

## Table of Contents

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Committee on Environment  
and Public Works

Washington, D.C.

STATEMENT OF:	PAGE:
THE HONORABLE THOMAS R. CARPER, A UNITED STATES SENATOR FROM THE STATE OF DELAWARE	3
THE HONORABLE SHELLEY MOORE CAPITO, A UNITED STATES SENATOR FROM THE STATE OF WEST VIRGINIA	11
MATT STANBERRY, MANAGING DIRECTOR OF MARKET DEVELOPMENT, HIGHLAND ELECTRIC FLEETS	16
JONATHAN LEVY, CHIEF COMMERCIAL OFFICER, EVGO SERVICES	21
DAVID BAUER, PRESIDENT AND CHIEF EXECUTIVE OFFICER, AMERICAN ROAD AND TRANSPORTATION BUILDERS ASSOCIATION	27
ALI MILLS, PRESIDENT, PLUM CONTRACTING, INCORPORATED, ASSOCIATED GENERAL CONTRACTORS OF AMERICA	32
GARY W. JOHNSON, P.E., VICE PRESIDENT, LAND & QUARRY, GRANITE CONSTRUCTION COMPANY	37

PUTTING THE BIPARTISAN INFRASTRUCTURE LAW TO WORK: THE PRIVATE  
SECTOR PERSPECTIVE

Wednesday, November 30, 2022

United States Senate

Committee on Environment and Public Works

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The committee, met, pursuant to notice, at 10:03 a.m. in room 406, Dirksen Senate Office Building, the Honorable Thomas R. Carper [chairman of the committee] presiding.

Present: Senators Carper, Capito, Cardin, Kelly, Padilla, Inhofe, Cramer, Boozman, Sullivan, Ernst.

STATEMENT OF THE HONORABLE THOMAS R. CARPER, A UNITED STATES  
SENATOR FROM THE STATE OF DELAWARE

Senator Carper. Good morning. I am pleased to call this hearing to order. Welcome, all of you. Thank you for joining Senator Capito and our colleagues and our staffs today as our committee holds, I believe this is our fourth hearing on the implementation of the Bipartisan Infrastructure Bill. It has another name, there is an acronym for it, as there is for everything. I always call it the Bipartisan Infrastructure Bill, and I think I always will.

Today we are going to examine this law from the perspective of stakeholders from the private sector. This hearing is an opportunity for us to explore what is working well, but also to identify some potential improvements for future infrastructure legislation. My colleagues and my staff have heard me say too often, everything I do, I know I can do better. The goal is always perfection, knowing we will never get there, but at least we will be heading in the right direction.

This committee was privileged to play an integral role in developing the Bipartisan Infrastructure Law. I like to quote Will Rogers; Will Rogers used to say, "If it is true, it ain't bragging." This is a great piece of legislation, maybe the most monumental and meaningful infrastructure investment we have made since maybe the interstate system. So we are very, very proud.

We are delighted to have had a chance to work together on that.

Shortly after President Biden took office last year, he invited several members of this committee to a meeting at the Oval Office. During that meeting, we were joined in person by the Vice President and joined in person our Secretary of Transportation, whom I still call Mayor Pete. The President had Democrat and Republican members from this committee, and had a long conversation, for over an hour.

Basically, when we left, the President said, "I want you to have on my desk by Easter bipartisan legislation on roads, highways, bridges, and water, wastewater, sanitation." He said, "I would like you to do that, to work on that." That is exactly what we did. That is exactly what we did. Ultimately our committee's success on crafting and unanimously advancing a robust surface transportation, drinking water, wastewater legislation made the Bipartisan Infrastructure Law possible.

I like to say we laid the foundation. Senator Capito was right in the middle of it all, including extensive negotiations, kind of one-on-one negotiations with the President of the United States, which I think helped lay the groundwork for what we were later to do.

But when we began working on the highway portion of this law, we sought input from a variety of stakeholders, including many in the private sector, including some in this room. At the

time, it was clear to me that our bipartisan legislation would be a vehicle through which we could achieve many important objectives. First, our infrastructure programs could help us reduce emissions from our transportation sector. That is a sector that accounts for nearly 30 percent of greenhouse gas emissions nationwide. I like to say there are three major sources of greenhouse gas emissions in this Country. One is our mobile sources, our cars, trucks vans. The second is our power plants. And the third is our manufacturing, cement plants, steel mills, that sort of thing. Those are three major sources. This is a big deal, the transportation sector, especially roads, highways, bridges. It is a big deal as we take on the climate crisis.

But new programs could also improve the resilience of our transportation system and reduce our vulnerability to extreme weather, such as heat waves and flooding that we continue to witness across our Country and indeed, across the planet. The Tour de France, like some of you, I like to ride bicycles, I like to run. In France they had days that were so hot in Paris this year when they were running the Tour de France, they couldn't ride on the pavement because the pavement was melting. So this stuff is not just stuff we are making up.

Our highway programs and policies could improve the safety of our Nation's roads where more than 40,000 people tragically

lost their lives last year. I would like to say that number is going down. I know on the pedestrian side it is not. So that is a matter of concern to all of us. But across all these critical objectives and policy goals, I also sought to uphold another key principle, and that is that our infrastructure should help to create a nurturing environment for job creation and job preservation. When I was privileged to be Governor of Delaware, about 400 years ago -- it wasn't that long -- I would often say that government should work together with our partners in the private sector to expand opportunities for people to access good jobs. I have said that ever since. I am a recovering governor, if you will.

That is why I am delighted to be here with my colleagues and all of you as we hear from five representatives of the private sector, businesses and associations. The witnesses gathered before us today represent a range of industries from road builders and contractors to bus fleet operators to material suppliers to electric charging network providers. Your perspectives are critical to not just us on this committee, but to our Nation.

Why might you ask? The program that our committee created in the Bipartisan Infrastructure Law and the work that our partners, Federal, State, local agencies are leading to implement, these programs are only part of the equation. The

industry is represented here today along with many private sector entities who also play pivotal roles in the success of our transportation investments. These businesses contract with public agencies to provide the materials, to provide the workforce, to provide the engineering skills, the vehicles, the manufactured products that transportation agencies rely on to see projects through to completion.

As we all know, private sector industries invest in important research and development and innovative approaches to deliver projects and improve mobility, improve safety and improve sustainability. It is also worth noting that the private sector will benefit tremendously from the new opportunities created by this once in a generation investment in our Nation's infrastructure.

The Bipartisan Infrastructure Law provides more than \$350 billion, \$350 billion with a B. In a draft of my statement that my staff gave me, it said \$350 million. I said, I think it is more than that. It is billion with a B. Don't forget it. Including a 34 percent increase in State formula funds, this increase will translate to more contracts and business opportunities for private sector partners and your employees across the Country.

While the private sector businesses that participate in Federal contracts need to be able to operate profitably, they

also face important requirements and expectations. When developing the Bipartisan Infrastructure Law, we took care to ensure that our new programs would support Congressional priorities. Statutory requirements and regulations will ensure that our infrastructure dollars support domestic manufacturing, provide commonsense labor protection, and reduce emissions from vehicles and from materials.

As we implement these programs, I believe it is critical to find the balance between achieving our policy goals while also providing long-term certainty so that businesses can engage profitably. I also believe that they will make more progress in advancing our national goals if we allow private sector to participate fully and constructively, driving behavior across industry and leveraging our Federal funding with private sector investments to achieve the greatest possible incomes.

