

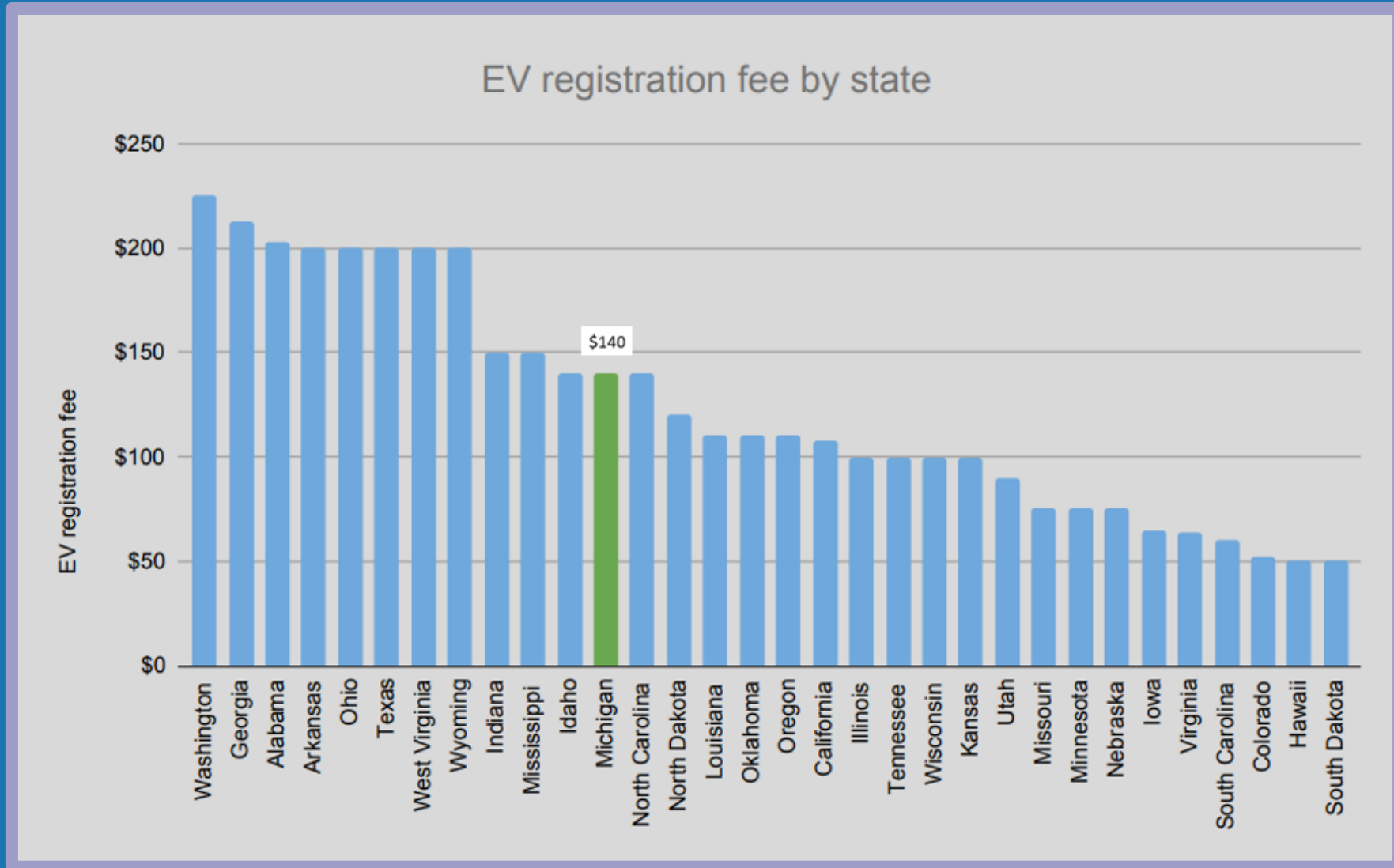


EV and RUC



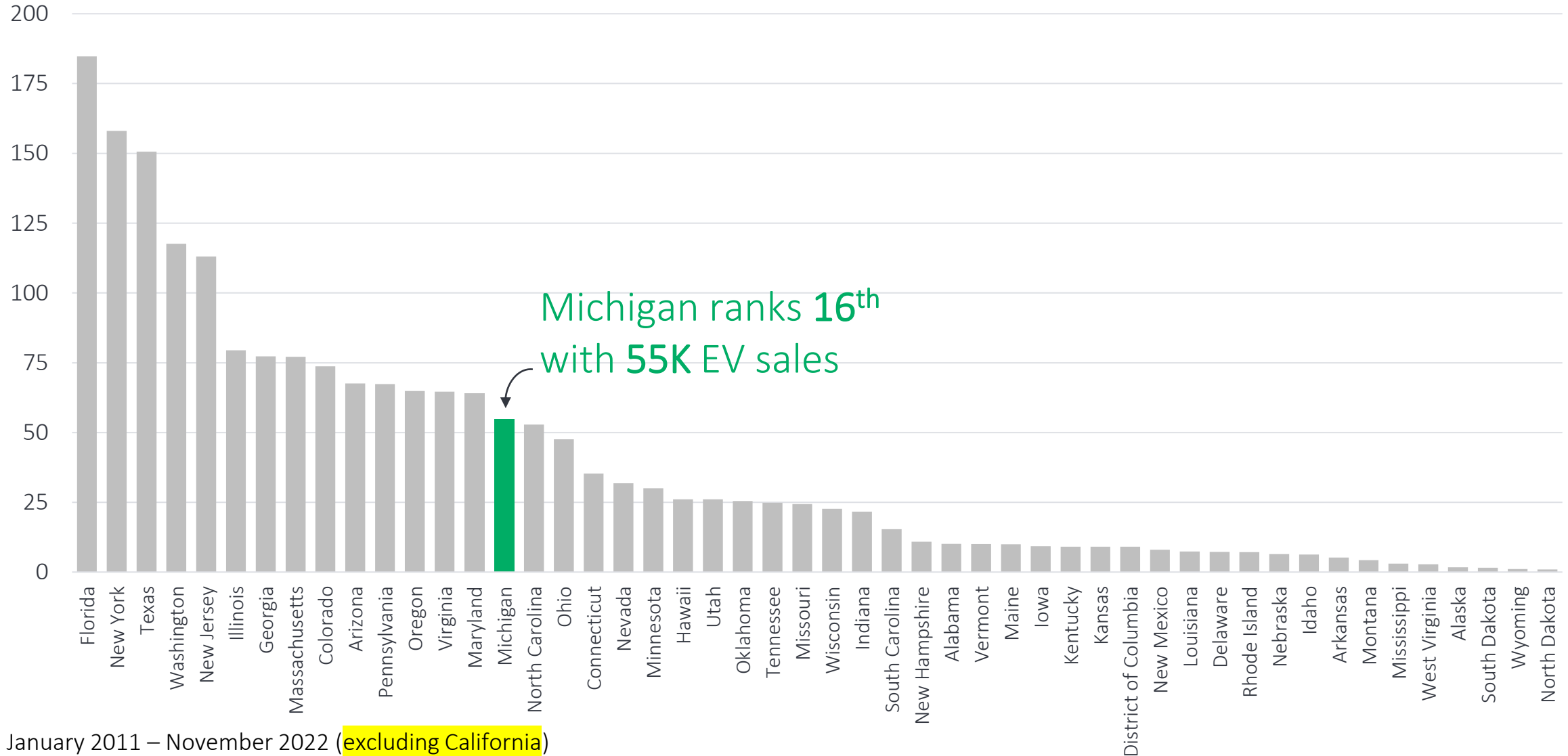
September 8, 2023

Where Michigan Stands



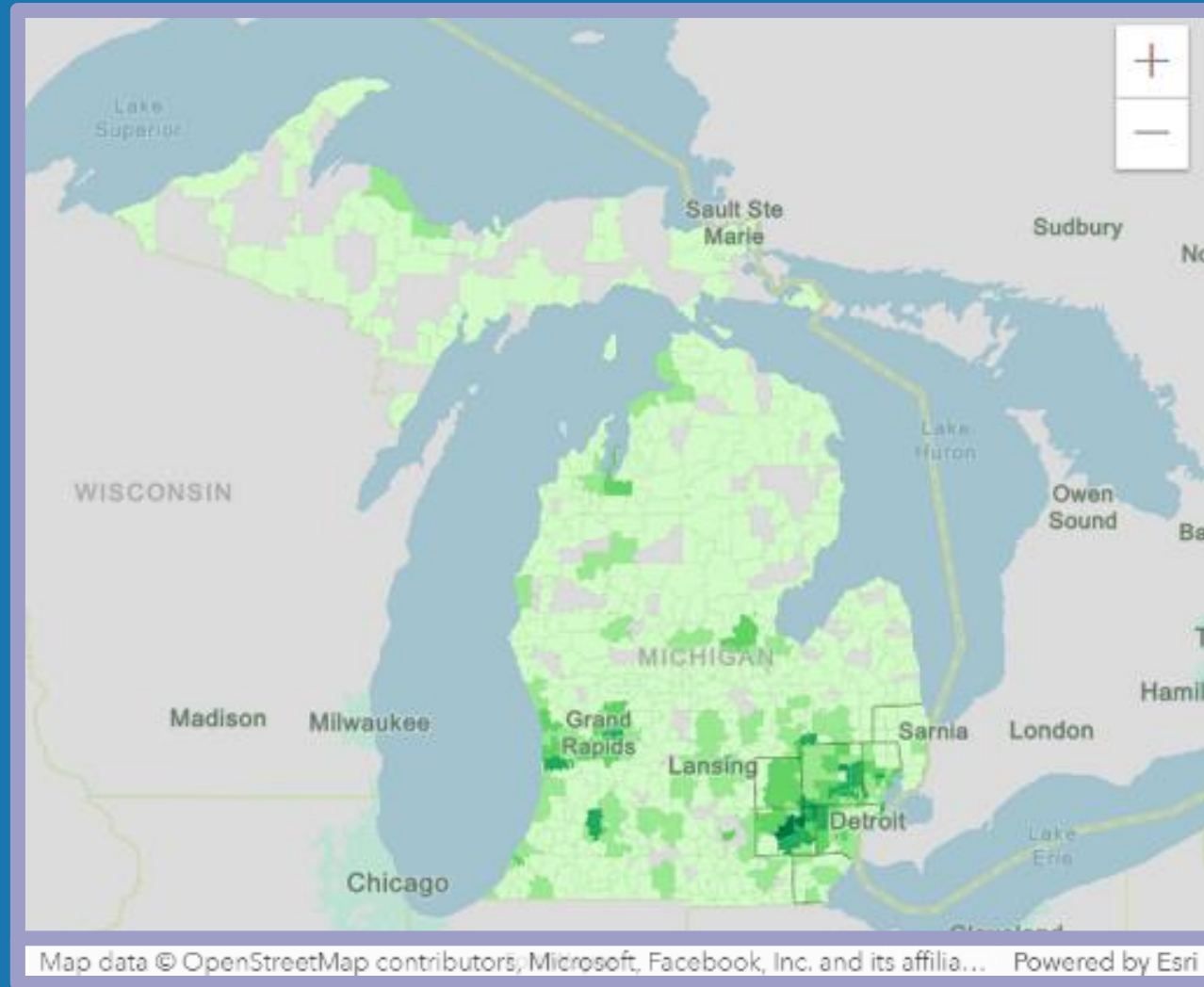
Cumulative EV Sales by State

Sales (in thousands)

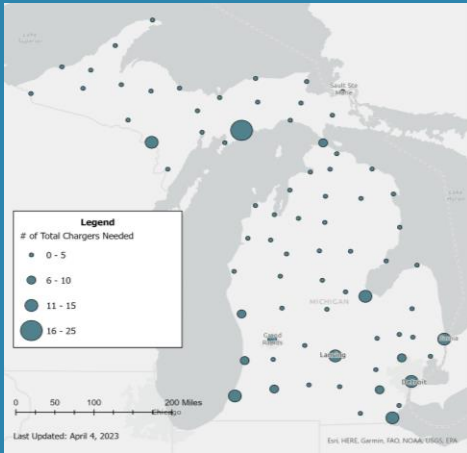


January 2011 – November 2022 (excluding California)

EV Registration Data in Michigan



History and Program Overview



Optimized EV Charger Placement Plan

Study that identifies optimal locations for EV chargers. Driven by stakeholders, this study takes an analytical approach to optimizing the placement of EV charging stations statewide with minimal investment cost and user delay.



Charge Up Michigan

Funding program that aims to build the infrastructure for fast charging stations throughout Michigan, for worry free EV travel within the state, and also to neighboring states and Canada.



Lake Michigan Circuit

Future funding program and multi-state partnership with Michigan, Wisconsin, Illinois, and Indiana to create a network of EV chargers spanning over 1,100 miles of drivable shoreline around Lake Michigan.

