Charging and Fueling Infrastructure (CFI) Competitive Grant Program Questions & Answers

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Note: Except for the statutes and regulations cited, the contents of this document do not have the force and effect of law and are not meant to bind applicants in any way. This document is intended only to provide information regarding existing requirements under the law or agency policies.

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Eligibility Questions

Question 1.1: Who are the eligible entities that can apply for the CFI Grant Program? *Answer:*

Please see NOFO Section C.1 entitled Eligible Applicants. Because ownership structures of potential applicants vary significantly across the country, an entity must evaluate the list of eligible applicants and demonstrate they are eligible for award.

The ultimate determining factor regarding eligibility under the CFI Community and Corridor program is whether the entity is owned by a State, a political subdivision of a State, a metropolitan planning organization (MPO), or a local government as per 23 U.S.C. 151(f)(3)(G). For community grants only, the entity would also be eligible if it is a State or local authority with ownership of publicly accessible transportation facilities as per 23 U.S.C. 151(f)(8)(C)(ii). In this case, it is the responsibility of the applicant to demonstrate that entity ownership makes them eligible. If awards are made using NEVI 10 funds, then eligible applicants will be limited to State and local governments, per statute. *See* paragraph (2) under the Highway Infrastructure Program heading in title VIII of division J of BIL.

The application must be submitted by one lead applicant that meets the eligibility criteria contained in the NOFO Section C.1. If a group (two or more) of eligible entities above submits a joint application, the group must identify a lead applicant to serve as prime awardee in the event an award is made.

Question 1.2: Do the National Electric Vehicle Infrastructure Standards and Requirements (23 CFR Part 680) apply to CFI Grant project(s)? *Answer:*

Yes. The National Electric Vehicle Infrastructure Standards and Requirements (23 CFR Part 680) apply to Community and Corridor CFI recipients that include electric vehicle (EV) infrastructure projects. They do not apply to awards for other eligible alternative fuel infrastructure projects. See 23 CFR 680.102 *Applicability* for more information.

Question 1.3: Can an applicant request funding for utility work related to installing EV charging infrastructure?

Answer:

Yes. Costs to acquire and install on-site electric service equipment (e.g., power meter, transformer, switch gear) are eligible.

Costs for minor grid upgrades are also eligible, provided the work is necessitated solely by the construction or upgrading of the EV charging station and participation in the upgrade does not exceed the allocable cost of the minimum upgrades needed to match the planned power requirements of the EV charging station. A minor grid upgrade is defined as the work necessary to connect an EV charging station to the electric grid distribution network; for example, extending power lines or upgrading existing power lines several miles.

However, major grid upgrades, such as longer line extensions or upgrades, improvements to offsite power generation, bulk power transmission, or substations are ineligible.

Question 1.4: Are medium-/heavy-duty charging depots or similar commercial truck related facilities eligible?

Answer:

Yes. They must be "publicly accessible," as discussed in the NOFO.

Question 1.5: Are charging and alternative fueling stations that serve fleet vehicles eligible?

Answer:

Charging and alternative fueling stations may serve fleet vehicles but must be publicly accessible to all users. Per the footnote on page 2 of the NOFO, publicly accessible means the equipment is available to the public without restriction. A station that is not maintained or restricts access only to customers, tenants, employees, or other consumers is not publicly accessible. Publicly accessible locations may include public parking facilities, parking at public buildings, public transportation stations, Park-and-Rides, public schools, public parks, private parking facilities available for public use, and visitor centers and other public locations on Federal Lands. In addition, EV infrastructure projects funded under CFI must comply with the "availability" requirements under 23 CFR 680.106(e). See question 5.1 for more information on availability requirements.

Question 1.6: Can a Charging Station Operator lease Electric Vehicle Supply Equipment using CFI Program funding? *Answer:*

Yes, charging equipment lease fees are eligible costs under the CFI Program.

Question 1.7: If an applicant wants to include micromobility as part of a CFI project, what aspects of the project can be funded by CFI? *Answer:*

Facilities that are exclusively dedicated to micromobility devices are not eligible for a CFI grant. As per 23 CFR § 680.104, an Electric Vehicle (EV) is defined as a "motor vehicle that is either partially or fully powered on electric power received from an external power source. For the purposes of this regulation, this definition does not include golf carts, electric bicycles, or other micromobility devices." Based on this definition, hardware and charging facilities exclusively dedicated to micromobility devices would not be considered an "EV Charger" and therefore would not be eligible for a CFI grant.

