How Federal Agencies are Prioritizing New Climate Funding for Transportation

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Coral Torres Cruz
Senior Advisor to the Administrator at Federal Highway Administration (FHWA)

Dr. Rachael Nealer
Deputy Director for the Joint Office of Energy and Transportation

Faye Swift
Diesel Emissions Reduction Act Program Grants and Policy Team Leader, U.S. EPA
Overview of transportation funding opportunities

Deeper dive:
- Relevant Highway provisions
- Joint Office of Energy & Transportation
- Clean School Bus Program

Q&A, discussion

Today’s presenters

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We design robust future-focused solutions in response to industry, policy, and environmental changes.

And we’ve been carbon neutral since 2007.

ICF’s energy + climate footprint

- 50 years of energy work
- 1K+ energy experts
- Top 50 utilities in North America
- 200+ energy efficiency programs
- All major federal agencies
- All major energy NGOs
- 35+ years of climate science, impacts, and adaptation
- 100+ climate change experts
Bipartisan Infrastructure Law

Transportation funding

• 5-year, $1.2T investment with $550B in new funding
• $660B of funding flows through DOT; other transportation-related funding goes through DOE, EPA, Army Corps, FEMA
• Transportation categories include EVs and charging infrastructure, roadways and bridges, ports and waterways, transit, airports, resiliency
• Environmental justice and equity are woven throughout bill to meet goal of 40% of IIJA benefits going to underserved communities
Key transportation programs

**PROTECT**
Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) is a $7.3 billion transportation resilience program managed by FHWA.

**Carbon Reduction Program**
The Carbon Reduction Program is a $6.4 billion transportation decarbonization program managed by FHWA.

**Clean School Bus Program**
Through the Clean School Bus Program, EPA will manage $5 billion in grants and rebates for clean school buses.

**NEVI**
The National Electric Vehicle Infrastructure (NEVI) Formula program will provide $5 billion in grants to states for EV charging infrastructure to facilitate access, data collection, and reliability.

**Discretionary Grant Program**
The Discretionary Grant Program for Charging and Fueling Infrastructure is a $2.5 billion competitive grant program managed by FHWA to strategically deploy publicly accessible EV and other alternative fueling infrastructure along designated alternative fuel corridors.
BIPARTISAN INFRASTRUCTURE LAW (BIL)*
Overview of Highway Provisions

*Also known as the “Infrastructure Investment and Jobs Act”
CLIMATE AND RESILIENCE

• Carbon Reduction Program
• PROTECT Grants (formula and discretionary)
• Charging and Fueling Infrastructure
• National Electric Vehicle Formula Program
• Congestion Relief Program
• Other Climate and Resilience Provisions
Carbon Reduction Program (formula)

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Provide funding for projects to reduce transportation emissions or the development of carbon reduction strategies.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding</td>
<td>$6.4 B (FY 22-26) in Contract Authority from the HTF</td>
</tr>
<tr>
<td>Recipients</td>
<td>• States (including DC)</td>
</tr>
</tbody>
</table>
| Distribution formula | • Apportioned to States by formula  
• 65% of funds are suballocated (reserved for use in certain areas of the State, based on population) |
| Other key provisions | • Requires State, in consultation with MPOs, to develop (and update at least every 4 years) a carbon reduction strategy and submit it to DOT for approval.  
• DOT must certify that a State’s strategy meets the statutory requirements. |
**PROTECT* Formula Program**

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Planning, resilience improvements, community resilience and evacuation routes, and at-risk coastal infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding</td>
<td>$7.3 B (FY 22-26) in Contract Authority from the HTF</td>
</tr>
<tr>
<td>Recipients</td>
<td>States (including DC)</td>
</tr>
<tr>
<td>Distribution formula</td>
<td>Apportioned to States by formula</td>
</tr>
<tr>
<td>Other key provisions</td>
<td>• Highway, transit, and certain port projects are eligible</td>
</tr>
<tr>
<td></td>
<td>• Higher Federal share if the State develops a resilience improvement plan and incorporates it into its long-range transportation plan</td>
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<td></td>
<td>• Of the amounts apportioned to a State for a fiscal year, the State may use:</td>
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<tr>
<td></td>
<td>o not more than 40% for construction of new capacity</td>
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<td></td>
<td>o not more than 10% for development phase activities</td>
</tr>
</tbody>
</table>