My hope is that our panel of witnesses today will share their thoughts on how Federal agencies can best structure programs and regulations to achieve these goals of reducing emissions, improving safety, making our infrastructure more resilient, and last but not least, fostering job creation and preservation here at home.

With us today we welcome Jonathan Levy, the Chief Commercial Officer of EVgo, as well as Matt Stanberry, Managing Director of Highland Electric Fleets, Inc. We will also hear



from Dave Bauer, the President and CEO of the American Road and Transportation Builders Association. Finally, we are going to hear from Gary Johnson, with whom I served as Governor. I think he was governor of New Mexico. He has changed a lot.

[Laughter.]

Senator Carper. A different Gary Johnson, probably. We are delighted that you have come today. We are going to hear from Gary, Vice President of Granite Construction Company, testifying on behalf of National Sandstone and Gravel Association.

Last but not least, we will hear from Ali Mills. We are glad to see Ali. Thanks for bringing these guys with you. We will hear from you, President of Plum Contracting, testifying on behalf of the Associated General Contractors.

We look forward to hearing from all of you. Before we do that, I am going to turn to Senator Capito. This has been a big month in the Capito family. Shelley celebrated her 39th birthday earlier this month, and maybe she will share a little about that. Something really important happened in your family yesterday in West Virginia. I am a native of West Virginia, follow West Virginia, love West Virginia, almost as much as she and Senator Manchin do. We have a couple of grown kids, she has two, and one of them is a State legislator who I think made an important announcement. Maybe she will mention what that was.

We wish him well.

I used to say, when my time was almost up as Governor of Delaware, they would say, what do you want to next, Tom? I would say, I would like to move to another State and be their governor, too. People would say, what State would that be? And I would say West Virginia. But I think I won't have a chance to do that.

We wish your son all the best. You are recognized for whatever you want to say. Thank you.

[The prepared statement of Senator Carper follows:]

STATEMENT OF THE HONORABLE SHELLEY MOORE CAPITO, A UNITED STATES  
SENATOR FROM THE STATE OF WEST VIRGINIA

Senator Capito. Thank you, Chairman Carper. I should take that hint and say, yes, congratulations to my son, whose name is Moore Capito, we tend to use the same names. He threw his hat in the ring for the Republican nomination for Governor of West Virginia yesterday.

Senator Carper. That could be such a great campaign slogan, More Capito.

[Laughter.]

Senator Capito. As the Chairman has said, we just passed the one-year mark since the President signed the IIJA. We promised the American people that this would deliver results by improving and expanding our Nation's core transportation infrastructure.

We are really starting to see some of the tangible benefits. Roads and bridges are underway. We have a lot of those orange and white cones going in West Virginia. States have received a second round of historic levels of funding through their core highway formula funds. Discretionary grants are beginning to be awarded.

But there is still so much work to be done. Agency deadlines are piling up. We are still waiting for significant sections of the law to be implemented by DOT, mainly the project

delivery title to cut down delays and red tape.

This committee has the responsibility for proper implementation of the IIJA. We have had several hearings with others to see how that is going.

This is an important voice we are going to hear today in this conversation. Our panel represents, as the Chairman said, a diverse range of individuals. We thank all of you for coming. You all are the ones who have the boots literally on the ground. Our witnesses represent companies that are being awarded projects funded by the IIJA, which means they are perfectly positioned to provide the committee additional, real-world perspectives on how things are going.

Just yesterday, this committee voice voted out in favor of Shailen Bhatt's nomination to be the Administrator of the Federal Highway Administration. This is critical, I think, and a critical position for the implementation of the IIJA. The agency has been without a Senate-confirmed administrator for far too long. If he is confirmed by the full Senate, which I expect that he will be, I hope that he will grab the reins quickly and move to approve some of the issues that have already come to light.

Through his leadership, I expect that the agency will begin to execute the law as Congress intended, which he committed to do in front of this very committee. Through public hearings and

private conversations with DOJ leadership and letters, certain members of this committee have called on FHWA to stop pursuing policies that outright contradict the IIJA's statutory text.

This includes the December 16th, FHWA memorandum to staff entitled "Policy on Using the Bipartisan Infrastructure Law Resources to Build a Better America," and various other programmatic guidance documents. FHWA should instead more expeditiously work to implement all provisions of the law as written, the project delivery title including the One Federal Decision policy.

The agency should focus on the bipartisan-enacted provisions of the IIJA that will address climate change, and there are many in there, and improve the resilience of our transportation infrastructure instead of undertaking unauthorized, unilateral partisan actions like a rulemaking to establish a greenhouse gas emissions performance measure and associated targets for State DOTs and metropolitan planning organizations. To me, as I read that, as I say that, that just is delay, delay, delay.

Today, I am also interested in how the current construction landscape is impacting the historic investment provided. Inflation is still high and impacting supply chain challenges. With this looming rail strike, this is another whole issue that I think puts a lot of pressure on the system.

I continue to hear that labor shortages are making it hard for companies to bid on projects and then move them through completion on time and on budget. With the receipt expiration of DOT's waiver of Buy America requirements for construction materials, I understand there are inconsistencies among States on the implementation of that policy. I certainly had that conversation myself with our constituents in West Virginia.

I look forward to hearing from you what programs and policies are most beneficial to put this investment to work, what is going well regarding implementation, what isn't going well, what is making it more challenging to bid on projects, and bringing them to conclusion. The IIJA, the Bipartisan Infrastructure package, included unprecedented investments to address the needs of our Nation's core infrastructure in the transportation sector. Proper implementation is the only way that the funding will uphold those promises that were made to the American people with its passage.

Thank you so much for being here. I look forward to your testimony.

[The prepared statement of Senator Capito follows:]

Senator Carper. Senator Capito, thank you for those comments.

Thank you for the great work you did, and frankly, just about everybody on this committee and our staffs, on the Bipartisan Infrastructure bill.

I also want to say thanks for helping move through a number of nominees yesterday, including that of Shailen Bhatt to be Federal Highway Administrator. We waited on this current Administration way too long to nominate somebody of his quality. He has just excellent, great experience. Hopefully, we can move that while we are still in session this year. That would be great.

Now we are going to turn to our witnesses. I am going to ask that each of you keep your statements to five minutes, and your full written testimony will be entered into the record, as you know.

We are going to start with Matt. Matt Stanberry, Managing Director of Highlands Electric Fleets. Mr. Stanberry, you may proceed with your statement. Welcome. We are glad you are here. Thank you.

STATEMENT OF MATT STANBERRY, MANAGING DIRECTOR OF MARKET  
DEVELOPMENT, HIGHLAND ELECTRIC FLEETS

Mr. Stanberry. Chairman Carper, Ranking Member Capito, and distinguished members of the committee, thank you for the opportunity to testify before you today.

I work for a company named Highland Electric Fleets. Highland is a fleet electrification company focused on helping governments electrify their fleets. Today, we specialize in school bus fleets.

We recognized back in 2018 that communities wanted cleaner alternatives to diesel school buses and major manufacturers were making good quality electric school buses right here in the United States. At the same time, we saw that adoption was slow because the vehicles cost more up front, and the process of electrification felt too complicated and risky for school transportation directors. It wasn't a technology problem, but rather a business model and access problem.