However, expenses that serve the primary purpose of addressing EV charging needs for the CFI project may also serve secondary purposes that support micromobility charging, and may still be eligible under CFI. Examples may include, but are not limited to, trenching, permitting, adequate power distribution, and other capital costs that directly relate to EV charging. Expenses that are otherwise associated with an EV charging project are not made ineligible because those expenses also support micromobility. Question 1.8: Is in-kind match eligible under the non-Federal cost-share requirements? *Answer:*

Yes. 2 CFR 200.306(b) specifies that third-party in-kind contributions must be accepted if the contributions meet the following criteria: (1) are verifiable from the non-Federal entity's records; (2) are not included as contributions for any other Federal award; (3) are necessary and reasonable for the project; (4) are allowable under subpart E of 2 CFR 200.306; (5) are not paid by the Federal Government under another Federal award, unless the statute provides otherwise; (6) are provided for in the approved budget when required by the Federal awarding agency; and (7) conform generally to 2 CFR 200.306.

Application and Submission

Question 2.1: What level of detail is required for the location of each charging or fueling station in the application? Is it sufficient to provide a general geographic location (e.g., a census tract), or do applicants need to include additional information such as site design?

Answer:

Applicants should provide as much information as possible for the location of the project site(s) and the number of EV charging ports or alternative fueling dispensers, keeping in mind awards will be limited to the projects and locations as described in the applications. If there is some uncertainty regarding the location or number of EV charging ports or alternative fueling dispensers, this should be described in detail in the application and the potential sites and the number of EV charging ports or alternative fueling dispensers of EV charging ports or alternative fueling dispensers, this should be described in detail in the application and the potential sites and the number of EV charging ports or alternative fueling dispensers discussed.

The NOFO describes multiple types of information related to the project location that should be included in a complete application, including a detailed geographical description of the proposed project, a map of the project's location and connections to existing transportation infrastructure, and geospatial data describing the project location(s) (e.g., ESRI shapefiles, latitude and longitude coordinates, intersections, specific addressees, etc.).

Question 2.2: What is the Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET) tool and is it required as part of my application to the CFI Grant Program? Answer:

Argonne National Laboratory created a customized version of the AFLEET tool specifically for applicants to the CFI Grant Program. The AFLEET CFI Emissions Tool estimates well-to-wheel greenhouse gas emissions, vehicle operation air pollutant emissions (CO, NOx, PM10, PM2.5, VOC, SOx) and Fuel Dispensed.

The use of the ALFEET tool is required for the CFI Corridor Program as listed under the Corridor Program heading in section D.2.i of the NOFO. Applicants to the CFI Community Program must demonstrate and

explain how their project will significantly reduce greenhouse gas emissions and may choose to use the AFLEET CFI tool.

Applicants can download the spreadsheet from the <u>AFLEET CFI website</u>. Instructions in the spreadsheet explain where to enter a few key pieces of information (location of project, number of charging or fueling stations, etc.) about the project. Then the spreadsheet will calculate the emissions reductions in a table format that can be copied and pasted directly into grant applications.

Please contact Argonne National Labs if you need assistance at: afleet@anl.gov.

Contracting and Subgrants

Question 3.1: Is a CFI Grant recipient required to contract with a private entity to implement a CFI Grant project? *Answer:*

The requirements differ between the CFI Community and Corridor Program.

The CFI Corridor Program requires, as per 23 U.S.C. § 151(f)(6)(A), that CFI Grant recipients contract with a private entity(ies) for the acquisition, construction, and installation of publicly accessible charging or fueling infrastructure. Corridor Program recipients may, but are not required to, contract with a private entity for operations and maintenance as per 23 U.S.C. § 151(f)(6)(C).

The CFI Community Program states at 23 U.S.C. § 151(f)(8)(H) that CFI Grant recipients may, but are not required to, contract with a private entity (or private entities) for the acquisition, construction, installation, maintenance or operation. For other allowable costs, including other project services, the CFI Grant recipient has the discretion to determine their contracting needs to complete the project in compliance with 2 CFR part 200. Under the CFI Program, a "private entity" means a corporation, partnership, company, or nonprofit organization as per 23 U.S.C. § 151(f)(1).

Note: Contracting with a private entity may entail one contract with one private entity, or multiple separate contracts with different private entities, to provide the acquisition, construction, installation, maintenance, or operation of publicly accessible charging or fueling infrastructure. The decision to issue one or multiple contracts is up to the CFI Grant recipient.

