

Hot Topics in EV Charging Infrastructure

THE GREAT AMERICAN ROAD TRIP GOES ELECTRIC WITH THE HELP OF FEDERAL FUNDING FOR CHARGING INFRASTRUCTURE DEPLOYMENT

Q&A with Public Affairs Advisor Hannah Coulter

Holland & Knight on the Rise (HKOTR) provides business development, networking and leadership opportunities for the rising stars in the firm. As part of this initiative, we have launched the Hot Topics Series. The in-depth interviews allow for our young policy and legal professionals to offer their viewpoints, reflect on their professional experiences and examine relevant issues across the policy and legal spectrums.

This month's Hot Topic Series features Public Affairs Advisor [Hannah Coulter](#), who is based in Holland & Knight's Washington, D.C., office and a member of the firm's Public Policy & Regulation Group. Ms. Coulter works on policy issues related to climate change, renewable energy, environment, technology commercialization, transportation and economic development. In the following Q&A, Ms. Coulter discusses her experience working on federal investments in electric vehicle (EV) infrastructure deployment.

Q. What led you to work on EVs and EV charging policy?

I grew up in the woods of New Hampshire and prefer to spend my time outside – hiking, biking, swimming and skiing. My love for the outdoors has made me passionate about sustainability and mitigating the effects of climate change, which drew me to work on energy and environment policy.

My team at Holland & Knight is working with both public and private sector entities to integrate, deploy and finance a broad suite of clean energy solutions to meet climate goals. This includes working with several EV charging network companies to develop strategies to secure and leverage federal funding to build out a national network of chargers to facilitate transportation electrification.

Decarbonizing the transportation industry is a key component of the global effort to reduce carbon emissions to slow climate change. The transition to EVs has the potential to significantly reduce nationwide emissions, support innovations in clean energy and support environmental justice goals for disadvantaged communities. Charging infrastructure is crucial to furthering widespread adoption of EVs, particularly for passenger cars and other light-duty vehicles.

Q. What recent actions has the federal government taken to incentivize EV infrastructure charging deployment?

The Biden Administration has set an ambitious target of 50 percent of EV sale shares in the U.S. by 2030 as part of a broader strategy to reduce carbon emissions. For EVs to achieve mass market adoption, an effective and reliable network of charging infrastructure is necessary. As such, the Biden Administration set a parallel goal of installing 500,000 new EV chargers by 2030.

The Biden Administration and 117th Congress have passed critical legislation to support the buildout of a national network of charging infrastructure:

Bipartisan Infrastructure Law (BIL): The BIL, enacted as the Infrastructure Investment and Jobs Act (IIJA), makes the most transformative investment in EV charging in U.S. history. The legislation provides \$7.5 billion to the U.S. Department of Transportation (DOT) to provide dedicated funding for

EV charging infrastructure through two programs – the \$2.5 billion Discretionary Grant Program for Charging and Fueling Infrastructure, and the \$5 billion National Electric Vehicle Infrastructure (NEVI) Formula program. These programs will be the first programs at the DOT to provide dedicated funding for EV charging infrastructure.

Both EV charging programs prioritize charging infrastructure along the National Alternative Fuels Corridor, a network of designated highways nominated by states with signage to highlight routes with available charging stations open to the public and easily accessible.

The BIL also created the Joint Office of Energy and Transportation to support the deployment of the \$7.5 billion for charging, and to build out a national EV charging network for enhancing public confidence, with a strategic focus on filling gaps in rural and disadvantaged locations.

Inflation Reduction Act of 2022 (IRA): The historic passage of this legislation represents the largest investment in clean energy and climate action in U.S. history. The IRA is poised to catalyze transportation electrification for years to come. With regard to EV charging, the IRA extends and expands the Alternative Fuel Vehicle Refueling Property Credit (Section 30C), targeting accelerated installation of EV charging infrastructure and assets.

The IRA significantly enhances the amount of tax credit available for the installation of EV charging infrastructure and increases EV accessibility by targeting investments toward rural and lower-income residents. This provision will incentivize individuals and commercial operators to install charging stations at their homes and private entities. For example, retailers, local businesses or commercial fleet operators can use this incentive to install charging infrastructure on their property, enabling them to attract and retain customers and employees alike.

Q. What impact will legislation enacted in the 117th Congress have on the EV and EV charging market?

EV charging has historically been viewed as a high-risk investment, primarily because of demand uncertainty. However, federal incentives enacted in the 117th Congress to encourage the EV market and more widespread adoption of EVs from a larger group of users have spurred widespread interest. With the growth of the EV market, effective and reliable charging infrastructure will be in high demand.

Combining the historic investments in clean energy and climate infrastructure in the BIL and IRA, the federal government has jumpstarted what will be a fundamental shift in how consumers use transportation. As the nation makes the clean energy transition, EV charging stations will become a prominent part of the nation's infrastructure.

Q. What actions has the Executive Branch taken to implement those EV infrastructure deployment programs?

The implementation of the programs enacted in the BIL and IRA for EV charging deployment, and their success in leveraging private sector investment, will determine whether the Biden Administration meets its goal of installing 500,000 chargers nationwide by 2030.

NEVI Formula Funding Program: To date, the U.S. Department of Energy (DOE) and DOT have prioritized establishing the \$5 billion NEVI Program, which will provide formula funding over five years (FY 2022-FY 2026) to states and private entities to deploy EV-charging infrastructure and to establish an interconnected network to facilitate "data collection, access and reliability."

In order to receive NEVI formula funding, U.S. states and territories were required to submit Electric Vehicle Infrastructure Deployment Plans – describing how the states intend to use its apportioned NEVI funding for EV charging infrastructure projects – to the federal government for review and approval. The Federal Highway Administration (FHWA) released preliminary guidance for the NEVI program to help states development their plans.

In September 2022, the DOT and DOE announced that it had approved the plans for all 50 states, the District of Columbia and Puerto Rico, unlocking access to FY 2022 and FY 2023 NEVI formula funding, totaling more than \$1.5 billion. States now have a wide range of options to use their NEVI Formula funding for projects directly related to the charging of a vehicle, including:

- upgrade of existing and construction of new EV charging infrastructure
- operation and maintenance costs of these charging stations
- installation of on-site electrical service equipment
- community and stakeholder engagement
- workforce development activities
- EV charging station signage
- data sharing activities
- related mapping analysis and activities

Competitive Grant Funding: Following implementation of the NEVI Formula Program, the DOT and DOE will prepare to implement the \$2.5 billion Discretionary Grant Program for Charging and Fueling Infrastructure. This program will be competitive with grants to states, local governments, metropolitan planning organizations and other public-sector entities to support the installation of publicly accessible charging infrastructure – or stations for alternative fuels such as hydrogen or natural gas. IIJA requires at least 50 percent of these funds to be designated for a community grant program prioritizing rural and low- and moderate-income communities.

Federal Standards for EV Chargers: In June 2022, the FHWA proposed minimum standards and requirements that states must meet to spend NEVI funds. The Notice of Proposed Rulemaking (NPRM) was the first effort of the federal government to impose mandatory standards on EV charging infrastructure to create uniformity and consumer transparency in the EV charging sector, and to make charging EVs convenient, reliable and affordable for all, particularly when driving long distances. The goal of the proposed rule is to secure EV charging infrastructure that works seamlessly for industrial, commercial and consumer drivers. FHWA is expected to issue a final rule in the near term.

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