Advancing NEVI: Recommendations from State NEVI Funding Applicants

NASEO
National Association of State Energy Officials

American Association of State Highway and Transportation Officials
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Executive Summary

This report provides seven key recommendations for National Electric Vehicle Infrastructure state program leads based on applicant feedback from the first round of NEVI awards. The report's findings are based on a series of in-depth interviews with 10 electric vehicle service providers (EVSP) and site hosts who applied for funding, alongside additional interviews with state program administrators and subject matter experts regarding the program. In the interest of soliciting candid responses from interviewees, the names of specific EVSPs, site hosts, and state NEVI programs and their representatives are omitted here.

The recommendations provide states with suggestions on how to improve the next round of NEVI solicitations to enhance proposal quality, streamline application reviews, and spur the deployment of NEVI stations. This perspective equips states with actionable items to incorporate into their stakeholder engagement strategies, Requests for Proposals, contracting language, and overall program implementation.

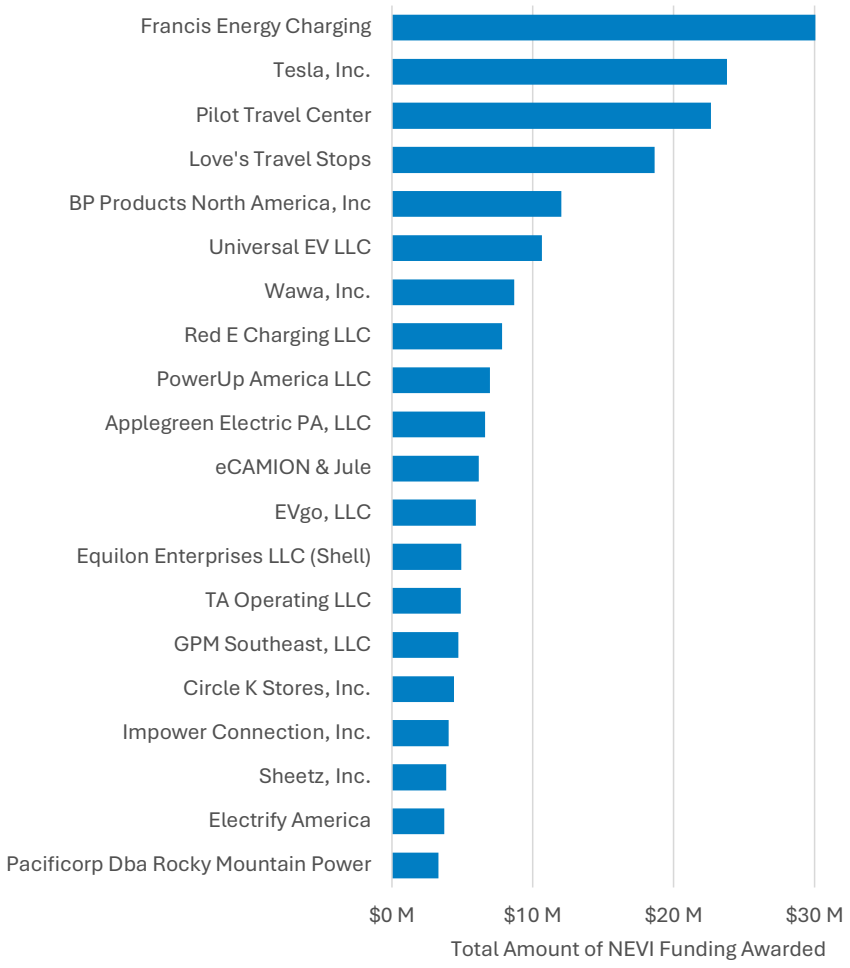
Summary of Recommendations

1. **Engage with stakeholders early and often, in a clear and prompt manner, sharing materials for comment ahead of their release.**
2. **Support coordination with utilities.**
3. **Provide clarity and flexibility around geographic siting.**
4. **Develop a solicitation that is clear, itemized, and based on specific state priorities.**
5. **Balance state supplementary requirements with the minimum federal requirements.**
6. **Allow EVSPs to lead applications on behalf of site hosts when appropriate.**
7. **Streamline administrative requirements.**

Introduction

Following passage of the Infrastructure Investment and Jobs Act and the subsequent implementation of the National Electric Vehicle Infrastructure program, state transportation agencies and State Energy Offices across the country have been diligently implementing NEVI funding to support the buildout of electric vehicle infrastructure. As of April 2024, 19 states including Alaska, Colorado, Georgia, Hawaii, Indiana, Kansas, Kentucky, Maine, Michigan, New Hampshire, New Mexico, New York, Ohio, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, and Virginia have awarded $287.6 million in NEVI funds. In coming months, more states will announce their awarded projects.