*The full name of the program is Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) program.*
### PROTECT Grants (discretionary)

<table>
<thead>
<tr>
<th><strong>Purpose</strong></th>
<th>Planning, resilience improvements, community resilience and evacuation routes, and at-risk coastal infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Funding</strong></td>
<td>$1.4 B (FY 22-26) in Contract Authority from the HTF</td>
</tr>
<tr>
<td><strong>Eligible entities</strong></td>
<td></td>
</tr>
<tr>
<td>• State (or political subdivision of a State)</td>
<td></td>
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<tr>
<td>• MPO</td>
<td></td>
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<tr>
<td>• Local government</td>
<td></td>
</tr>
<tr>
<td>• Special purpose district or public authority with a transportation function</td>
<td></td>
</tr>
<tr>
<td>• Indian Tribe</td>
<td></td>
</tr>
<tr>
<td>• Federal land management agency (applying jointly with State(s))</td>
<td></td>
</tr>
<tr>
<td>• <em>Different eligibilities apply for at-risk coastal infrastructure grants</em></td>
<td></td>
</tr>
<tr>
<td><strong>Eligible projects</strong></td>
<td></td>
</tr>
<tr>
<td>• Highway, transit, intercity passenger rail, and port facilities</td>
<td></td>
</tr>
<tr>
<td>• Resilience planning activities, including resilience improvement plans, evacuation planning and preparation, and capacity-building</td>
<td></td>
</tr>
<tr>
<td>• Construction activities (oriented toward resilience)</td>
<td></td>
</tr>
<tr>
<td>• Construction of (or improvement to) evacuation routes</td>
<td></td>
</tr>
<tr>
<td><strong>Other key provisions</strong></td>
<td></td>
</tr>
<tr>
<td>• Higher Federal share if the eligible entity develops a resilience improvement plan (or is in a State or area served by MPO that does) and the State or MPO incorporates it into its long-range transportation plan</td>
<td></td>
</tr>
<tr>
<td>• May only use up to 40% of the grant for construction of new capacity</td>
<td></td>
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</tbody>
</table>
## Charging and Fueling Infrastructure (discretionary)

<table>
<thead>
<tr>
<th><strong>Purpose</strong></th>
<th>Deploy electric vehicle (EV) charging and hydrogen/propane/natural gas fueling infrastructure along designated alternative fuel corridors and in communities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Funding</strong></td>
<td>$2.5 B (FY 22-26) in Contract Authority from the HTF</td>
</tr>
</tbody>
</table>
| **Eligible entities** | • State or political subdivision of a State  
• MPO  
• Local government  
• Special purpose district or public authority with a transportation function  
• Indian Tribe  
• Territory |
| **Eligible projects** | • Acquisition and installation of publicly accessible EV charging or alternative fueling infrastructure  
• Operating assistance (for the first 5 years after installation)  
• Acquisition and installation of traffic control devices |
| **Other key provisions** | • Requirement to redesignate alternative fuel corridors and establish a process to regularly redesignate these corridors  
• Set-aside (50%) to install EV charging and alternative fueling infrastructure on public roads or in other publicly accessible locations, such as parking facilities at public buildings, schools, and parks |
### National Electric Vehicle Formula Program (formula and discretionary*)

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Strategically deploy electric vehicle (EV) charging infrastructure and establish an interconnected network to facilitate data collection, access, and reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding</td>
<td>$5 B (FY 22-26) in advance appropriations from the GF</td>
</tr>
<tr>
<td>Recipients</td>
<td>• States (including DC and Puerto Rico)</td>
</tr>
<tr>
<td>Distribution formula</td>
<td>• Same shares as Federal-aid highway apportionments</td>
</tr>
</tbody>
</table>
| Other key provisions | • Funded projects must be located along designated alt fuel corridors  
• Sets aside 10% of funding for discretionary grants to State and local governments that require additional assistance to strategically deploy EV charging infrastructure  
• State must submit plan to DOT describing planned use of funds  
• If State doesn’t submit plan (or carry it out), DOT may withhold or withdraw funds and redistribute within the State, or to other States  
• Establishes DOT-DOE Joint Office of Energy and Transportation  
• Requires DOT to designate national EV charging corridors to support freight and goods movement |

