

VECAN Conference

Transportation Energy Funding & Programs Workshop

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VERMONT AGENCY OF TRANSPORTATION



VW Settlement Funds and Program Priorities

- Vermont received \$18.9M through Appendix D of the nationwide settlement stemming from VW's fraudulent use of emissions-defeat devices in its diesel cars.
 - The plan is to use all these funds for transportation electrification.
 - ANR is piloting two electric transit buses and six electric school buses.
 - 15% of these funds, or \$2.7M, set aside for EVSE funding—the maximum amount allowable.
 - The balance of Vermont's Appendix D funds will go to a variety of other transportation electrification categories—ferries, trucks, freight switchers, forklifts, airport ground equipment.
 - Details are available on DEC's VW Environmental Mitigation Funds website:
<https://dec.vermont.gov/air-quality/vw>

Electric Vehicle Supply Equipment Grant Program

- \$2.7M of VW settlement funds dedicated to EVSE buildout.
 - \$750,000 in Capital Construction Funds added to the 2020 Budget.
 - Over \$1M in grants have been distributed to date for 30 projects across the State in 2 grant rounds. Projects include L2 and DCFC stations.
 - Grant rounds 3 and 4 (underway) are dedicated to building out a highway corridor DCFC backbone.
 - A 5th and probably final grant round will focus on L2, especially MUDs and workplace charging.
 - Details are available on the Vermont EVSE Grant Program website:
<https://accd.vermont.gov/community-development/funding-incentives/electric-vehicle-supply-equipment-evse-grant-program>

New Plug-In Electric Vehicle Incentive Program

- Launched in December 2019 with \$1.1M of incentive funding.
 - Initial funds ran out in early October. The Program relaunched in early November with additional incentive funding of \$950,000.
 - Income caps are up to \$125,000 AGI, depending on tax filing status. Higher incentives are available for applicants with AGIs of \$50K or less and for BEVs versus PHEVs. Max. incentive = \$4K. Base MSRP cap is \$40K. Applies to purchases or leases.
 - Program is run through a grant to DEV and no-cost contracts with utilities.
 - Details are available from DEV's incentives webpage:
<https://www.driveelectricvt.com/why-go-electric/purchase-incentives>

Renewable Energy Standard Tier III: Transportation Funding

- Tier III: Fossil-fuel savings through energy transformation projects.
 - Distribution utilities offer incentives to income-eligible customers for PEVs, L2 chargers, and e-bikes.
 - Programs differ from utility to utility.
 - MSRP caps are as high as \$60K. Some utilities incentivize used EVs.
 - GMP's makeready program provides up to \$40K for electrical interconnection of up to 20 DCFC stations.
 - Capstone's MileageSmart Program offers incentives to low-income drivers for used fuel-efficient vehicles, including PEVs.

Public Transit Electric Buses

- Using FTA grants, VTrans has secured funding for 12 electric buses. Two are already in service. Ten more will be delivered.
- Under RES Tier III, utilities have contributed to local match and contributed to the costs of charging infrastructure.



Public Transit Transportation Demand Management Grants

- \$500k for TDM Grants was made available.
 - VTrans has awarded grants for 12 TDM proposals through the Mobility and Transportation Innovation (MTI) Grant program, which is overseen by Go Vermont!.
 - TDM funding supports innovative strategies and projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single occupancy vehicles, and reduce greenhouse gas emissions.
 - Grant applications are open to municipalities, local or regional planning agencies, transit agencies, school districts or schools, non-profit organizations, and citizen groups focused on providing public transportation resources.

Smart Growth: Downtown Transportation Fund

- Program administered by the Department of Housing and Community Development, with assistance from VTrans.
 - Supports revitalization efforts in Designated Downtowns.
 - Assists municipalities in funding transportation-related capital improvements within or serving Designated Downtowns.
 - Past projects include streetscape improvements, bicycle and pedestrian safety improvements, parking facilities, rail or bus facilities, utility relocation, street lighting and wayfinding signage.
 - Program details available at <https://accd.vermont.gov/community-development/funding-incentives/downtown-transportation-fund>

Smart Growth: Better Connections Program

- VTrans program that funds municipal master planning projects and corresponding economic and market plans.
 - Focus is on connecting and coordinating multimodal connectivity, active transportation and complete streets, access management, traffic calming, parking, wayfinding, rehabilitation of buildings, redevelopment of sites, housing, land use planning, stormwater management, and zoning bylaw development.
 - Plans must be implementation-oriented.
 - Funding is 80% VTrans, 10% ACCD, and 10% local match
 - Program details available at <https://vtrans.vermont.gov/planning/projects-programs/better-connections>

Federal Transportation Funding for Energy Initiatives

- Fixing America's Surface Transportation Act (FAST Act) is the current federal legislation which authorizes highway and transit funding for State Departments of Transportation. Major sections focused on energy initiatives include:
 - General highway programs – designed to fund various roadway and bridge needs. Often makes eligible bicycle & pedestrian infrastructure, and the construction of electric vehicle charging stations associated with 1) construction of truck parking facilities, and 2) fringe and corridor parking facilities (i.e. park and ride facilities). Charging fees restricted along interstate highways due to a general ban on commercial activities.
 - Low or No Emission Vehicle Program - A competitive grant program for transit agencies to acquire low or no emissions vehicles.

Federal Transportation Funding for Energy Initiatives

- Congestion Mitigation and Air Quality Improvement (CMAQ) Program – a dedicated funding source to undertake transportation projects and programs that help meet the requirements of the Clean Air Act. Eligible activities include transit and rail projects and operations, diesel retrofits, bicycle and pedestrian programs, and alternative fuel vehicles and infrastructure.
- Alternative Fuel Facilities Designation – Allows for the federal designation of highway corridors for alternative fuels (including zero emissions corridors). No dedicated funding for infrastructure, however, appropriate signage is provided for.

Future Federal Transportation Funding for Energy Initiatives?

- The FAST Act has been extended into 2021 but Congress has been working on the next Transportation Bill. Two committee bills drafted in 2020 - 1) Senate Environment & Public Works Committee, and 2) House Transportation & Infrastructure Committee:
 - In addition to maintaining eligibility for current FAST Act programs, these bills also include:
 - Carbon Reduction Program
 - Community Transportation Investment Grants (including environmental quality)
 - Electric Vehicle Charging and Hydrogen Fueling Infrastructure Grants
 - Community Climate Innovation Grants
 - Active Transportation Connectivity Grant Program

Future Federal Transportation Funding for Energy Initiatives?

- Current work on the successor to the FAST Act is still in the early stages, funding amounts have not been agreed upon, and the House and Senate still need to agree on the final provisions of the Bill, but the future looks bright for energy initiatives funding based on federal legislative language so far.

Questions / Comments?

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