So we built a company designed to help schools address those specific challenges in a public-private partnership. To solve the complexity, we do everything required for a district to electrify. To make it affordable, we leverage values that electric buses can provide but are hard for districts to capture without the help of specialized private companies.

For example, we help them capture the savings from fuel and



maintenance, tax depreciation, volume purchasing incentive programs, and a number of other areas. We are not the largest buyer of electric school buses in the Country, all of which, I would note, come from domestic manufacturers. And we have the largest project in North American, just up the road from here, in Montgomery County Public Schools in Maryland.

Our pipeline of projects and partnership underway or in development covers over 20 States and Canadian provinces and our district partners range from small, rural communities to dense urban environments.

Our company is interacting with the Bipartisan Infrastructure Law in multiple ways. I will center our comments today on Section 71101's Clean School Bus program. It is well underway and it is our area of expertise.

The passage of the law was a watershed moment for school bus fleet electrification, as the Federal Government is uniquely positioned to do three important things. One, build nationwide awareness and knowledge about the technology. Two, accelerate the development of a resilient market for adoption by encouraging private sector participation and competition. And three, ensure that all communities have access to the technology.

Of course, success will require effective implementation by the Environmental Protection Agency, which rolled out the first

version of the program earlier this year. At the outset, I would like to congratulate the team at EPA for doing the hard work of standing up a major Federal incentive program in short order. It really is no easy feat.

I am pleased to report that our business has seen a large uptick in awareness and interest in electric school bus technology based on the program's first round. Building awareness and education is critical in all technology transitions. So this result alone is a significant victory for the Bipartisan Infrastructure Law. I would like to commend the members of the committee, Congress at large, and the Administration for making that possible.

That said, we see a central challenge in the approach to date to the incentive program that will prevent the Clean School Bus Program from fulfilling all the goals that Congress laid out unless some significant changes are made going forward. Specifically, the incentive structure was not designed to sufficiently leverage private sector investment in competition to both drive down project costs and accelerate deployment.

Going forward, three things will be required: moving away from lottery-based systems that discourage competition create uncertainty; reducing incentive levels to put downward pressure on project cost; and encouraging project cost share and private sector participation.

With that, I will close by noting that while my testimony focused on the Clean School Bus Program, it is likely that the big themes have widespread applicability. As the Federal Government rolls out new programs, especially those dealing with technology transitions, it should use its unique platform to build education and awareness, and it should design the programs carefully to leverage the capacity of the private sector. In this way it can create momentum so that the private sector can help fund the transition going forward.

Chairman Carper, Ranking Member Capito and members of the committee, thank you again for the opportunity to testify before you today and provide some private sector perspective on putting the Bipartisan Infrastructure Law to work.

I look forward to engaging with you on any and all questions.

[The prepared statement of Mr. Stanberry follows:]

Senator Carper. Thank you. You have 18 seconds to spare, that is great. Thank you for that testimony and for your delivery. Thanks for joining us today.

On your left, Matt, is Jonathan Levy from EVgo. Did I get it right, Jonathan?

Mr. Levy. Yes, sir.

Senator Carper. Mr. Levy, we are going to ask you to go ahead and proceed with your statement. Your entire statement will be made part of the record. Please proceed.

STATEMENT OF JONATHAN LEVY, CHIEF COMMERCIAL OFFICER, EVGO

Mr. Levy. Thank you, Chairman Carper, Ranking Member Capito, members of the committee. Thank you for this opportunity to share EVgo's perspective on the impact of the Bipartisan Infrastructure Law for the electric vehicle sector. Since you started by welcoming everybody in the family way, maybe I will start by wishing my dad a happy birthday today.

Senator Carper. How long has he been your dad?

[Laughter.]

Mr. Levy. My whole life. He is very good at it.

Senator Carper. Give him our best.

Mr. Levy. Thank you, sir. I will.

My name is Jonathan Levy and I am EVgo's Chief Commercial Officer. EVgo has been a first mover in EV charging with over a decade of experience owning and operating fast chargers. Fast chargers, as you all know, can charge any electric vehicle in about 15 to 45 minutes, depending on the car's capabilities.

EVgo's network spans more than 850 fast-charging locations across more than 30 States and has been powered by 100 percent renewable electricity since 2019. This committee should be lauded for its leadership on transportation electrification, especially through the up to \$7.5 billion zero emissions infrastructure funding included in the Bipartisan Infrastructure Law, especially the NEVI program or the \$5 billion in formula

funds.

Federal policy is a powerful tailwind to support EV adoption. The Bipartisan Infrastructure Law is one of multiple complementary policy efforts accelerating the deployment of charging infrastructure across the U.S. EVgo strongly supported passage of the Bipartisan Infrastructure Bill and other EV incentives that were included in the Inflation Reduction Act.

If you will pardon the food metaphors before lunch, we often hear about a chicken and egg problem when it comes to EVs and charging infrastructure.

Senator Carper. You are talking to a committee that is chaired by someone who has a State with 300 chickens for every person. So feel free to use that one.

Mr. Levy. My aforementioned birthday boy father was in the chicken business. I am familiar with Delaware's farming there.

At EVgo, we are not big fans of that metaphor. The chicken and the egg implies that we are starting from scratch and that something has to go first. But we have a base today of installed chargers and excellent EV models available for consumers. Instead, we like to talk about peanut butter and jelly, enough charging stations for people to buy EVs with confidence and enough EVs using that infrastructure to support the sustainable buildout of even more of it.

EVgo encourages this committee to continue advancing

complementary policies that support infrastructure and vehicles in tandem. We are grateful that Congress and the Administration did just that by pairing the charging investments from the Bipartisan Infrastructure Bill with consumer incentives in the Inflation Reduction Act, ambitious fuel economy standards as proposed by NHTSA and other policies like EARNs.

As States are on the cusp of awarding funds from the Bipartisan Infrastructure Bill, we also have a few recommendations to share. First, we appreciate that Congress and the Administration focused Bipartisan Infrastructure Bill investments on fast charging, starting with corridors. We recommend that in addition to highway buildouts, States move quickly to also support community charging projects. The definition of when highway corridors are built out was ambiguous, and we recommend the obligation of funds as a practical milestone.

Secondly, Congress wisely designated electrification investments in the Bipartisan Infrastructure Bill to leverage and not supplant private sector dollars and experience. Accordingly, States should adopt best practices and learnings from past charging programs and experienced players in the market. Specifically, States should use transparent, points-based scoring rubrics, rather than over-specifying specific program criteria.

NEVI funds present an opportunity to make certain projects pencil earlier than they otherwise might. Extraneous requirements such as bundling multiple sites in the same corridor may undermine that math and reduce the pipeline of valuable projects that can apply. The Administration has implemented a robust public comment process, and while State NEVI plans have been approved, the proposed minimum technical standards have not yet been finalized.

It is crucial to FHWA resolve problematic elements of the proposed standards, especially eliminating regulated rates of return and requirements for specific versions of technical protocols. NEVI guidance included an ambitious goal of energizing charging stations with six months of obligation of funding. To meet that goal, States will need to work with stakeholders from utilities to local permitting agencies to address existing deployment bottlenecks.

Finally, while we support the goals of Build America, Buy America, and are actively working with our suppliers on their onshoring plans, the current state of the supply chain necessitates a longer waiver which currently expires at the end of this year. Based on EVgo's analysis in the marketing, the waiver at least through the end of 2023 is needed, as the coming domestic supply will not meet the demand for federally funded projects.



