IIJA: Transportation Electrification and Decarbonization Journey

Insights into how the Infrastructure Investment & Jobs Act is a key milestone that can help states, cities, and our communities realize a decarbonized future.

Overall budget

Largest ever set aside money for decarbonization and Trasportation Electrification.

>$15 Billion

Changes

Both formula and competitive grants will change drastically to support the future of zero emissions vehicles.

Access

Many grants will increase in funding, but could have new requirements to apply.

Reading Between the Lines

The IIJA creates opportunities to support projects that advance transportation decarbonization.

What it means

The IIJA makes electric vehicle charging eligible for funding through existing Surface Transportation Block Grant Program (STBGP) and allows for the purchase of medium- or heavy-duty zero emission vehicles and related charging equipment in the Congestion Mitigation and Air Quality Improvement Program.

Insights

The IIJA puts the focus on transportation system resilience and sustainability. While projects and programs are outlined throughout the bill to push emerging zero emissions technology, many of the dollars funded will look to improve resilience and sustainability and encourage projects to make this a measure of success.

Ready to deliver

Funding can be complicated, and our team provides an understanding of how these new or revised grants work for many of our clients. Whether a formula grant that can be improved with deployment of EV infrastructure or a competitive grant that leverages the technology to improve resilience, we can help incorporate sustainability and resilience in every project.

Transit bus decarbonization

$5.25B

Electric ferries

$250M

School bus decarbonization

$5B

National charging & alt. fueling network

$7.5B

Truck decarbonization

$400M

A closer look

The IIJA increases funding to many existing programs and creates new funding opportunities. We can help our clients understand what this means, and how to best leverage these funds to advance their transportation decarbonization efforts.

	What it means	Insights	Ready to deliver
 **Transit bus decarbonization** $5.25B	Funding for decarbonizing transit buses has gone through the FTA Low-No program over the past five years and supported transit agencies with over $100M/year to pilot low or zero emission bus technology. The IIJA increases this funding tenfold with over $1B/year now available, focused on expanding the technology's adoption and impact.	The increase in funding means a shift in focus from pilot projects to fleet conversion. FTA will require agencies to create fleet transition plans to access this additional funding, so efforts should focus on the long-term vision rather than technology testing.	AECOM has worked with transit agencies across the U.S. on fleet conversion studies and plans—from determining feasibility of routes that can be converted with available technology, through planning the economic impact and roadmap for a full fleet conversion.
 **School bus decarbonization** $5B	The IIJA sets aside $5B to convert school buses to cleaner technology, including zero emissions buses such as battery electric. This funding will come in the form of rebates and competitive grants that will be accessible over the next five years.	This represents new funding and provides an opportunity to convert school buses to zero emissions, which run throughout our neighborhoods and have direct impact on communities. While the technology is still early, this IIJA funding will greatly accelerate how communities can pilot, test, and deploy these new vehicles.	AECOM has worked with public agencies to pilot and test emerging zero emissions and clean vehicle technologies. We can help identify how this funding can be used to develop a pilot program for a school bus fleet and determine what future opportunities could be available for fleet owners, including emerging vehicle to grid integration.
 **Truck decarbonization** $400M	$80M/year over the next five years has been allocated to find solutions for reducing truck emissions at ports specific to truck idling. This effort could have a drastic impact to help emissions reduction at ports.	Trucks today account for over 28% of the emissions from on-road vehicles and have a huge impact on local air quality, particularly at ports where trucks can spend a significant amount of time idling while waiting for cargo. This funding opens opportunities to advance zero emissions truck technology that will impact not only idling pollution, but also on-road truck emissions.	AECOM has worked with ports across the U.S. to reduce the environmental impact at their facilities, including studying and deploying technologies for zero emissions trucks. Our team can identify technologies, develop deployment strategies and integrate solutions for truck decarbonization that will align with larger environmental goals for the ports.

A closer look (continued)

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	What it means	Insights	Ready to deliver
 **Electric ferries** $250M	The IIJA also targets ferry vehicles' impact on emissions by making $50M/year over five years available to carry out pilots for these emerging vehicles.	While electric ferries have been deployed in areas like Tampa, Florida, the technology is still early, and more data is needed to understand how they can be optimally deployed.	The infrastructure complexity is more robust as energy requirements are more expansive than on-road vehicles. Our team has led several shore-power projects, from container terminal electrification to cold-ironing deployment that we can leverage to develop energy infrastructure strategies as part of electric ferry pilot projects and their long-term deployment.
 **National charging & alt. fueling network** $7.5B	Funding will flow through a new DOT grant program to be established within the first year of the law. Half of the funding will provide infrastructure along national alternative fuel corridors while the other half will be allocated for community grants located in rural, low- or moderate-income neighborhoods, and communities with limited parking.	This funding provides more options for both long-distance trips as well as in communities where EV charging infrastructure may otherwise be less accessible. The community grants will put EV charging infrastructure in areas where adoption could be quickly supported with public charging. Funding will be abundant with the cap set at $15M per project.	This network is anticipated to take public funding as well as private partnerships to operate and maintain this new infrastructure. AECOM is working with partners across the alternative fueling charging system that can be part of this national charging network solution and help accelerate EV adoption across the U.S.