Figure 1: States' Top 20 NEVI Awardees by Funding Amount



This summary includes data from states that have announced NEVI awards as of April 18, 2024, including Alaska, Colorado, Georgia, Hawaii, Indiana, Kansas, Kentucky, Maine, Michigan, New Hampshire, New Mexico, New York, Ohio, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, and Virginia. Only lead applicants (not partners) are shown here.

Source: EV Hub's NEVI Dashboard

As the first round of NEVI funding awards closes, applicants and state offices have learned lessons and developed takeaways that can inform subsequent rounds of funding. To this end, Atlas Public Policy conducted interviews during the final quarter of 2023 with 10 national NEVI applicants to collect insights and feedback on how NEVI implementation has been going, including what is working well and what could be improved. The authors interviewed EVSPs including ChargePoint, Electrify America, EVgo, Jule, and Tesla; EVSPs that also operate as site hosts such as Applegreen Charging and BP Pulse/Travel Centers of America; and site hosts including Pilot and Love's.

Table 1: Applicants Interviewed

EVSPs	EVSPs & Site Hosts	Site Hosts
ChargePoint		
Electrify America	BP Pulse/Travel Centers of America	Love's
Evgo		
Jule		
Tesla	Applegreen Charging	Pilot

Feedback from NEVI applicants is intended to help states as they implement subsequent rounds of NEVI funding in a manner that increases the quality and competitiveness of funding applications with the goal of building out electric vehicle infrastructure across the nation

Key Themes

1. APPLICANT ENGAGEMENT

Engaging with stakeholders is a critical component of successful NEVI programs. Interviewed applicants expressed a strong preference that offices implementing the NEVI program engage with stakeholders early and often, providing ample opportunities for input throughout the solicitation design process and for questions during the application process.

Engage with prospective applicants during the solicitation design process.

Once a draft solicitation is complete, publishing it for public comment and proactively sharing it with potential applicants for feedback provides states with an opportunity to revise procurement documents before formal solicitations are published. In addition to engaging with energy experts, soliciting input from EVSPs and site hosts at the solicitation design stage can help produce more relevant and productive applications.

Additionally, conducting a proactive outreach campaign can help identify and address questions efficiently. Many applicants found in-person workshops to be helpful, given they fostered relationship-building with site hosts and local community members. In areas where in-person workshops are logistically difficult, multimodal outreach methods, including virtual webinars, can increase accessibility and draw a geographically wider audience.

Provide prompt communication and clarification to applicants.

Once a state releases its solicitation request, applicants generally favor ample time for questions and answers (Q&A). Given the novelty of the NEVI program, a longer Q&A period and a responsive state office can help ensure applications are high quality and include complete information. Specifically, applicants prefer Q&A periods of up to a month and/or rolling Q&As when possible. They also shared how important a timely response was to their proposal development. Considering that many states have limited resources, longer Q&A periods can help to provide NEVI program officers with enough time to respond to questions.

Additionally, directing communication to a dedicated NEVI point of contact or NEVI-specific email address can help ensure that applicants know exactly who to contact with questions. This also streamlines the workload on NEVI program offices, as inbound communication would not be scattered but directed to specific people and/or email boxes.

2. UTILITY COORDINATION

When scoping EV charging sites for NEVI, coordinating with local electric utilities is critical. Interviewees identified two pain points that state NEVI offices could consider during subsequent rounds of funding. First, estimating interconnection costs during the application stage can be difficult to ascertain quickly and with accuracy. Second, it can be difficult for applicants to obtain written commitment from utilities at the application stage as many utilities will not promise the availability of power in the future. States can continue to work with their electric utilities to navigate these challenges.