With these improvements and complementary programs, the implementation of the NEVI funds from BIL will deliver critical support to the burgeoning EV ecosystem. As strong believers in the vision of electric for all, EVgo is grateful to this committee for your leadership promoting the acceleration of an ongoing and just transition to EVs. Congress and the Administration have acted boldly with both BIL and IRA, and we commend all of you for that action. We are looking forward to seeing the vision of this committee become a reality as States start to award funds.

I look forward to answering any questions you may have.

[The prepared statement of Mr. Levy follows:]

Senator Carper. Great. We look forward to asking them.  
Thank you very much, Mr. Levy.

Now we are going to hear from Dave Bauer, the President and  
CEO of American Road and Transportation Builders Association.  
Mr. Bauer, please proceed with your statement and welcome.

STATEMENT OF DAVID BAUER, PRESIDENT AND CEO, AMERICAN ROAD AND  
TRANSPORTATION BUILDERS ASSOCIATION

Mr. Bauer. Thank you. Good morning, Mr. Chairman, Ranking Member Capito and members of the committee. Thank you for providing the American Road and Transportation Builders Association an opportunity to take part in this timely discussion.

In 2015, then-Memphis, Tennessee Mayor A.C. Wharton called the interchange at Interstate 51 and Crump Avenue Malfunction Junction. A State transportation official referred to the area as the worst interstate that we have in the State of Tennessee.

Fast forward to 2022, a \$141 million project broke ground this summer to enhance safety and mobility for individuals in the affected region. The I-55 Crump interchange is one of the 29,000 infrastructure improvements moving forward in every Congressional district this year with highway and bridge formula funds provided by the Infrastructure Investment and Jobs Act, or Bipartisan Infrastructure Bill.

The U.S. Department of Transportation has released another 192 discretionary grants with more 2022 awards on the way. Though each project has a unique story of need and solution, they are all tangible illustrations of the impacts underway from the leadership of this committee in delivering generational investments through a multi-year Surface Transportation Program

reauthorization. On behalf of all ARTBA members, thank you.

To put the 29,000 State-led projects in perspective, highway formula funds supported 2,500 more safety, mobility and infrastructure improvements in 2022 than in the previous year. To be clear, what we are seeing is more than just an increase in the quantity, but also an enhanced ability for States to tackle large-scale projects with the resources and confidence provided by your legislation.

As an example, the number of \$100 million-plus projects increased from 18 in 11 States last year to 24 in 14 States this year. This data makes a pivotal point that IIJA's highway and bridge investments are working as intended. We have provided each of you with a fact sheet to help you see the specific ways your constituents are benefitting from the first year of the law's highway and bridge investments.

Mr. Chairman, as powerful as the IIJA has been, there is no denying the elephant in the room. Inflation has reduced the purchasing power of every American household, and it is having the same effect on Federal, State and local efforts to deliver or to advance transportation infrastructure improvements.

The impacts of inflation, however, vary by State and project type. Some regions have experienced material prices as high as 40 percent, yet bids in other areas are coming in below expected cost. While inflation is clearly diluting the initial

investments from the Bipartisan Infrastructure Bill, it is also clear that the situation would have been dramatically worse if Congress had opted for another short-term, flat-funded extension of the Surface Transportation Programs.

Another part of the IIJA story relates to regulatory requirements that influence how much projects cost and how long they will take to complete. The Infrastructure Law includes common sense reforms to the environmental review and approval process that once implemented have the potential to reduce project costs and speed their benefits.

Conversely, well-intended new requirements, such as the expansion of Buy America to construction materials, if not pursued with stakeholder input and a clear eye on market realities, could have the opposite outcome.

While I am pleased to report on the progress of the IIJA's highway and bridge investments, I must also emphasize that this is year one of a five-year commitment. The history of previous long-term reauthorizations indicate these results will escalate substantially in subsequent years.

Mr. Chairman, before I wrap up, I want to take a moment to thank Senator Inhofe for his leadership role on this committee, for the three reauthorizations of the Highway and Bridge Program that led up to the Bipartisan Infrastructure Bill, and wish you well on your next adventure.

Mr. Chairman, thank you again for allowing me to participate in today's hearing. I look forward to your questions.

[The prepared statement of Mr. Bauer follows:]

Senator Carper. Thanks very much for your testimony, especially for that ad lib at the end. We spent the better part of our business meeting yesterday lauding Senator Inhofe, one Democrat and one Republican after the other. One of my favorite sayings is, flattery won't hurt you if you don't inhale. So I would just say to my friend Jim, don't breathe in too deeply for the next month or so, because it might hurt you.

Ali, we are going to hear from you and Gary next, then we will take our questions. Go ahead, Ali Mills.

## STATEMENT OF ALI MILLS, PRESIDENT, PLUM CONTRACTING

Ms. Mills. Chairman Carper, Ranking Member Capito, and members of the Committee on Environment and Public Works, thank you for inviting me to testify on this vitally important topic. My name is Ali Mills. I am the President of Plum Contracting in Pennsylvania and an active member of Associated General Contractors of America, AGC.

Plum Contracting is a family-operated business for 42 years located just east of Pittsburgh, Pennsylvania. In that time, we have become a high valued highway and bridge contractor in Pennsylvania while also having a successful subcontracting division installing highway edge drains along the east coast.

I want to start by thanking the committee for their work and leadership in the development of the IIJA. The IIJA represents the most significant infusion of investment in our infrastructure since the enactment of the interstate highway system in the mid-1950s. I also want to thank the committee for continuing to prioritize formula dollars to States through the core highway formula programs and ask that you continue to do so in the future, rather than creating new grant programs, especially discretionary ones.

A recent survey of AGC members found that 93 percent of the construction companies are experiencing long lead times and/or allocations for construction materials. Infrastructure project



costs continue to climb in rising construction material prices and shortages. Material price increases have doubled or even tripled in some cases. Supply chain disruptions from the pandemic have inflated the cost of construction materials and made project delivery schedules and product availability more uncertain.

Today, my company is experiencing an unprecedented burden with bidding and procurement of new projects. We are bidding jobs, plugging numbers because suppliers will not quote projects due to fluctuations in material pricing or lack of material supply. We are seeing suppliers quote projects but not sign purchase orders so they are not held responsible for honoring the price if material prices do increase.

Once we begin construction, the new normal is delay on a project because of supply issues. From a project scheduling perspective, it has turned into a nightmare. As you know, the IIJA included the Build America Buy America Act, which expands domestic sourcing requirements to all construction materials on federally assisted projects. I want to be clear: AGC supports sensible efforts to encourage the growth of America's domestic manufacturing capacity to restore balance to the supply chain. However, these new requirements have created significant confusion among industry about the difference between a construction material and a manufactured product and what

manufacturing processes must occur domestically for construction materials.

To address this issue, U.S. DOT must identify a specific list of which construction materials will have to be Buy America compliant, and which materials will be considered a manufactured product. To date, they have not done this.

There is also heartburn within the construction industry about potential project delays due to the need for a Buy America waiver, and the low likelihood of being granted one based on history. While we still await clarification from OMB, the initial director of the Made in America office has since left just weeks before the implementation has begun. To put it nicely, implementation of a new Buy America requirement is off to a rocky start and the construction industry is very concerned and confused.