Question 3.2: Is a competitive procurement process required for contracts with private entities for acquisition, construction, installation, maintenance, and/or operation of charging or fueling infrastructure? *Answer:*

Yes. The CFI grants are subject to the Procurement Standards included in 2 CFR 200.317 through 200.327 and 2 CFR 1201.317. All contracts under this program with private entities for the acquisition, construction, installation, maintenance, and/or operation of publicly accessible charging or fueling infrastructure must be conducted in a manner providing full and open competition consistent with the standards of 2 CFR 200.319 and 200.320, and (for State DOTs) 23 CFR 635 and 23 CFR 636. The 2 CFR

200 Procurement Standards apply to contractor awards but not to sub-recipient awards. If the relationship reflects a sub-recipient relationship under 2 CFR 200.331, then the requirements for pass-through entities in 2 CFR 200.332 apply.

Question 3.3: The NOFO says, "Eligible entities are required to contract with a private entity under the Corridor Program and are permitted to contract with a private entity under the Community Program." Can the applicant give the 20 percent match to the private entity or pay it on their behalf? *Answer:*

The NOFO says, "... the statute requires that the private entity shall contractually agree to pay the non-Federal share of the project cost carried out with CFI Program funds that is not paid by the Federal Government. Accordingly, the recipient must demonstrate it has taken best efforts to require the private entity to contractually pay for the non-Federal share." However, a recipient may be able to demonstrate that, despite its best efforts, a contract is unable to be executed with the private entity to pay the non-Federal share. Under this circumstance, the FHWA will not consider the recipient to be in violation of the grant agreement. However, the CFI Grant Recipient remains ultimately responsible for ensuring the non-Federal cost share is met for the project.

Question 3.4: Can a CFI Grant recipient use a contractor that was selected before submitting a CFI application or receiving CFI grant funds for their project? *Answer:*

Yes. The competitive procurement process for the acquisition, construction, installation, maintenance, and/or operation of charging or fueling infrastructure may occur before or after submittal of the CFI Grant application.

Before Submitting Grant Application: If an applicant conducted a competitive procurement prior to submittal of a CFI Grant application, the applicant should name the private entity contractor(s) in the application and demonstrate the contractor(s) were selected in a manner that provided full and open competition consistent with the standards of 2 CFR 200.319 and 200.320, and (for State DOTs) 23 CFR 635 and 23 CFR 636.

After Submitting Grant Application: If an applicant proposes to conduct a competitive procurement after submittal of a CFI Grant application, the applicant should describe their planned procurement in the application and confirm the contractor(s) will be selected in a manner that will provide full and open competition consistent with the standards of 2 CFR 200.319 and 200.320, and (for State DOTs) 23 CFR 635 and 23 CFR 636.

Pre-CFI Program Grant award costs (costs incurred prior to execution of a grant agreement or authorization in Financial Management Information System) will not be reimbursed. The existence of any such contract does not obligate the FHWA to select an application for an award – the applicant bears all the risk and obligations under any such contract, including the risk of compliance with applicable Federal procurement requirements.

Question 3.5: How can an applicant satisfy the additional considerations as listed in Section E.1.vi. of the NOFO for the Corridor Program regarding the contracted private entity's financial statements and experience in installing and operating charging or fueling infrastructure in the grant application? *Answer:*

Applicants who name their proposed private entity in the application, based on a previously conducted competitive procurement, may submit the relevant information regarding the named private entity in the application as an attachment using the Attachments Form in Grants.gov.

Applicants who plan to select their private entity using a competitive procurement process after being selected to receive a CFI grant award may submit a description of the applicant's plan to obtain the relevant information after award.

Question 3.6: A private business reached out to an eligible applicant to serve as a site host for a CFI Grant project. Are costs associated with the site host reimbursable under the CFI Grant Program? *Answer:*

Yes. Site rental or lease costs are allowable per 2 CFR 200.465, Rental Costs of Real Property and Equipment. Per paragraph (a) of the section, "rental costs are allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased." For additional information, please refer to question 5.1 on the length of time that the charging or alternative fuel stations need to remain publicly available after installation.

Question 3.7: Would the applicant be allowed to partner with a site host without competitively bidding for site selection in the area? *Answer:*

Yes. The project site may be selected without competition and named in the application as a site host only. Independent rental or lease agreements for project site are not considered to be a procurement transaction that requires full and open competition under 2 CFR 200.319 and 200.320.

If a site host will also participate in performing construction, installation, operations and/or maintenance, the competitive procurement requirements do apply and, as such, the site host cannot be selected without competition. All contracts under this program with private entities for the acquisition, construction, installation, maintenance, and/or operation of publicly accessible charging or fueling infrastructure must be conducted in a manner providing full and open competition consistent with the standards of 2 CFR 200.319 and 200.320, and (for State DOTs) 23 CFR 635 and 23 CFR 636.