Estimating interconnection costs.

Encouraging applicants to use public utility capacity maps or past experience to estimate interconnection costs for proposed sites can help simplify this component of NEVI applications. Understanding the interconnection costs associated with an EV charging site is an important component of a project's economic feasibility; however, some applicants expressed difficulty assessing this during the application process. Specifically, costs can be difficult to estimate with precision prior to final interconnection design, which does not occur until after an award is made. Moreover, as NEVI implementation ramps up, some utilities have seen an increase in the volume of requests and cannot always provide interconnection cost estimates within the application window. Allowing utilities to provide a cost range, rather than a precise estimate, may help expedite this process. Additionally, since utilities are not accustomed to exploratory requests, they can require more work to fulfill.

Applicants noted that when states proactively engaged with their utilities, the process was more streamlined and utility representatives better understood expectations. Some applicants suggested that estimating these costs would work better in the post-award phase; however, this information may be too critical to be left out of applications entirely. Conversely, allowing applicants to provide their own interconnection cost estimates based on past projects and utility capacity maps can be a good intermediary solution. Strategies like this would potentially limit the pool of potential applicants to those with a history installing EV charging infrastructure or may be limited to states that publish utility capacity maps. Currently, capacity maps can be found in 24 states and the District of Columbia. At least nine require their utilities to make hosting capacity public, but there are gaps in public data availability in some states and utility service territories. For utilities that do not have capacity maps available, states could work with utilities to provide capacity information within the solicitation.

Utility signatures and agreements.

State NEVI programs can ease coordination efforts between utilities and program applicants by working with their utilities to proactively establish processes to verify their support of prospective projects. Beyond estimating interconnection, some state NEVI programs require signed letters of support from utilities when applications are submitted. Some interviewees said that not all utilities are equipped or willing to fulfill these requirements for sites without a guarantee of funding, could be difficult to work with in a timely manner, or were unfamiliar with the required paperwork. Despite these challenges, requiring applicants to coordinate with utilities ahead of the award phase could help weed out more speculative applications from those more likely to deliver. State NEVI programs can help facilitate these efforts by establishing standard verification processes.

3. GEOGRAPHIC FLEXIBILITY

Because NEVI aims to expand the national charging network's geographic footprint to enable long-range nationwide travel, site location is critically important. States are balancing where they intend to encourage EV charging station development with the existing network of transportation infrastructure and amenities. To best support applicants in siting potential NEVI projects, states should provide clarity in their solicitations around site criteria and allow flexibility relative to site locations when possible.

Provide clarity around site location criteria.

To encourage applicants to submit proposals for projects that appropriately fill in network gaps, states should provide clear direction in their solicitations about priority site locations and how they will be scored. Many applicants said that providing maps with downloadable

spatial data was more helpful and precise than relying on static maps or a list of applicable interchanges. Because of NEVI geographic requirements, the more detail a state office provides up front, the less resources an applicant needs to expend to determine applicable site locations. Providing this clarity also allows state offices to have a transparent and objective way to determine a proposal's eligibility and potentially reduce the number of ineligible proposals. Moreover, in states where electric utilities are required to provide existing grid capacity and interconnection maps, directing applicants to these resources can better support site analyses.

Allow flexibility around site location.

Nearly all applicants expressed the importance of allowing flexibility in site location, which would elicit better and more competitive proposals. In some cases, being overly prescriptive regarding siting can automatically and unintentionally disqualify applicants who would otherwise be competitive. Many EVSPs are looking to fill gaps in their charging networks, while site hosts are limited to where they own or control property. Rather than restricting eligible site locations to a single interchange, for example, including multiple eligible interchanges in a group or zone would provide applicants more opportunity to locate high quality sites for proposal. Notably, this is not always possible where interchanges are geographically sparse due to state efforts to meet the federal requirement to site charging infrastructure every 50 miles. Further, each state has unique geographic considerations guiding where they want NEVI projects to be built.

