# **Public Funding**



In the coming years, more than \$8 billion will be invested in EV infrastructure from programs administered by government agencies through various sources. These programs will support deployment of public chargers across the landscape in easily accessible locations in both metropolitan and rural areas, and on transit corridors. Public funding may be awarded via competitive application programs, on first-come, first-served grant programs, or even via the tax code. This briefing outlines best practices for applying this funding to accelerate infrastructure investments by fostering electric vehicle service providers (EVSPs) like EVgo to deploy chargers nationwide.

The Connect the Watts<sup>™</sup> team has identified 5 areas of program design public funding agencies should keep in mind:

- 1) Deploy Funding Quickly with Multiple Funding Rounds, 2) Value Charger Locations with a Transparent Scoring Rubric,
- 3) Publish a Schedule and Stick to it, 4) Solicit Public Comment on RFP Design, and 5) Allow EVSPs to Build at Risk.



## Deploy Funding Quickly with Multiple Rounds

## Best Practices:

- ► Have multiple program windows per year for continuous development and the opportunity to adjust programmatic details based on learnings.
- ▶ Allow administrators time to reevaluate through several, small solicitations per year instead of one large lump sum.
- ▶ Issue a **small amount of funding first** to jumpstart the market and adapt later based on learnings.
- ➤ Charge Ahead Colorado has three solicitations per year, which always take place in the same three months, allowing for predictable development cycles. Pennsylvania and the Maryland Energy Administration have taken a similar approach.

## Practices to Improve:

- ▶ A large **one and done** solicitation does not allow program administrators to adjust based on learnings from previous rounds or market developments.
- ▶ Delays in activating Appendix D "Dieselgate" funding nearly five years after states received the funding lead to delays in DCFC development.



# Value Charger Locations with a Transparent Scoring Rubric

## Best Practices:

- ▶ Provide an explicit, points-based score card to evaluate applications. This guidance tells EVSPs what program administrators are seeking for an ideal DCFC location so EVSPs may tailor projects accordingly. Specify criteria, not locations.
- ▶ North Carolina has a balanced rubric, which uses transparent, third-party measures like traffic density, distance to existing DCFC, and measures of environmental justice impact. Rather than specify that all chargers must be located a certain distance from a highway, sites within 2 miles receive 15 points, 2-3 miles receive 10 points, etc.

## Practices to Improve:

▶ State planning efforts to dictate ideal locations for DCFC may ignore real estate and power constraints, traffic patterns, EV density, and environmental justice concerns. Programs that are highly engineered with location-specific requirements often end up with less Interest, and in the case of one state with Its VW funding, zero qualified bids.



#### Publish a Schedule and Stick to It

#### Best Practices:

- Give charging networks a clear indication of when EVSE programs will launch and commit to those timelines to provide certainty to potential applicants and the market overall.
- ► The schedule should include the open date for the RFP, a commitment for a decision timeline from the funder, a timeline for redlines, and deadlines for charger energization.

### Practices to Improve:

▶ Uncertainty and lack of communication around timelines for public funding programs can lead to shovel-ready projects being abandoned, investments forgone, and a negative experience for site hosts and stakeholders.



#### Solicit Public Comment on RFP Design

### Best Practices:

- Releasing the RFP after publishing draft guidelines allows charging network operators to spot red flags that may impede successful projects from moving forward, suggest best practices from other successful programs, and share the latest EV charging technology.
- ► When drafting their Dieselgate program, the Maryland Department of the Environment released an initial RFP and proactively solicited feedback.

### Practices to Improve:

▶ Programs that do not allow for public input may be poorly designed, resulting in a lack of qualified bids or underqualified bidders who fail to execute.



#### Allow EVSPs to Build at Risk

#### Best Practices:

- ▶ Charging network operators should be allowed to build at their own financial risk between the time the program starts accepting applications to when the grant is awarded. If an application receives an award, those expenses should be reimbursable.
- ▶ Florida DEP allows almost everything up to commissioning to occur after the program opens and is reimbursable regardless of when the grant contract is signed (of course, no reimbursement occurs if a grant is not awarded).

## Practices to Improve:

▶ Policies that prohibit or disallow reimbursement for work undertaken prior to final contract signature can delay project development up to 12 months. This can force network operators to act slowly before contracts are signed given higher risk of mobilizing, transforming many programs into sources of delay instead of acceleration.

