

# More fuel for the EV charging fire

The upcoming climate bill increases the urgency of new electric vehicle (EV) charging infrastructure and presents a new front for the P3 industry, says deputy editor Jonathan Davies.

Senator Joe Manchin's surprise backing of the \$739bn climate-focussed Inflation Reduction Act of 2022 turns up the heat for the delivery of EV charging infrastructure.

If passed, as it now expected to, a new \$7,500 tax credit will be applied to new EV cars worth under \$55,000 and new trucks, vans and SUVs worth up to \$80,000. The credit will be available for families with a cumulative annual income of under \$300,000.



Senator Joe Manchin: EV convert?

How much this offer will increase purchases of EVs remains to be seen, but with President Joe Biden targeting half of all new vehicles sold in the US to be electric by 2030, it is undoubtedly a major step towards that goal and creating the demand to make EV charging worth installing. And as EVs become more affordable, the need for charging infrastructure to support them will also grow substantially.

Fortunately, the cart is not in front of the horse on this matter. The Biden administration has been extremely proactive in its push for the delivery of the infrastructure necessary to support these battery-powered machines: Transport Secretary Pete Buttigieg said last month the administration was “hard at work” on delivering half a million EV charging stations in the next decade.

Chief among the initiatives is the Bipartisan Infrastructure Bill's National Electric Vehicle Infrastructure (NEVI) program, which will allot over \$5bn of federal dollars to authorities to create a “a seamless national EV charging network”.

Furthermore, the intended usage of the astronomical sums of federal funding has come with a clear message: “The purpose of public funding is not to discourage private investment, but instead to catalyze additional private investment,” the Federal Highway Agency.

The role of P3s in this push is set to be a strong one, with scores of heavyweight departments of transportation all taking strides towards creating plans and delivering projects.

To name a few recent highlights: Georgia DOT appointed JLL, HNTB and EY to develop a strategic plan; PennDOT unveiled its plan which features P3s for rural EV charging and other difficult parts; MassDOT said it is exploring P3 options; and Oklahoma DOT recently said it envisions partnerships to play a key role in delivering its pipeline.

It's not just departments that are leading the charge, either: the Chicago Metropolitan Agency for Planning is looking to ramp up P3 expertise ahead of its EV push; LA Metro's recently approved plan recommends P3s for delivering some or all of its 3,000 charger vision; and the City of Cincinnati recently released a tender as it explores alternate financial models to deliver EV charging across the city.

This wave of activity is one of the most energetic (pardon the pun) of all sectors following the passing of IIJA, and it is not one to be missed by the industry.

Earlier this year, Build America Bureau executive director Morteza Farajian praised the P3 model, saying that new industries and new areas such as EV charging are "perfect for this model because they provide the flexibility to the private sector to bring that innovation and capacity.

"Let's look at what has happened in the past and let's learn from it. Let's think about how we can unlock value from this powerful tool that exists," he added.