A great way to maximize investment in the IIJA would be to implement the environmental review and permitting reforms that were mandated in the bill. By implementing these provisions, we believe that the costs associated with delivering projects will be reduced without jeopardizing environmental protections.

AGC also has concerns about recent changes to the National Environmental Policy Act in the Council on Environmental Quality's phase one rulemaking. These changes add bureaucratic steps in an already burdensome and slow process, require more

time-consuming analysis, increase litigation risks for project decisions, and encourage agencies to impose requirements that go beyond CEQ regulations, and would slow agency decision-making and discourage the transformational investments needed across the Country.

Labor shortages also continue to be a top concern for the industry, with most construction firms expecting labor conditions to remain tight. Despite firms increasing pay and benefits, the workforce shortage continues. The industry is facing the effects of decades of policies directing students to attend four-year institutions as the only career options.

Again, I thank the committee for the opportunity to testify today. I appreciate its continued efforts to help improve the Nation's infrastructure and enact policies that create good-paying jobs in America. I look forward to answering any questions.

[The prepared statement of Ms. Mills follows:]

Senator Carper. Thanks very much. When we do Q&A, I am going to come back to your last point about the kinds of skills that we are graduating students from our colleges and universities, community colleges. It is a good point. We will come back to that. Thanks for your testimony.

Mr. Johnson, the real Gary Johnson. Welcome.

STATEMENT OF GARY W. JOHNSON, VICE PRESIDENT, LAND AND QUARRY,  
GRANITE CONSTRUCTION COMPANY

Mr. Johnson. Good morning, Chairman Carper, Ranking Member Capito, and members of this committee. Thank you for inviting me here today to discuss the implementation of the Bipartisan Infrastructure Act. I am Gary Johnson, Vice President with Granite Construction and Vice Chair of National Stone, Sand and Gravel government affairs committee.

Granite is one of the largest diversified infrastructure construction and materials companies, with hundreds of locations across the U.S. In the last three years, we have done work in every State represented by the committee with the exception of two States, and we are working on those two States.

[Laughter.]

Mr. Johnson. We are one of 400 producer members of NSSGA. Our industry operates in more than 9,000 locations, employs over 100,000 in high-paying jobs to source 2.6 billion tons of aggregates each year that are used to sustain our modern way of life and build our Nation's communities and infrastructure.

I would like to echo the comments of my colleagues here today to profoundly thank you and your staff for crafting and executing this historic law. Senator Inhofe, we are indebted to you for your years of service. You set the stage; this is why we are here today. We appreciate that.

Senator Inhofe. Thank you.

Mr. Johnson. Your work to advance the bipartisan surface transportation bills over the last two Congresses set the stage for delivering the largest infrastructure investment in our lifetimes. As our Country faces economic headwinds and an uncertain future, IIJA funding is laying the groundwork to keep the aggregate and the materials industry moving forward as we build resilient and sustainable communities and stronger transportation networks.

The certainty provided by IIJA through the five-year reauthorization of our surface transportation programs allows companies like Granite to better plan and make robust investments in our people, plants, and equipment. This is also important for State departments of transportation to be able to plan their work.

However, with the enactment of any major legislation come challenges and opportunities. I would like to focus on four primary areas. First, Buy America. It is imperative that Federal and State partners responsible for distributing investments follow the Build America Buy America Act as written and passed by Congress. Clear guidance is needed to ensure that aggregate-based products remain excluded from the implementing regulations as directed by Congress, allowing us to quickly deliver materials, keep costs low, and help grow American jobs.

Under permitting, our industry needs regulatory certainty to plan, build, and operate our facilities that supply the essential building materials. But many times we are faced with conflicting and confusing guidance from Federal and State entities as we permit more material sources. We support rapid enactment of policies included in IIJA like One Federal Decision that will streamline bureaucratic review and reduce infrastructure permitting timelines from seven years to two years.

Buy Clean. Senators, our industry is leading the way to create more sustainable materials to reach emissions goals set by you and set by States. In 2021, 16 percent of the asphalt material in Granite mixes was recycled asphalt. In 2022, we are going to exceed 20 percent.

Ironically, we could go a lot higher if more State and local agencies would adopt best practice standards. Many States allow up to 40 percent. It is amazing how many States don't allow anywhere near that, and even local communities. There is a lot of low-hanging fruit there that we need legislators, both at the State and Federal level, to help us reach.

In 2021, we replaced one and a half million gallons of petroleum diesel with renewable diesel blends, resulting in a 40 to 50 percent reduction in life cycle greenhouse gas emissions. Granite has currently developed the use of waste plastic in our

asphalt mix, further reducing the use of petroleum products by another 10 percent. We applaud the provisions of the IIJA and IRA that provide incentives to encourage innovative technological advancements, and we ask that these grant opportunities come online as soon as possible. We have a list of projects that we could apply for grants that will lower energy requirements and lower greenhouse gas emissions. We are ready to make those grant applications when the agencies have the systems in place.

Flexibility. We believe it is critical for the Administration to follow the will of Congress to provide maximum flexibility to State and local partners. Whether investing in new roads in rural communities or new transit systems in urban cities, the infrastructure investments by the IIJA should benefit every American.

In conclusion, we saw your study that your actions unanimously advanced the new nomination of the new FHWA administrator. This committee's bipartisan work is critical. We hope it continues. Sixty-nine Senators voted for the IIJA last year. Our great desire is to ensure your work is successfully implemented.

I apologize for taking too much time, and I look forward to your questions.

[The prepared statement of Mr. Johnson follows:]



Senator Carper. You owe us 30 seconds.

[Laughter.]

Senator Carper. We thank you very much for those words, Mr. Johnson.

In baseball, there is a saying, telegraphing, a pitcher telegraphic his pitch. I am going to telegraph my pitch. When we get to the end of this hearing, I am going ask each of you to take maybe 30 seconds or so and tell us where you think you agree, where there is common ground between the five of you. Be thinking about that. It is one thing to talk about where we disagree, but I am looking for common ground. We will do that at the end of the hearing.

We shouldn't be surprised to hear that there are a number of things that need to be fixed, tweaked, or whatever. Anything this massive, this transformational, involving State, local, cities, counties, Federal Government, private sector, and you name it, it is hard to imagine that we would have gotten it perfect. We need to keep working at it.

As I left the office to come over here, Senator Capito, my staff in the front office had CNN or something on the television. They were announcing Tom Petty, who died a couple of years ago, Tom Petty is releasing a new live album. I thought, that is interesting. They were playing the words of his song, Stand My Ground, I Won't Back Down. We are not going

to back down until we get this right, perfect, as close to perfect as possible. So we appreciate your help in getting us there.

Mr. Stanberry, in your first call for applications the EPA received requests for nearly \$4 billion in funding from the Clean School Bus Program, with applications from every State in the Nation and a majority of districts, from districts that serve some of our neediest students and children. It is not surprising that school districts all over the Country want the benefits of electric school buses. Taking old, dirty diesel school buses off the road reduces deadly air pollution that contributes to childhood asthma, while contributing to a warming climate.

In Highlands' experience, what are some ways public agencies and school districts benefit by switching to electric bus fleets beyond the emission reductions and public benefits? For example, are there lower operation and maintenance costs associated with electric buses, compared to diesel?

