ANALYSIS

Item 26: Department of Transportation
Electric Vehicle Infrastructure

Analyst: Ben Ruef

Request: Approve the submission of a federal grant application to the U.S. Department of Transportation in the amount of $10,000,000 to fund improvements to Oregon's public use electric vehicle charging infrastructure.

Analysis: The Oregon Department of Transportation (ODOT) plans to apply for an Electric Vehicle Charger Reliability and Accessibility Accelerator grant, established under the Infrastructure Investment and Jobs Act, designed to improve the reliability of existing electric vehicle (EV) infrastructure by repairing and replacing existing chargers that are broken or non-operational.

Adoption of EVs in Oregon is increasing, with EV sales exceeding 16% of all new vehicle sales in the first quarter of 2023, positioning the state as the second highest in EV adoption after California. As of April 2023, the number of EV registrations in Oregon is at nearly 70,000 with a goal, established by SB 1044 (2019), of 250,000 by 2025.

According to the Alternative Fuels Data Center (AFDC), Oregon's public use EV infrastructure includes 1,130 charging stations with a total of 2,798 charging ports. The AFDC currently identifies a total of 65 "temporarily unavailable" charging locations in Oregon. If the grant is awarded, ODOT intends to collaborate with one or more private entities to address the refurbishment or replacement of over 100 non-functional charging ports spread across 60 locations. Additionally, the plan includes the installation of approximately 100 new charging ports to fulfill program prerequisites.

Grant applications are due November 13, 2023. If funding is awarded, ODOT may need to return for additional expenditure limitation. ODOT does not anticipate bringing on additional limited or full-time employees for this effort. There is a 20% grant match requirement which will be covered by the collaborating private sector entities.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means approve the request.

Request: Authorization to apply for a grant up to $10.0 million to improve existing electrical vehicle infrastructure by repairing or replacing inoperable chargers from the Federal Highway Administration.

Recommendation: Approve the request.

Discussion: The Oregon Department of Transportation (ODOT) is requesting authorization to apply for one-time federal funding from the Federal Highway Administration (FHWA), Electric Vehicle Charger Reliability and Accessibility Accelerator grant, established under the Infrastructure Investment and Jobs Act (IIJA). The FHWA posted notice for this grant on September 13, 2023, with an application submission date of November 13, 2023. The award date has yet to be announced.

ODOT is currently working to finalize the amount of federal grant funding they will apply for, but at the time of this letter, they do not plan to exceed $10.0 million. Regardless of the grant amount, the federal grant program requires a 20 percent state match, which could be as much as $2.5 million.

If awarded, ODOT will use grant funds to partner with private entities to repair or replace more than 100-inoperable charging ports across 60 locations and install 100 additional charging ports to meet the grant program requirements. ODOT would offer sub-grants to these private entities, as well as other private entities willing to participate in the expansion portion of the grant program. ODOT expects the participating private entities to be responsible for covering the 20 percent match based under each sub-grant awarded.

If the federal funding is awarded, ODOT may need to return in the future and request additional expenditure limitation.

Oregon
Tina Kotek, Governor

Department of Transportation
Director's Office
355 Capitol St. NE, MS 11
Salem, OR 97301

October 9, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairs:

NATURE OF THE REQUEST
The Oregon Department of Transportation (ODOT) Policy Data and Analysis Division requests permission to apply for an Electric Vehicle Charger Reliability and Accessibility Accelerator (EVC-RAA) grant, established under the Infrastructure Investment and Jobs Act (IIJA), for up to $10 million from the Federal Highway Administration (FHWA).

AGENCY ACTION
On September 13, 2023, FHWA opened applications for a new program to provide grants to improve the reliability of existing electric vehicle (EV) infrastructure by repairing and replacing existing chargers that are broken or non-operational. The Electric Vehicle Charger Reliability and Accessibility Accelerator provides $100 million in one-time grant funding to eligible applicants. Eligible applicants include state departments of transportation and local governments.

The IIJA set aside 10 percent of the National Electric Vehicle Infrastructure formula program (NEVI) for the Secretary of Transportation to make grants to states and localities that require additional assistance to strategically deploy EV charging infrastructure. The total amount of the set-aside over the life of the IIJA is $470 million. This $100 million opportunity is the first round of funding, with additional funding subject to future notices of funding opportunities. Applications are due on November 13, 2023, and the expected award date has yet to be determined.

There is no stated minimum or maximum EVC-RAA grant award. Based on initial estimates of eligible chargers and the funding available, FHWA anticipates that all eligible projects will be awarded under this NOFO.