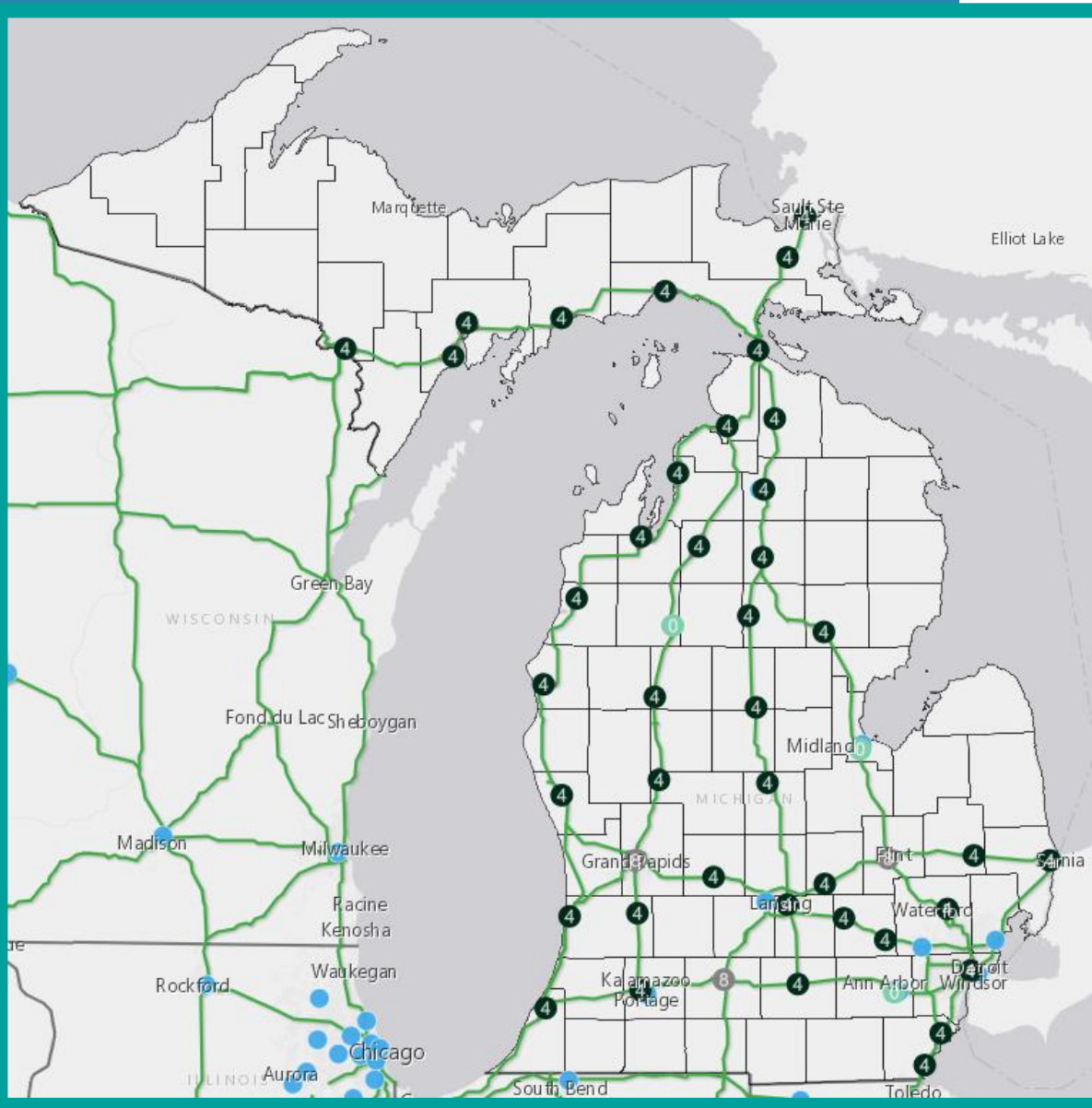


National Electric Vehicle Infrastructure

Funding program that aims to strategically deploy EV charging infrastructure and establish an interconnected network to facilitate data collection, access, and reliability.

Preferred Locations

Michigan National Electric Vehicle Infrastructure (NEVI) Planning Map



Total Number of Nodes	43
Total Number of Charging Ports	184
Other Considerations:	
<ul style="list-style-type: none">• Nodes are placed every ~50 miles along AFCs• Sites must be located within 1 mile from AFC	

<https://experience.arcgis.com/experience/1aef0b7915f846959fce433e6ccc2c3f/?views=View-22>
[National Electric Vehicle Infrastructure Formula Program \(michigan.gov\)](https://michigan.gov)

<https://experience.arcgis.com/experience/1aef0b7915f846959fce433e6ccc2c3f/?views=View-22>

EV and RUC Boilerplate

The 2023 Budget:

- MDOT to prepare a report on the revenue impact of increased numbers of electric-car registrations, and the possibility of addressing the issue with a new mileage-based user fee to replace the fuel tax.
- This report will be presented October 1st of this year, to inform legislators on the basics of alternatives to the fuel tax.