In addition, the CFI Grant recipient must have appropriate real property interests for the project compliant with 23 CFR 1.23 and Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

Question 3.8: Can eligible applicants (e.g., a State, county government, local government, etc.) apply for funds with the intention of subawarding funds based on a subsequent Notice of Funding Opportunity? *Answer:*

Yes. Under 2 CFR 200.331, CFI Grant recipients may perform some or all the award through a subaward.

Question 3.9: Can eligible applicants propose to subaward funds to another entity as a subrecipient? *Answer:*

Yes. If the relationship reflects a subrecipient relationship under 2 CFR 200.331, then the requirements for pass-through entities in 2 CFR 200.332 apply.

Question 3.10: What is the difference between subrecipient and a contractor as defined in 2 CFR 200.1 and discussed in 2 CFR 200.331? *Answer:*

Subrecipient means an entity, usually but not limited to non-Federal entities, that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency. Ultimately, the direct recipient is responsible for ensuring Federal requirements outlined in the award are followed however, the rights and the obligations stated in the prime grant terms and conditions generally flow down to a subrecipient as per 2 CFR 200.332. The subrecipient is responsible for programmatic decision making, is responsible for ensuring Federal requirements outlined in the subaward are followed, and uses the Federal funds to carry out a program of the organization as opposed to providing goods or services to the prime grantee. The 2 CFR 200 Procurement Standards apply to contractor awards but not to subrecipient awards.

Contractor means an entity that receives a contract. Contract means a legal instrument by which a recipient or subrecipient purchases property or services needed to carry out the project or program under a Federal award. A contract is for the purpose of obtaining goods and services for the recipient's or subrecipient's own use and creates a procurement relationship with the contractor. Characteristics indicative of a procurement relationship between the recipient/subrecipient and a contractor are when the entity receiving the Federal funds: 1. Provides the goods and services within normal business operations. 2. Provides similar goods or services to many different purchasers. 3. Normally operates in a competitive environment. 4. Provides goods or services that are ancillary to the operation of the Federal program. 5. Is not subject to compliance requirements of the Federal program as a result of the agreement.

Typically, a contractor may be an expert advisor or service provider who is paid a fee for services or product rendered and delivered to the recipient/subrecipient. The 2 CFR 200 Procurement Standards apply to contractor awards but not to subrecipient awards.

Operations and Maintenance

Question 4.1: Would an eligible applicant have to own and/or operate charging or fueling station(s) funded through the CFI Community and the CFI Corridor Grant Programs? *Answer:*

No. The NOFO does not require the CFI Grant recipient to own or operate the charging or fueling stations.

Question 4.2: How long will the charging or alternative fuel stations need to remain publicly available after installation? What happens if there is a change in property ownership and the new owners want to make the property private? *Answer:*

For EV charging infrastructure, 23 CFR 680 requirements apply to Community and Corridor CFI projects. 23 CFR § 680.106(i) provides that States or other direct recipients must ensure that chargers are maintained in compliance with 23 CFR 680 for a period of not less than 5 years from the initial date of operation. Grantees must ensure that this provision is met even if there are changes in ownership of the EV charging stations. At the end of the required long-term stewardship period, the requirements under 23 CFR 680 will have been met and there is no Federal interest in the equipment. At that time, the equipment may be retained, sold, or otherwise disposed of with no further responsibility to the Federal awarding agency.

For other alternative fuel stations, grantees should specify the minimum period of operation.

Fees and Access

Question 5.1: Are there requirements for days/hours that charging or fueling stations must be open to the public? *Answer:*

For EV charging stations, 23 CFR 680.106(e) addresses availability requirements. EV charging stations located along and designed to serve users of designated AFCs must be available 24 hours per day, 7 days per week. This includes stations funded through the CFI Corridor Grant Program. EV charging stations in other locations must be available at least as frequently as the business operating hours of the site host. This includes stations funded through the CFI Community Grant Program.

For other alternative fuel stations, there are no availability requirements. Grantees should specify the minimum hours of operation.

Question 5.2: Can a fee be charged to customers for charging or fueling at project sites funded under the CFI Grant Program? *Answer:*

In general, yes. A fee can be charged to users for a charging session or for refueling.

However, locations located within the right-of-way of the Interstate System cannot charge a fee for commercial activities unless they meet the exception under 23 U.S.C. 111 (a) or Federal funds have never been used on that highway.