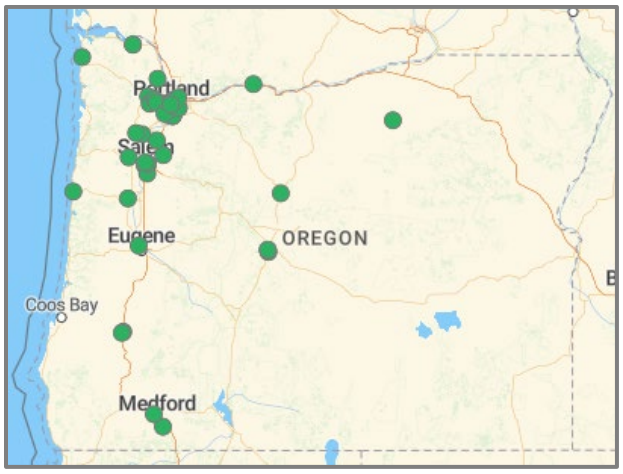
EV charging infrastructure in the U.S. has developed over the last 15 years, during a period of significant evolution in charging infrastructure technology. As such, there are a significant number of chargers on the network in a state of disrepair. EV charger reliability is a critical issue, as it plays a central role in the successful adoption of electric vehicles. The Oregon Department of Energy's 2023 Biennial Zero Emission Vehicle Report identified the availability and reliability of chargers as one of the biggest barriers to wider EV adoption in Oregon.[1] While specific charger data is not available, there is significant anecdotal evidence that EV drivers find the existing charging network, both in Oregon and across the country, to be unreliable. An ODOT survey of 227 EV drivers in

[1] Oregon Department of Energy (2023). *Biennial Zero Emission Vehicle Report.* https://www.oregon.gov/energy/Data-and-Reports/Documents/2023-Biennial-Zero-Emission-Vehicle-Report.pdf)

Oregon found that more than half of respondents indicated they rarely or never found EV chargers in good working order.[2] Reliability is especially critical in low-income and disadvantaged communities, as there are already fewer charging options in these communities. Repairing or replacing these chargers presents a strategic opportunity to improve the existing network while simultaneously expanding it through NEVI investments. ODOT is seeking an EVC-RAA grant to enhance and maintain the reliability of the charging network in Oregon and thereby expand access and improve the experience of EV drivers.

ODOT has a long history of implementing successful EV charging programs. The West Coast Electric Highway (WCEH) is an extensive network of public electric vehicle DC fast charging and Level 2 charging stations along the West Coast from British Columbia to the California-Mexico border. Stations are located along I-5, U.S 101, and other major roadways in British Columbia, Washington, Oregon, and California. In addition, ODOT is expanding its fast charger network through the NEVI program. ODOT's proposal will build upon these previous successes.

If awarded, ODOT plans to use this grant to partner with one or more private entities to repair or replace more than 100 non-operational charging ports across 60 locations and install approximately 100 additional ports to meet program requirements. Locations eligible for grant funding are charging stations categorized as "temporarily unavailable" by the Alternative Fuels Data Center (AFDC) Station Locator tool. There are currently 65 such stations in Oregon, as displayed below.[3]



ODOT anticipates that the required 20 percent match will come from private sector partner(s).

Grant Request:	$10,000,000[4]
Matching Funds:	$ 2,500,000
Total Project Cost:	$12,500,000

[2] Oregon Department of Energy (2023). *Biennial Zero Emission Vehicle Report.* https://www.oregon.gov/energy/Data-and-Reports/Documents/2023-Biennial-Zero-Emission-Vehicle-Report.pdf

[3] A charger's operational status has the potential to change daily. For this reason, FHWA will publish a final list of eligible chargers under EVC-RAA on October 11, 2023.

[4] The exact amount of the grant request has not yet been determined as of the date this letter is being submitted, but it will not exceed $10 million.

This work, focused on increasing the reliability of the existing charging network in Oregon, is unlikely to move forward without the awarding of this grant. ODOT does not anticipate bringing on additional limited or full-time employees if ODOT is awarded the grant. ODOT may need to return for additional limitation.

ACTION REQUESTED
ODOT requests approval to submit a grant application to the Federal Highway Administration for up to $10 million in Electric Vehicle Charger Reliability and Accessibility Accelerator grant funds.

LEGISLATION AFFECTED
None.

Sincerely,

Kristopher W. Strickler
Director