

January 2023 Newsletter



PennDOT Announces Funding Opportunity for Electric Vehicle Infrastructure Grants

PennDOT will accept applications for Round 1 of the **National Electric Vehicle Infrastructure (NEVI) Grant Program** from February 24, 2023 until April 6, 2023 at 5:00 PM EST.

PennDOT will receive and distribute more than \$171.5 million over five years from the Bipartisan Infrastructure Law (BIL) to Pennsylvania businesses and organizations. For Round 1 of the funding, PennDOT has advanced appropriations of \$25.4 million for 2022 and \$36.5 million for 2023.



The focus of this round of funding is building out the Alternative Fuel Corridors (AFC) network along the interstates. Some of the funding may be used for labor and workforce training, planning, outreach, and program management, as outlined by NEVI guidelines. Pennsylvania's NEVI program is a reimbursement grant program and applicants are required to provide a minimum 20 percent match. For all information on the grant program including eligibility, scoring criteria, submission process, and instructions, [visit the Notice of Funding Opportunity \(NOFO\) information here](#).

USPS Plans to Acquire 66,000 Electric Vehicles by 2028

The United States Postal Service (USPS) expects to **acquire at least 66,000 battery electric vehicles** as part of its 106,000-vehicle acquisition plan for deliveries between now and 2028. The \$9.6 billion investment will include \$3 billion from Inflation Reduction Act funds. USPS anticipates increasing the quantity of purpose-built Next Generation Delivery Vehicles (NGDV) to a minimum of 60,000, of which at least 45,000 will be battery electric by 2028. NGDV acquisitions delivered in 2026 and thereafter are expected to be 100 percent electric. As part of this plan, a total of 21,000 additional commercial off-the-shelf (COTS) vehicles are also expected to be battery electric, depending on market availability and operational feasibility. The new NGDVs are expected to start servicing postal routes in late 2023.

[See the September 2022 issue](#) of the PennDOT Pathways newsletter to read about recent commitments from Amazon, UPS, and FedEx to transition to either hybrid or electric fleets for reduced emissions, lowered costs, and increased efficiency.



Bipartisan Infrastructure Law (BIL) Update

New Guide for Bipartisan Infrastructure Law Grant Applications and Grant Alerts Available on PennDOT's IJJA/BIL Webpage.

PennDOT has added a Bipartisan Infrastructure Law guide for grant applications to the website dedicated to the **Infrastructure Investment and Jobs Act (IJJA)**, also referred to as the BIL, and specifically the federal discretionary programs. Also included on the site are Grant Alerts that provide background on these opportunities including eligibility, application deadlines, and federal and USDOT resources, and guides to assist in applying for the specific programs.

The site also contains news and information on the **2023 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program**, which is open until February 28, 2023. This year's RAISE funding opportunity has been increased to \$2.3 billion available to award nationwide. Information on this, and other opportunities, can be found at the **Infrastructure Investment and Jobs Act** website. Please take a moment to examine this program to determine if it is an opportunity that would benefit your community. Also, return to **PennDOT's IJJA/BIL page** often, as additional information on federal opportunities will be added as they become available.

Media Round-Up

Like Pennsylvania, states around the country are exploring potential alternative transportation funding solutions, such as **mileage-based user fees** and **managed lanes**. Read how Oregon is working to implement a road usage fee and how Florida and Virginia are successfully expanding express lane networks:

Oregon:

- Oregon Department of Transportation (ODOT) Looks to Replace Gas Tax with Road User Fee: [Here's how ODOT plans to replace the gas tax for electric cars | kgw.com](#)
- In Oregon, road maintenance is funded in large part by a gas tax. West coast states plan to ban the sale of new gas vehicles by 2035, so to explore new funding methods, ODOT created a program **called OReGO**, where drivers volunteer to pay a fee for every mile they drive on public roads.

Florida:

- Use of Orlando Express Lanes Grows Since February Opening: [I-4 express lanes have reduced general use drivers' travel times, transportation officials say \(wesh.com\)](#)
- The Florida Department of Transportation (FDOT) has evaluated **I-4 Express** usage data collected since the lanes opened in late February 2022 and found that about 28,000 vehicles per day are using them, adding about 50 new user vehicles per week, according to WESH 2 News.
- FDOT says data shows travel times improving even for those not using the toll lanes, with a 25 percent reduction in travel times for vehicles traveling in the general use lanes.

Virginia:

- Virginia Department of Transportation to Add More Express Lanes: [Here is Virginia's plan to grow its network of express lanes in 2023 \(msn.com\)](#)
- After adding 22.5 miles of express lanes in Northern Virginia in 2022 and ending the year with a network of more than 80 miles of dynamic tolling, the **Virginia Department of Transportation** plans to open another 10 miles of high-occupancy toll lanes in 2023.

Managed Lanes: Exploring Transportation Funding Alternatives

The funding gap between available revenue and Pennsylvania's aging transportation system **widens every year**. Lower revenue from the gas tax significantly contributes to this challenge, driven in large part by improved vehicle fuel efficiency and increased popularity, as well as the use of hybrid and electric vehicles. Such declines are expected to continue and worsen over time.

Because Pennsylvania relies on the gas tax for approximately 75 percent of the funding for highway and bridge programs, we could be faced with deferring projects that will improve the system to fund essential maintenance.

Through PennDOT Pathways, we are analyzing new sources of funding for our transportation system that could better serve our communities. **One alternative we're exploring is managed lanes**. A managed lane is added to or converted within an existing highway. Traffic is regulated by charging a toll to use the new lane and/or by encouraging carpooling or transit use. A managed lane can take the form of either an express lane, where all users are charged a toll for use, or a high-occupancy toll lane, which allows vehicles with several passengers free use while single-occupancy vehicles are charged a toll.

Our **research shows that managed lanes work best in corridors with recurring peak-period congestion**. In studying managed lane candidates, PennDOT is considering factors such as the connectivity of the network, congestion levels, travel time, potential for increasing capacity, traffic growth, and physical and geometric conditions of the roadway.

Creating managed lanes as a funding source, particularly for the facility itself, is a near-term solution because enacting legislation permits charging user fees, or tolling, to implement price-managed lanes through a Public-Private Partnership (P3) with Pennsylvania P3 Board Approval. As an alternative to the P3 procurement approach, supplemental state legislation could also provide PennDOT the authority to implement managed lanes.

For more information about PennDOT Pathways, visit our website at pennidot.pa.gov/funding.

Want to share information on your social or digital platforms?

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