* Program sets aside funds for discretionary technical assistance grants; also if DOT withholds or withdraws funding from a State, DOT may award funds to local governments in the same State.
### Congestion Relief Program (discretionary)

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Advance innovative, integrated, and multimodal solutions to reduce congestion and the related economic and environmental costs in the most congested metropolitan areas with an urbanized area population of 1M+.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding</td>
<td>$250 M (FY 22-26) in Contract Authority from the HTF</td>
</tr>
</tbody>
</table>
| Eligible entities | • State  
• MPO  
• City or municipality |
| Eligible projects | • Planning, design, implementation, and construction activities to achieve the program goals, including:  
  o deployment and operation of integrated congestion management systems, systems that implement or enforce HOV toll lanes or pricing strategies, or mobility services; and  
  o incentive programs that encourage carpooling, nonhighway travel during peak periods, or travel during nonpeak periods.  
• Subject to certain requirements and approval by the Secretary, provides for tolling on the Interstate System as part of a project carried out with a grant under the program |
## Other Climate and Resilience Provisions

<table>
<thead>
<tr>
<th>Program/topic</th>
<th>Provisions in the new law</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standards for EV charging stations (§11129)</td>
<td>• Requires electric vehicle charging infrastructure installed using title 23 funds to provide for non-proprietary charging connectors that meet industry safety standards and payment methods available to all members of the public</td>
</tr>
<tr>
<td>Report on emerging alternative fuel vehicles and infrastructure (§11511)</td>
<td>• Requires the Secretary to prepare a report on emerging alternative fuel vehicles and infrastructure which includes an evaluation of emerging alternative fuel vehicles, identification of areas where emerging alternative fuel infrastructure will be needed, estimates the future need for emerging alternative fueling infrastructure, and includes a tool for States to evaluate different adoption and use scenarios.</td>
</tr>
<tr>
<td>Conditions and performance (C&amp;P) report (§13006)</td>
<td>• Requires the C&amp;P report to address resilience needs</td>
</tr>
</tbody>
</table>
# Changes to Congestion Mitigation and Air Quality Improvement Program (CMAQ)

<table>
<thead>
<tr>
<th>Topic</th>
<th>Changes</th>
</tr>
</thead>
</table>
| Eligible projects             | • Adds eligibilities for—  
|                               |   o shared micromobility (e.g., bikeshare, shared e-scooters)  
|                               |   o purchase of diesel replacements  
|                               |   o purchase of medium/heavy-duty zero emission vehicles and related charging equipment  
|                               |   o modernization/rehab of a lock and dam or a marine highway corridor, connector, or crossing, if certain criteria are met (≤10% of CMAQ funds) |
| Rail/transit operating assistance | • CMAQ funds may be used for rail/transit operating assistance (w/o time limitation) in association with certain CMAQ projects located in certain areas |
| Equity                        | • Requires, to the maximum extent practicable, prioritizing disadvantaged communities or low-income populations when obligating funds to reduce PM2.5 emissions |
### [NEW] Wildlife Crossings Pilot Program (discretionary)

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Support projects that seek to reduce the number of wildlife-vehicle collisions, and in carrying out that purpose, improve habitat connectivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding</td>
<td>$350 M (FY 22-26) in Contract Authority from the HTF</td>
</tr>
</tbody>
</table>
| Eligible entities | State highway agency (or equivalent)  
MPO  
Local government  
Regional transportation authority  
Special purpose district or public authority with a transportation function  
Indian Tribe  
Federal land management agency |
| Eligible projects | Projects to reduce wildlife-vehicle collisions |
| Other key provisions | Sets aside not less than 60% of grant funds for projects in rural areas  
Provision related to pilot program requires:  
  - study of methods to reduce wildlife-vehicle collisions;  
  - workforce development and technical training courses with;  
  - standardized methodology for collecting and reporting spatially accurate wildlife collision and carcass data for the NHS; and  
  - guidance on evaluating highways for potential mitigation measures to reduce wildlife-vehicle collisions and increase habitat connectivity. |
**Reduction of Truck Emissions at Port Facilities Program (discretionary)**

