and Washington. See more at: https://www.whitehouse.gov/briefing-room/statements-releases/2022/10/19/fact-sheet-biden-harris-administration-driving-u-s-battery-manufacturing-and-good-paying-jobs/

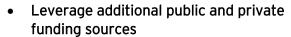
NEVI Principles for Second-Year State Plans



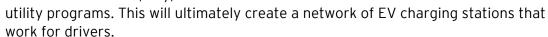
- investing more than a billion dollars in domestic manufacturing, showing the commitment from the OEM sector, further accelerating adoption.
- State legislatures have also adopted many EV-related policies that state departments
 of transportation (DOTs) should be aware of that will encourage the pace of EV
 adoption in a state (i.e., used EV incentives, medium- and heavy-duty [MHD] incentives,
 EV charging incentive policies). The EC's <u>State Policy Dashboard</u> track and details
 these policies.
- Ensure additional state agencies are at the table for streamlined collaboration on the transition to EVs
 - While state DOTs are responsible for implementing NEVI funding, other state agencies must also prepare for the actions they need to take to champion the transition to EVs. While state DOTs focus on effectively, efficiently, and equitably implementing the funding dollars, many of the topics discussed at NEVI planning meetings will be relevant for other agencies to understand. Stay tuned for an upcoming report from the EC detailing the additional actions all state agencies should take to prepare for the transition to EVs.
- Ensure equity partners, local governments, and community-based organizations are at the table.

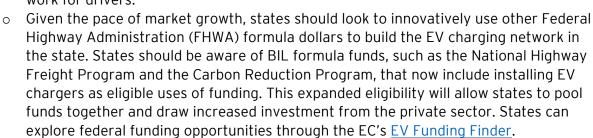
 As year-two plans are written, state DOTs should continue to partner with local governments and community-based organizations to ensure that deployment achieves

both state equity and Justice 40 goals. States should use findings from the community outcome report to shape year-two community-based engagement. This should include bringing in new partners from year-one successes.



 States should align planning for NEVI stations with infrastructure installed with the <u>Volkswagen settlement funds</u> or under other state, city, or





 As states collect the success stories from first-year NEVI stations, states should look to highlight these successes to bring in additional private-sector investment or match from the public sector.



NEVI Principles for Second-Year State Plans



- Consider the pace of MHD electrification and designated FHWA freight routes when identifying second-year NEVI sites.
 - o While the BIL states that the NEVI program is intended to fund states to strategically deploy EV charging infrastructure and establish an interconnected network to facilitate data collection, access, and reliability, MHD EVs can and will charge at NEVI stations. States need to consider the accelerating pace of MHD electrification and where larger charging depots and other MHD charging along AFCs may be. If an MHD charging depot is planned within a mile of an AFC and will require grid upgrades to meet the expected electric capacity, states should prioritize the installation of a NEVI funded station within an appropriate distance of that MHD charging depot. Or, if trenching and digging in a parking lot at a truck stop is being planned for an MHD charging depot, states should consider prioritizing the installation of a NEVI-funded station at that parking lot and "dig once." States should be aware of common freight routes, particularly those designated by the FHWA.
- Begin identifying unique charging scenarios and plan for solutions.
 - As consumer demand at NEVI stations and additional EV charging stations increases across states, utilization rates will shift. States should track demand charges and help to find creative solutions to ensure that the burden for the demand charge is not unduly placed on NEVI site hosts alone. In the early stages of market adoption, states should consider creating a program with funding to assist site hosts in paying the demand charges as long-term solutions are developed.
- Update state emergency management plans to include NEVI stations, where applicable.
 - While recognizing that some of the AFCs with NEVI stations might be evacuation routes or parts of evacuation routes, states must update their emergency management plans and note the location of these NEVI stations. States could also consider placing additional EV charging stations along these routes in case of any natural disaster or emergency. Emergency management officials should be aware of the location of the NEVI stations and note if there is space for additional mobile EV charging stations to be brought in (likely equipped with an energy storage solution) in times of need.
- Include best practices and lessons learned from first-year NEVI plans.
 - States should ensure that lessons learned and best practices from first-year NEVI plans are incorporated into second-year NEVI plans, including looking to best practices from other states to strengthen second-year NEVI plans.

Questions? Contact us at infrastructure@electrificationcoalition.org!

About the Electrification Coalition

The Electrification Coalition is a nonpartisan, nonprofit organization that advances policies and actions to facilitate widespread deployment and adoption of electric vehicles in order to reduce the economic, public health and national security risks caused by America's dependence on oil. For more information, visit electrificationcoalition.org.