Mr. Stanberry. Chairman, thank you for the question. Electric school buses are one of the really interesting spaces in the public policy arena, because they provide so many different types of benefits to the communities that they serve. If you look to your first, to your suggestion, yes, indeed, there are savings from both fueling and maintenance. So there

are about 3 percent of the moving parts on an electric bus as there are on a traditional diesel school bus. That translates directly to maintenance savings.

On the fuel side, there is both lower cost, electricity is lower cost than diesel, and it is less volatile in its pricing. We have seen a lot of that as we have seen inflationary actions given the war in Ukraine and other factors on diesel that have created some substantial price hikes recently.

But there are a number of other benefits for the community as well, some expected, some unexpected. Just to take one example, it creates a better working environment for bus drivers. As many of you probably know from your States, there is a nationwide shortage of bus drivers today that has come from the effects of the pandemic.

What we have seen is that actually school districts are using new electric buses as a way to recruit new drivers. Because the ambient noise level in an electric school bus is so much lower than in traditional school buses, it makes for a safer environment for the bus driver. They can hear the kids, the kids can hear each other, and naturally, child volume drops, and the bus driver has an easier time hearing what is outside the bus.

There are a range of others. I won't go into all of them. But you see a wide range of benefits.

Senator Carper. Thank you. Real quickly, I want to follow up then I will yield to Senator Capito.

What are one or two changes, just very briefly, that could be made by EPA or Congress that could help low-income and disadvantaged schools better participate in the Clean School Bus Program?

Mr. Stanberry. Good question. I think there are some rule changes that can be made around, in particular, scrappage requirements. The agency has initiated some additional flexibility to its traditional approach to one-for-one scrappage requirements that have helped some. But they are not a full fix. We know that there are school districts today that did not apply in the first round because they do not feel they have the ability to meet the current scrappage requirements.

I would note that in a bill that is transformational and a program that is designed to help with the market transition, it is difficult to have one-for-one replacement requirements, because it creates transactional cost with each individual action by a school district. There are risks associated with it, perceived and real, for transportation directors that causes concern.

So continuing to add flexibility on scrappage requirements would help a lot more school districts.

Senator Carper. Thank you for that. Next in line for

question is Senator Capito. Senator Cardin has joined us, Senator Inhofe, Senator Cramer and Senator Boozman. Senator Capito?

Senator Capito. Thank you. Thank all of you. We have heard already, you have partly addressed my first question, what is working, what isn't working. I would like to drill down more on the not working portion of it, because obviously the Buy America issue is a big issue.

I want to talk to you, Mr. Bauer, about the One Federal Decision. I think in the long run, this is going to be the biggest issue. We received from the Department of Transportation responses to questions we were asking on implementation. It appears as though the Administration is really slowing making these provisions for One Federal Decision.

What would you suggest to improve that? Do you feel like the communication is good? Do you feel like the Department is in on this and wanting to do it? Where are we on this? We are looking at trying to move that concept to other different permitting types of activities. If it is not working at DOT, it is not going to work anywhere else.

Mr. Bauer. Yes, that is a big question. Let's start with understanding that the environmental review process for highway and bridge projects typically takes five to seven years right now. One Federal Decision lowered that goal to two years. I

think we are all waiting to see how the Administration is going to meet that goal of moving from five to seven to two.

But some of the key things that are part of this discussion is assuring that the department has the ability to compel other involved Federal agencies to perform their part of the review.

Senator Capito. Is that happening now?

Mr. Bauer. Not that we have seen. And remember, we are still very early on in the first year of the Infrastructure Law. States obligated their funds, and a good portion of them have moved to the construction phase. But that is still going to take time.

Senator Capito. They probably had things in the pipeline that were already ready to go.

Mr. Bauer. Right.

Senator Capito. So the other agencies, that is a problem?

Mr. Bauer. Yes.

Senator Capito. Other issues with One Federal Decision?

Mr. Bauer. There are page limit requirements as part of One Federal Decision also, which I don't think is as difficult. Back to trying to make the process as efficient as possible, one of the key goals there is assuring that overlapping reviews, whether it is through the environmental process or the planning process are consolidated and performed in conjunction, as opposed to one after another.

In general, I think the guidance about how to get from the status quo of five to seven years to two years, I think we all agree with the goal. The challenge is, how do you do that?

Senator Capito. Has the department, we are a year into this. It has a finite life. Those decisions still haven't been made?

Mr. Bauer. My recollection of when the Secretary was here earlier this year, he talked about how they were utilizing the process to focus on categorical exclusions. That is great, but it is the environmental impact statements and the environmental assessments that are more time-intensive and deserve a lot of focus also. That whole thing about how you shave off the years it not just going to happen.

Remember, one of the things that is part of the law is that there is a report due next year about the efficacy of One Federal Decision. If we don't have some clarity about how that is actually going to achieve the goal of shaving years, that is going to be a pretty weak report.

Senator Capito. Right. Mr. Johnson, do you have any comment on that from your perspective, on the One Federal Decision?

Mr. Johnson. Well, it is disappointing that additional, earlier this year the Administration added some additional, the phase two rule.

Senator Capito. Under NEPA?

Mr. Johnson. Under NEPA. It is difficult at times to get State agencies and Federal agencies to work together when we are permitting projects or even facilities like quarries. In California, a lot of times the State regulations are even more stringent than the Federal regulations.

But if there is any inconsistency between the two sets of regulations, it makes it very difficult to get the agencies to come together and agree upon a certain mitigation measure in a timely manner.

Senator Capito. Ms. Mills, you are right there on the ground trying to figure out how to write your bids to match these sorts of things. I know the Buy America, and we will get into that later, but are you seeing the One Federal Decision in any form or fashion moving from your planning to your actual able to bid and get projects moving faster?

Ms. Mills. Coming from a State like Pennsylvania which is known for having a lot of structurally deficient bridges --

Senator Capito. I get it. I am from West Virginia. We have them too.

Ms. Mills. I am from Pittsburgh, so we just had the Fern Hollow Bridge collapse. There was a rush to get that project back on the ground. So any further permitting and time delays is hard on us in Pennsylvania to correct our problem.



Senator Capito. Thank you.

Senator Carper. Thank you. Before we turn to Senator Cardin, several members of our committee are veterans, former military. Senator Ernst was in the Army; I think she is a retired Lieutenant Colonel or Colonel. Senator Sullivan is a Colonel in the Marine Corps. I am a retired Navy Captain. In the Navy, we have a lot of sayings. One of them that I have always turned to in a situation like this where we are trying to take a huge piece of legislation, monumental piece of legislation with so many moving parts, and actually implement it in a cost-effective and timely way is really hard, it is a little bit like turning an aircraft carrier.

But if we stick with it, don't give up, work together, we can turn aircraft carriers, and we can get this piece of legislation not just passed and enacted, but implemented well. That is what are committed to doing. Thank you.

With that, let me turn to my neighbor, my DelMarVa buddy, Ben Cardin.

Senator Cardin. Captain Carper, first of all let me thank you for your leadership. We do share a lot. We have, of course, the C&D Canal. Do we need to widen it so we can get an aircraft carrier to turn around?

[Laughter.]

Senator Cardin. We will see what the next WRDA bill looks

like.

Let me thank all of our witnesses for being here. We are very proud of the Bipartisan Infrastructure Bill. It is to modernize infrastructure in America. We have seen as we travel internationally that America was behind where it needed to be. The principal objective was to modernize our infrastructure. We see now those seeds that we planted are starting to take hold, as we see local governments, State governments, moving forward on a lot of infrastructure projects that were delayed for a while.