For EV charging infrastructure, 23 CFR 680 requirements apply to community and corridor CFI projects. See 23 CFR 680.106(m) "Use of Program Income" and 23 CFR 680.116(a) "Communication of Price".

Question 5.3: Are fees to gain access to a charging or fueling station in a parking garage or a parking lot allowed?

Answer:

Yes. Under the CFI Round 2 NOFO, grant recipients may place charging and fueling infrastructure in parking garages, on-street parking locations, and other parking facilities that charge a parking fee. Grant recipients must ensure that all electric vehicle charging infrastructure funded as part of their grant includes any parking fee in their price structure and complies with 23 CFR 680 requirements related to communicating this information to customers.

• 23 CFR 680.116(a)(3) requires: "Price structure including any other fees in addition to the price for electricity to charge must be clearly displayed and explained."

• 23 CFR 680.116(c)(9) requires: "States or other direct recipients must ensure that the following data fields are made available, free of charge, to third-party software developers, via application programming interface: Pricing and payment information: (i) Pricing structure; (ii) Real-time price to charge at each charging port, in terms defined by Open Charge Point Interface 2.2.1; and (iii) Payment methods accepted at charging station."

Question 5.4: Are reservation systems to reserve a charging or fueling space allowed? *Answer:*

Yes. A reservation system is allowed so long as the reservation system is open and available for the general public to use.

Question 5.5: Can providers charge different rates for EV charging based on membership status?

Answer:

This is allowable provided all requirements under 23 CFR 680 are met, including that the membership not be required for use (23 CFR 680.106(f)(2)), nor that a membership provide a faster or more efficient power flow to vehicles (23 CFR 680.106(f)(3)).

Program Income

Question 6.1: Does program income include the revenue a private company partner earns from charging session fees?

Answer:

Yes. Revenue generated during the term of the grant period of performance that results from the grantfunded activities is considered program income. Revenue a private company partner earns from charging session fees is considered program income.

With respect to program income, CFI grants are subject to the requirements of the NEVI Standards at 23 CFR 680.106(m), Use of Program Income.

Question 6.2: Does "Program Income" have to be used for the purposes of the project itself per 2 CFR 200? Is the method Additive or Deduction as described in 2 CFR 200? *Answer:*

2 CFR 200.307(e) states that the deduction method should be followed only if the Federal agency does not specify how program income is to be used. FHWA has specific requirements in the NEVI Standards at 23 CFR 680.106(m) that address Use of Program Income, and these requirements must be followed on EV charging infrastructure project CFI grants in lieu of 2 CFR 200.307.

Question 6.3: In a CFI project, a site host will supply electricity to the Electric Vehicle Supply Equipment (EVSE), the utility bill would be in their name, and they will collect revenue to offset operating costs. Does this revenue count as Program Income? If Yes, which method in 2 CFR 200.307 is applicable, Additive or Deduction? *Answer:*

Yes, the revenue collected by the site host is considered program income. 2 CFR 200.307(e) states that the deduction method should be followed only if the Federal agency does not specify how program income is to be used. FHWA has specific applicable requirements in the NEVI Standards at 23 CFR 680.106(m), that address Use of Program Income, and these requirements must be followed on CFI grants in lieu of 2 CFR 200.307.

Question 6.4: How does the "reasonable rate of return" allowability get applied? *Answer:*

Paragraph (2) item ii states that a "reasonable rate of return" is an allowed use of CFI program income per the National Electric Vehicle Infrastructure Standards and Requirements at 23 CFR 680.106(m). A rate of return is compensation to the private entity generating the program income. How a reasonable rate of return is determined and applied to a CFI grant is up to the prime recipient's discretion and should represent an agreement between the recipient and the subrecipient/subcontractor.

Question 6.5: The use of income derived from the operation of the EV charging facility may be used for a reasonable return on investment for private entities. In this case, does the recipient have to track such revenue or categorize it as program income? *Answer:*

Paragraph (2) item ii states that a "reasonable rate of return" is an allowed use of CFI program income per the National Electric Vehicle Infrastructure Standards and Requirements at 23 CFR 680.106(m). A rate of return is compensation to the private entity generating the program income. How a reasonable rate of return is determined and applied to a CFI grant is up to the prime recipient's discretion and should represent an agreement between the recipient and the subrecipient/subcontractor. CFI Recipients are responsible for ensuring compliance with the National Electric Vehicle Infrastructure Standards and Requirements and the allowable uses of the program income but are not required to report to FHWA on the program income.