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Study and competitive grants to reduce truck idling and emissions at ports, including through the advancement of port electrification</th>
</tr>
</thead>
</table>
| Funding | $400 M (FY 22-26), including—  
|         | • $250 M (FY 22-26) in Contract Authority from the HTF; and  
|         | • $150 M (FY 22-26) in advance appropriations from the GF |
| Eligible entities | None specified |
| Eligible projects | Competitive grants are intended to test, evaluate, and deploy projects that reduce port-related emissions |
| Other key provisions | Study to address how ports and intermodal port transfer facilities would benefit from increased opportunities to reduce emissions at ports, and how emerging technologies and strategies can contribute |
FHWA Highlights Actions to Tackle Climate Change

- **Federal Funding is Available for Electric Vehicle Charging Infrastructure on the National Highway System** – which outlines how to access funding opportunities for charging infrastructure.

- **Quantifying Emissions of Sustainable Pavements**. This challenge presents a unique opportunity to improve the sustainability of pavement structures and work towards goals for net-zero emissions.

- In partnership with the Federal Transit Administration, a joint **Flex Funding Website** launched in April to help states utilize flex funding and to increase access to transit and encourage public transportation projects that reduce single-occupancy vehicle travel and associated air pollution on congested highways.
For more Information

• Please visit:
  fhwa.dot.gov/bipartisan-infrastructure-law
Established in the Bipartisan Infrastructure Law to address areas of joint interest to the Departments of Energy and Transportation

$300M in FY22 funds to DOT with transfer authority to DOE

9 major areas of emphasis

Areas of emphasis summary
1) technical assistance of vehicle charging
2) data sharing
3) performance of a national and regionalized study vehicle charging
4) training and certification programs
5) a program to promote renewable energy generation, storage, and grid integration
6) transmission pilots in the rights-of-way
7) research, strategies, and actions to mitigate the effects of climate change
8) development of a streamlined utility accommodations policy for transmission in the transportation right-of-way
9) any other issues that the Secretary of Transportation and the Secretary of Energy identify as issues of joint interest
Immediate-Term Bipartisan Infrastructure Law Priorities for the Joint Office

The Joint Office will provide unifying guidance, technical assistance, and analysis to support the following programs:

- **National Electric Vehicle Infrastructure Formula Program (U.S. DOT)**
  - $5 billion for states to build a national EV charging network along corridors

- **National Electric Vehicle Infrastructure Discretionary Program (U.S. DOT)**
  - $2.5 billion in community grants for EV charging, as well as hydrogen, natural gas, and propane fueling infrastructure

- **Low-No Emissions Grants Program for Transit (U.S. DOT)**
  - $5.6 billion in support of low- and no-emission transit bus deployments

- **Clean School Bus Program (U.S. EPA)**
  - $5 billion in support of electric school bus deployments
Publication kicks off the state planning process:

• Funding Features

• State EV Infrastructure Deployment Plans

• Project Eligibility Provisions

• Program Administration

• Technical Assistance and Tools
NEVI Formula Program – Important 2022 Dates

Feb 10:
• NEVI Formula Program Guidance
• Alt Fuel Corridor Round 6 Request For Nominations

May 13:
• 180 Day Minimum Standards published
• Round 6 Nominations Due

Aug 1: State Plans Due

Sept 30: FHWA approves State Plans
NEVI Formula Program Guidance – EV Charging

Provides guidance on EV charging infrastructure attributes:

- EV charging infrastructure is installed every 50 miles along the State’s portions of the Interstate Highway System within 1 travel mile of the Interstate, unless a discretionary exception has been granted;
- EV charging infrastructure includes at least four 150kW DC Fast Chargers with Combined Charging System (CCS) ports capable of simultaneously charging four EVs;
- EV charging infrastructure has minimum station power capability at or above 600kW and supports at least 150kW per port simultaneously across four ports for charging;
- Such additional considerations deemed necessary and appropriate by the Secretary of Transportation.
NEVI Formula Program – Project Funds Eligibility

• The **acquisition or installation of electric vehicle charging infrastructure**;

• **Operating assistance** for costs allocable to operating and maintaining electric vehicle charging infrastructure acquired or installed under this program, for a period not to exceed five years;

• **Development phase activities** relating to the acquisition of stations and equipment as well as installation of EV charging infrastructure
  - This includes community outreach and participation, including with rural, Tribal, and disadvantaged communities, to facilitate equitable and accessible deployment of EV charging infrastructure

• **On premises signs** to provide information about electric vehicle charging infrastructure acquired, installed, or operated.