It is very interesting, Mr. Chairman, I was in, as you know, in Sharm el-Sheikh on the COP27. I want you to know, we got complaints from our traditional allies. They think we are moving too quickly and they won't be able to compete with us. That is good news for us, but bad news for our competition.

One of the major objectives in this panel here today really underscores it, it is to help our economy and create jobs. As I see, looking at the people at this table, you are doing exactly that in the ability to use the resources under the Bipartisan Infrastructure Bill to move forward on some very important projects.

Mr. Levy, I will start with you first. It is my understanding that you have about 62 fast-charging stations in Maryland across about 33 locations. Thank you for the work you

are doing in the State of Maryland.

I am very interested as to how these charging stations will keep up with technology and production changes. We see the electrification of our transportation fleets. It is not just limited to our passenger vehicles; it is also in regard to light trucks and heavy trucks.

As you see this unfolding, how will these infrastructure charging stations be available for all forms of electric vehicles, including heavy trucks?

Mr. Levy. Thank you, Senator, for that question. While it is not the subject of this hearing, thank you also for your leadership on the IRA and the 30(c) and 30(d) and other tax credits. As I mentioned in my testimony, we see great complementarity between the investments in the Bipartisan Infrastructure Bill and IRA as being critical to advancing the sector. Thank you for your leadership on that.

With regard to technology and where the market is moving, one of the issues is that consumers don't yet realize that their car can actually control the maximum rate of charge. So while we continue to deploy faster and faster chargers, including 350-kilowatt power sharing technology, around Maryland and elsewhere, many cars can't take north of 54 kilowatts in the case of the Bolts, 150 kilowatts in the case of the Mach-E, 270 kilowatts in the case of my car. We do see those advancements.

So it is important to be as economically efficient as possible while building some modularity and flexibility.

EVgo has been focusing on deploying power sharing technologies that we can take advantage of the most economically efficient way to deliver what customers need and some dynamic power sharing, so that can adjust over the course of charging curves. The good news is that as the industry has migrated toward consolidation on the CCS standard, we can use the same connector and those technology configurations for a number of different deployments, including some truck deployments.

In fact, we have an announcement we made recently with MHX, which is doing Class A truck electrification, and we are working with them to deploy 350 kilowatt chargers just like the ones we have been rolling out in partnership with MEA in Maryland and elsewhere, so we can use that same technology.

The industry is also moving to faster and faster technology, 500 kilowatts north of 1 Megawatt , and the industry has come together through technical groups like CharIN to make sure we are not repeating some of the past mistakes and still having one connector standard, or at least a compatible standard, so we don't have to worry about multiple repeating connectors as it relates to different types of vehicles.

Senator Cardin. Thank you. That is a pretty thorough answer.

Mr. Stanberry, I understand your largest client is Montgomery County in school buses. That is good to hear. Montgomery County has been very aggressive on the electrification of their school buses and their fleets. I really want to underscore the point the Chairman made, and that is, how do we reach communities that have traditionally been underserved? There is now financial opportunities here. You talked about one aspect of that in regard to the disposal of the older buses.

I am also concerned about outreach. Do they really understand how to get engaged in this program, and is there more we can do to make sure underserved communities are aware of the opportunities they have in regard to electrification of their school buses?

Mr. Stanberry. Senator Cardin, thank you for that question. Without a doubt, there is more we can do on outreach. When you look at the communities that have been historically underserved, they face a number of challenges in the adoption of electric school buses that are unique to their circumstances. Obviously, each case is different.

But in general, it is not just that they have less resources. It is that they have less personnel. So that means less folks to do the same amount of work that everybody else has to do, less folks to dive into the details of learning a new

technology, implementing a new technology, understanding the Federal programs, to your point.

So there is significant additional outreach that is needed for those communities. I would say in the first round of the program, EPA did start to take some of those steps to get more information into the hands of those communities. That was a good start, but more is needed over time.

I would also say that it is important that the agency start to look at providing differential resources between different kinds of communities. The folks in traditionally under-resourced communities need additional support beyond what other communities need. The agency did take a start in that, but needs to refine the approach going forward.

Setting aside a specific budgetary allotment for those communities is one thing they can do that would really help. Then providing a structure that allows for those communities to apply for those funds separately from the communities applying for other funds, so that the folks that have less personnel are not competing with those who have more at the same time for the same funds.

Senator Cardin. Good suggestions. Thank you. Thank you, Mr. Chairman.

Senator Carper. Thank you, Senator Cardin, for joining us today and for your great work on this bill. You played a huge

role, and we are mindful of that and grateful for that.

Senator Inhofe, you are recognized.

Senator Inhofe. Thank you, Mr. Chairman. I want to thank Mr. Johnson for his comments. It has been a mission of love all these years. I appreciate that very much.

Ms. Mills, we have something we are faced with right now, and this level of inflation creates other problems. Over the last year, how has your company managed the workforce and supply chain challenges in the face of what I call the multi-decade high inflation environment that we are in?

Ms. Mills. As I spoke before, we are actually one of the biggest highway edge drain installers on the east coast. What we do is put in plastic pipe, and we all know what happened with plastic pipe in the past year. I can tell you we install about a million and a half feet a year across the east coast. Our pipe pricing went up 80 percent since last year.

So something that used to be below a dollar is now close to \$2. A contractor of my size cannot absorb a million-dollar loss continually with all these issues.

Senator Inhofe. As easily, perhaps, as some of the larger companies are able to do.

Would you also specifically talk about, as you know, Oklahoma is a rural State, and the unique problems that you are facing right now in our States, like Oklahoma?

Ms. Mills. In Pennsylvania, where our company is located, we are also pretty rural. We are outside of Pittsburgh. We are having trouble getting people to drive to job sites because of the cost of fuel. Some of our projects are an hour away. Our employees are picking more urban areas to go to work, or either other jobs outside of the construction industry, because they can't afford to drive that hour and pay for gas.

Senator Inhofe. Hadn't thought about that.

Mr. Bauer, would you speak to the challenges of completing these projects, the timely completion of surface transportation? What unique problems are you facing?

Mr. Bauer. We talked a moment ago about One Federal Decision and how that has the potential to very much assist the situation. But we also can't overlook the challenges that occur from lack of regulatory clarity on a lot of other issues. Case in point, you all have been aware for the last several administrations that the issue related to wetlands, specifically Waters of the U.S., has bounced back and forth from administration to administration. The Obama Administration had a proposal, the Trump Administration repealed it, they came up with their own, and the Biden Administration has repealed that.

All along, our community is trying to advance projects with this changing set of rules in the middle of the game. That makes it very difficult. And wetlands are certainly a



significant component of infrastructure projects. Waters of the U.S. isn't the only situation where that occurs, but I think it is a very well understood one to help make the point here.

Senator Inhofe. Yes, I think it has. From our perspective, and you have been dealing with this for a long period, those of us who are sitting up here on this side of the table, what would be looking at that needs more attention today than it has in the past, dealing mostly with the fact that, you bring it up, that these are problems? Different administrations come in and they change because those people who are serving don't always know how difficult it is to change once you get a path going.