Balancing these considerations with incorporating enough flexibility around site location would help ensure that existing gaps in charging networks are filled and projects are able to be constructed where site hosts have existing amenities. One way to do this is to identify corridor groups with multiple interchanges where a state wants to encourage project development, when geographically feasible. This would allow applicants to pick sites with more flexibility and could help accelerate state goals to fill gaps along major corridors.

4. SOLICITATION DESIGN

NEVI applicants said they appreciate when states included clear requirements in their solicitation design process. Specifically, applicants expressed a strong preference for itemized and transparent scoring rubrics, application requirements tailored to EV charging projects, and the incorporation of explicit equity considerations and amenities into scoring criteria.

Practice transparency and scoring itemization.

Providing itemized scoring rubrics and making solicitation requirements more specific improves transparency and reduces the prevalence of uncompetitive or vague proposals. More than categorical or high-level scoring systems, itemized scoring rubrics provide states with the opportunity to clearly articulate their priorities when considering applications. They also help applicants develop proposals that align with those priorities, which improves the competitiveness of proposals overall and helps states better assess proposals objectively and in a streamlined manner. For instance, a state office may itemize the point values for specific amenities, such as adequate lighting, proximity to restaurants or other commercial establishments, etc. Applicants appreciated when states provided clear guidance regarding what details to include in their applications and practical instructions around response length. This allowed them to target their time and effort on what is most important to a state's NEVI program goals.

Work with energy experts to develop programs and application requirements.

Since state Departments of Transportation (DOTs) are tasked with the responsibility of NEVI implementation, partnering with or seeking feedback from their energy office colleagues can help DOTs tailor their solicitations to the needs of EV charging infrastructure. When unnecessary additional requirements are included in proposals, the application process can be less efficient. Examples of this include requiring architectural licenses and [recognizing potential?] insurance liabilities that are necessary in major transportation infrastructure projects such as bridge construction but may be less relevant to EV charging. Some requirements that may not appear relevant to EV charging infrastructure are however requirements under Title 23 of the Code of Federal Regulations, the principal set of rules and regulations for Federal Highway Administration funded programs. For additional requirements that are not required by Title 23, State DOTs can leverage the expertise of their State Energy Office counterparts in administering EV infrastructure programs to develop program requirements that are applicable to EV charging and importantly, avoid irrelevant requirements that may delay and complicate NEVI program implementation. Further coordination with State Energy Offices can improve proposal competitiveness and streamline the review process for state agencies.

Incorporate equity considerations.

In addition to the technical and site requirements involved in EV charging projects, applicants requested that states provide clarity as to whether, and how, equity factors are considered. For instance, states can prioritize locations in low income or disadvantaged communities by incorporating higher scoring for those areas or by tiering areas to demonstrate priority. States can also communicate priority in Justice40 communities. Similarly, states can clarify whether the use of local labor would considered in the application review, and if so, include it in the scoring rubric.

Encourage on-site or nearby amenities.

Prioritizing site amenity features in solicitations and scoring rubrics can encourage successful siting. While interviewees conceded that higher quality amenities at a site could increase the overall cost of a proposal, they reported that sites with minimal amenities could have lower utilization rates in the long term, making a seemingly cost-effective site less successful. Conversely, locating charging sites alongside additional amenities like convenience stores, grocery stores, restaurants, and restrooms could encourage usage and improve the driver experience with greater comfort, convenience, and safety.

Share contract and compliance terms and conditions.

In addition to sharing draft solicitations with potential applicants, interviewees expressed a preference that state offices share draft contract language as early as possible in the solicitation process, including detailed operation and maintenance requirements. By seeing the breadth and depth of compliance requirements ahead of applying, applicants can better ensure their projects are suitable to meet the expectations outlined by NEVI. Applicants specifically mentioned that seeing details around retainage and the potential for funding clawbacks if compliance standards are temporarily unmet before submitting their applications would be beneficial to their site analysis. Providing draft contract language can also help streamline contract negotiations for state offices after they issue awards because it gives applicants' legal or business development teams more time to review and prepare questions for the state.

5. STATE-SPECIFIC REQUIREMENTS

Interviewed applicants expressed a strong preference for standardizing state NEVI applications. Many suggested states limit their asks to the minimum federal requirements when possible to streamline the process of submitting proposals in multiple states. However, including supplementary requirements can help states solicit projects that meet local priorities and prepare sites for future technology needs and consumer expectations by going above and beyond federal standards. Ultimately, states have the discretion to design their NEVI programs in accordance with their local needs and priorities.