The 2024 Budget

- MDOT to apply for a MBUF pilot-study grant from the national motor vehicle per-mile user fee pilot program. This program grants money to states to study alternative fees.
- If awarded, this grant will fund a trial of mileage-based fee collection for voluntary participants in Michigan. The design of the test that will be proposed for funding is being decided, including which classes of users and vehicles will be involved.

Grant Awarded (OPT) - Perceptions and Implications of Road Use Charges

- This is a two-part research project to understand Michiganders' perceptions of road use charges (RUC) and RUC's impact on travel

Anderson Study Conclusions

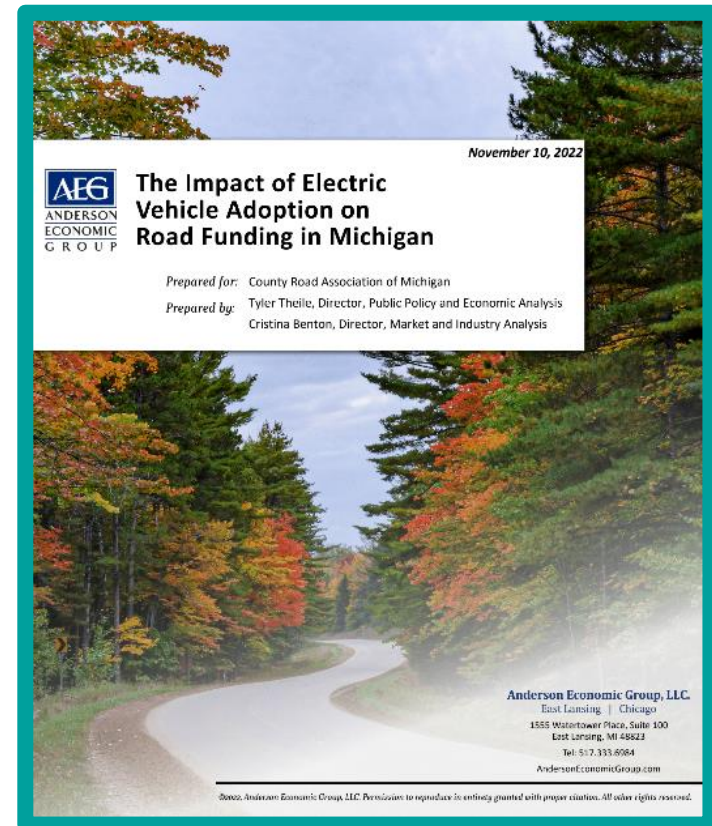
With relatively few electric vehicles on the road, Michigan has been operating with a significant deficit as compared to what would be required to fully fund good-condition road and bridge infrastructure in Michigan.

Electric vehicles represented just 1.9% of all vehicles on the road in Michigan in 2021. Consumer adoption of electric vehicles will grow dramatically in Michigan in the coming years.

From 2019 to 2021, electric vehicle adoption represented a cumulative \$50 million additional deficit in road funding in Michigan.

By the year 2030, the road funding deficit in Michigan due to electric vehicles usage will be \$390 to \$470 million, under current policies and notwithstanding all other market conditions.

The State of Michigan will need a fair and properly crafted set of policies to replace road and bridge infrastructure funding revenue that is lost to electric vehicle usage.



What Other States Are Doing



Oregon was the first state to implement a MBUF pilot program, for voluntary enrollees. It waives Oregon’s EV surtax, and now excludes gas cars getting 20 mpg or less.



Utah’s pilot program admits only electric or “alternative” automobiles. It has been suggested that it be made mandatory for such vehicles in the near future.



Virginia imposes an efficiency surtax on electric vehicles and cars getting over 25 mpg. The surtax is waived for owners who enroll in Virginia’s Mileage Choice Program.



Washington conducted a Road User Charge (RUC) pilot program for voluntary enrollees.



Hawaii created a RUC program for electric vehicles and eliminated the \$50 annual electric vehicle surcharge, if drivers wish to opt in.

What Other States Are Doing Cont.

— THE EASTERN
TRANSPORTATION
COALITION



The Eastern Transportation Coalition grew out of a plan to impose tax or fee increases along I-95 on the east coast, and has 19 member states studying alternative fee approaches.



The Road User Charge West Consortium is composed of 14 states that have banded together to build on the OReGO pilot project in Oregon.



**THANK
YOU**