• **Data sharing** about EV charging infrastructure to ensure the long-term success of investments

• The acquisition or installation of **traffic control devices** located in the right-of-way to provide directional information to electric vehicle charging infrastructure acquired, installed, or operated under the NEVI program

• **Mapping and analysis activities** to evaluate, in an area in the United States designated by the eligible entity

Details Available:
Section IV.A– Project Eligibility Provisions
Joint Office Technical Assistance Principles

Respectful collaboration with the electric charging experts that have preceded the Joint Office to accomplish our shared vision:

A future where everyone can ride and drive electric

- In our goal to build a reliable, convenient, equitable national network, Technical Assistance will:
  - Dive into the hard challenges alongside states and our partners in order to create something revolutionary.
  - Help states getting started build on the successes and learn from the challenges of states with more mature networks.
  - Utilize the people, programs, and relationships that came before us and enable future charging experts.
Website connects state DOTs and other stakeholders to technical assistance resources, including:

- NEVI guidance
- State plan template
- Technical assistance concierge
- Supporting data and tools
- Will continue to update as new resources become available
Thank You
EPA’s Clean School Bus Program
Thursday, May 26th, 2022
Climate Leadership Conference
Overview of the Bipartisan Infrastructure Law Clean School Bus Program

Under **Title XI: Clean School Buses and Ferries**, the Bipartisan Infrastructure Law (BIL) provides **$5 billion** over five years (FY22-26) for the replacement of existing school buses with clean school buses and zero-emission school buses.

These new clean school bus replacements will produce either zero or low tailpipe emissions compared to their older diesel predecessors.

School bus upgrades funded under this program will result in cleaner air on the bus, in bus loading areas, and in the communities in which they operate.
Clean School Bus Program
Available Funding

Half of the $5 billion total funding is dedicated for zero-emission school buses

Half of the $5 billion total funding is dedicated for clean and zero-emission school buses
Eligible Applicants

State and local governmental entities responsible for:
1) providing bus service to 1 or more public school systems; or
2) the purchase of school buses

Nonprofit School Transportation Associations

Indian Tribes, Tribal Organizations, or tribally controlled schools

Eligible Contractors
1. High-need school districts and low-income areas
   • School districts listed in the Small Area Income and Poverty Estimates (SAIPE) School District Estimates for 2020 as having 20% or more students living in poverty
   • School districts not listed in the SAIPE data, including most charter schools, that self-certify as having 20% or more students living in poverty. EPA may ask for supporting documentation to confirm this self-certification.
   • School districts located in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands

2. Rural school districts
   • School districts identified with locale codes “43-Rural: Remote” and “42-Rural: Distant” by the National Center for Education Statistics (NCES)

3. Tribal school districts
   • Bureau of Indian Affairs funded school districts and school districts that receive basic support payments for children who reside on Indian land
The first funding opportunity is the 2022 Clean School Bus Rebates. EPA anticipates awarding $500 million for zero-emission and clean school buses. The application deadline is August 19, 2022.

Sign up for the Clean School Bus Listserv and continue to check www.epa.gov/cleanschoolbus for updated resources, information on additional webinars, and future funding opportunities.

If you have any questions, please contact cleanschoolbus@epa.gov.
Questions & Discussion
Get in touch with us:

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About ICF

ICF (NASDAQ:ICFI) is a global consulting and digital services company with over 7,000 full- and part-time employees, but we are not your typical consultants. At ICF, business analysts and policy specialists work together with digital strategists, data scientists and creatives. We combine unmatched industry expertise with cutting-edge engagement capabilities to help organizations solve their most complex challenges. Since 1969, public and private sector clients have worked with ICF to navigate change and shape the future.