Clarify supplementary state priorities.

Clearly identifying supplementary requirements and demarcating how they would be weighed in the scoring criteria would help applicants prepare their proposals. States should note which additional requirements are indispensable verses which are priorities that would affect the competitiveness of applications. This could help applicants clearly understand what is essential, what is high priority, and what is neither, allowing them to direct their resources appropriately. Two examples of state specific requirements cited in applicant interviews were insurance and plug connector requirements. With respect to insurance, some states require performance and payment bonds in the applicant phase, which some applicants had difficulty obtaining, especially within a constrained proposal submission time frame. With respect to plug connectors, most applicants preferred to adhere to the minimum federal standards for connector requirements, not mandating the J3400 connector (i.e., NACS connector) at the state level.

Coordinate supplementary requirements among states.

As noted, applicants generally expressed a strong preference for streamlining applications between states. To support more standardized solicitations without omitting important supplementary requirements, state NEVI programs could coordinate with one other, regionally or nationally, to develop heightened standards that are aligned. This would help simplify applications between state programs, allowing EVSPs and site hosts to submit proposals more efficiently, and improve the standard of NEVI projects across the country.

6. SITE HOST COORDINATION

The first round of NEVI applications provided helpful lessons with respect to site host coordination. Interviewed applicants shared that allowing entities other than a site host to submit applications on their behalf, simplifying site host agreements, and specifying that those agreements be made with whatever entity has executive authority over installing charging infrastructure would improve coordination efforts.

Site host requirements.

Allowing for flexibility around who leads applications enables scenarios where more experienced EVSPs apply for NEVI funding on behalf of site hosts. While it streamlines the process to have site hosts submit grant applications directly, many site hosts are not equipped to lead applications. Moreover, states should be sure to specify that coordination is required with whatever entities have executive authority to install charging infrastructure, rather than simply assuming the landowners. Often, a site host and a landowner are not the same entity, and in these situations, requiring permission to develop a project from the wrong party is unnecessary at best and problematic at worst. When EVSPs or other entities apply on behalf of site hosts that have less experience with EV charging development, the burden of requiring site host agreements is unduly placed on non-site-host applicants. To this end, it is also wise

to be mindful of what is required of site hosts in applications. Sharing digital communication confirming that a site host or landowner is a willing partner on a project can be much more efficient than requiring physical signatures during the application phase. Additionally, given the length of time between applying and being awarded a grant, it can be more important for applicants to follow up with site hosts in the post award phase once projects are closer to materializing than prior to the submission of applications.

7. ADMINISTRATIVE REQUIREMENTS

The harder state NEVI program offices work to eliminate any onerous or unnecessary administrative application requirements, especially ones requiring duplicative efforts, the more resources applicants can spend on the substantive components of their proposals.

Keep application formats simple and focused on program priorities.

Applicants said they appreciate when states keep the administrative format and requirements of their NEVI applications as simple as possible. This allows applicants to focus their attention on the substantive aspects of their proposals. It can also help reduce financial barriers to applying for funding, as excessively long solicitations can be costly to complete, particularly in short time frames. Some administrative requirements that could be unnecessarily onerous include requiring a response to a request for quote in advance of a request for proposal that contains a significant amount of duplicate information; or requiring multiple physical signatures for a wide range of site partners, some of which might be premature and waste state agency resources to process ahead of an award being made. Further, states should consider developing web-based portals to collect proposals in lieu of email or postal mail. This would streamline submitting applications and better organize applications for program managers to process.

Conclusion

The first round of NEVI implementation has solicited many successful applications, reflecting the use of effective practices by state NEVI programs already. As states prepare to disseminate subsequent rounds of funding, these recommendations reinforce approaches that have been successful and highlight strategies that could improve the process for applicants and NEVI program administrators. Ultimately, well-designed solicitations can and should encourage quality proposals to build out EV charging infrastructure at a high standard, as well asstreamline the resources required of applicants to respond and program officers to process applications.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