Mr. Bauer. I certainly recognize the challenge of passing legislation. But the ongoing oversight that you have started performing I think is essential to assuring that, as has been said repeatedly, that the law is implemented as it was intended is critically important. At the same time, we can't overlook the need to deliver the Federal funds in a timely manner.

The first year of the Bipartisan Infrastructure Bill's round of investment came six months into Fiscal Year 2022. States obviously were able to commit those funds, but a six-month late start doesn't help. So earlier in the process, in the construction season that fund are provided through the annual appropriations process is another area besides regulatory

certainty and oversight that can be very helpful.

Senator Inhofe. Thank you very much. Thank you, Mr. Chairman.

Senator Carper. Thank you very much, Senator Inhofe.

We are joined by Senator Kelly. He will be followed by Senator Cramer.

Senator Kelly. Thank you, Mr. Chairman, and thank you, everybody, for being here today.

Mr. Johnson, first question is for you. I want to start off by talking about a bill that I included in the Infrastructure Law called the ROCKS Act. It establishes a working group to make recommendations for how to better manage sources of aggregate materials like sandstone and gravel, and consider a project's proximity to sources of these materials during the planning process.

This bill was modeled off policies adopted by Arizona over the past decade to ensure that local sourcing of aggregates is considered when planning transportation projects. I am hopeful that our bipartisan bill will enable these best practices to be shared nationwide.

Mr. Johnson, can you share more about how better management of aggregates can help to lower costs and alleviate supply chain concerns for transportation projects? How did you believe this working group can help ensure State and local transportation

planners consider local supplies of aggregates when developing transportation projects?

Mr. Johnson. Sure, Senator. First, thank you for working with Senator Portman on the ROCKS Act. It was a bipartisan effort.

You go back to Arizona, which is the roots of where this idea came about, and making sure communities protect access to important geological resources, not every rock in the ground can be used to make concrete or asphalt, and identifying the appropriate geologic areas and working with the communities, the cities and the counties, to protect that, so mining companies or construction material companies have access to it is important.

One of the things that can drive up the cost of a project significantly is having to import or ship aggregate long distances. Aggregate is a very dense, heavy material that is very low cost. With the price of fuel and trucking cost and labor shortages, moving it long distances can drastically increase the cost.

If you look at the average cost of rock, sand, and gravel in Arizona, it is two or three times less than neighboring States. A lot of that is due to local government and State government stepping in and saying, hey, we need to protect these areas. Hopefully, the DOT and FHWA working together, their working group, will come up with similar Federal regulations

that can be used to help other States do the same thing. We thank you for your efforts.

Senator Kelly. Thank you. Mr. Johnson, also Mr. Levy, you both mentioned the Build America Buy America requirements that were included for all programs within the Bipartisan Infrastructure Bill. While your industries are very different, you both raised similar concerns about the way the guidance for these requirements have been rolled out and the uncertain timelines for when these requirements should kick in.

Why don't we start with Mr. Levy. Can you expand on your testimony and provide specific steps that you would like to see the Administration take to clarify how your industries can comply with the Build America Buy America requirements?

Mr. Levy. Yes, thank you for the question, Senator. EVgo is not a manufacturer of chargers. We are a technology specifier that works with a number of different suppliers. As a result, we have a pretty good view of where the industry is from different sources.

While the level two charging infrastructure manufacturing base is a bit more advanced in the U.S., including in Senator Cardin's home State, the DC fast-charging side, especially higher power, is almost starting from scratch. There are a couple of things that have started, and people have announced some charging manufacturing in DCFC. But that supply at scale

is not available yet.

Additionally, because even if somebody were to take an offshore manufacturing facility, copy and paste it to the U.S., it still needs to go back through UL certification. Then following UL certification, individual charging networks put those chargers through the paces. EVgo has an innovation lab in El Segundo where we test all these things.

So I share that background because the Buy America waiver that is set to expire at the end of this year before NEVI funds have been awarded means that there in effect is not a waiver for any future projects when the supply is not there yet for 2023.

One of our specific recommendations as we have submitted to FHWA in public comments is to have a waiver at least through the end of 2023 and then take a data-oriented approach to looking at where is the state of the industry, what has passed UL certification from U.S. sources, is it available at scale. Because today we are seeing very long lead times from existing overseas manufacturing capacity. So we know it will take time to ramp, especially with an increase in demand as spurred by BIL.

Senator Kelly. I am out of time. Thank you to all of you for being here.

Senator Carper. On a personal note, there was a TV special I think on CNN maybe Sunday night that I think featured a member

of your family. We are honored to be in your presence. Tell Gabby we said hello, and you go, girl.

Senator Kelly. I will. Thank you.

Senator Carper. Thanks so much.

Senator Cramer, you came early and you stayed late. We are grateful for your patience. Thank you. You are now recognized.

Senator Cramer. It is important stuff. I like to satisfy my curiosity by listening to the answers of the witnesses to other people's questions. Come to find out, they are often the same questions I have. So it works pretty well.

I am going to make some observations, first of all, on some of the things that were said, and then maybe drill down a little deeper or get further clarification. Mr. Bauer, you said something interesting in your opening statement that I think is worth repeating. I will repeat them in my words, and you can correct me if I am wrong.

You referenced how important this five-year new bill was compared to the alternative, which would have been a one-year flat-lined extension of status quo. Particularly in this inflationary time, I think it is an important point, because really that would have exacerbated inflation. I think we don't talk enough about the anti-inflationary impacts of infrastructure. Because everyone talks about the supply side of the economy and they talk about the demand side of the economy.

But they talk about it in the context of the Federal Reserve. They talk about it in the context of money, the supply of money, to shrink the demand for the products.

Of course, one of the ways to do that is add to the cost of money, right? So it is all anti what you are doing, it actually enhances the cost of things. I am not saying the Federal Reserve shouldn't do that. I am on the Banking Committee, and I am glad they are doing that. I wish they would have started it sooner and been more modest about it instead of so dramatic.

That said, I think you raised a point that we should talk more about, and that is that infrastructure is anti-inflationary, particularly when the real challenge we have is while the demand grew because there was a bunch of free money thrown out into the marketplace, the supply chain got broken. You guys fix supply chains. You move commerce. It is so important.

So thank you, first of all, for reminding us of that. I wouldn't mind a little more detail, if anybody has it, and I want to comment on some things that have been said specific to how big the bill is and how hard it is to turn the ship. We were rather prescriptive, I think, in the legislation, with the One Federal Decision. That was a prescription to the complications. It was designed to simplify the environmental process, not to further complicate it.

So I am not looking at you all as part of the blame. I am saying the Administration, in many cases, in implementing this law, they have tried to add complication by considering things that we specifically excluded. That is what Memorandum 16 was all about, adding the Administration's priorities into the guidance and whatever other things they can add it to.

So I guess in this inflationary time, when you are trying to fix inflation by fixing the supply chain, maybe you could talk just a little bit about the cost of that. You are already dealing with inflation. You are dealing with the higher cost of borrowing money, buying equipment as well as materials, labor. Certainty is a stress point.

How about the cost of complicating the regulatory side of it? What can we do better? Mr. Johnson, go ahead. By the way, the Gary Johnson was the Governor of New Mexico is from Minot, North Dakota. He ran for President as a Libertarian, you might recall. He was a Republican governor who ran for President.

Anyway, we know you are not him.

[Laughter.]

Mr. Johnson. Sure. Inflation has driven the cost up of construction drastically. I checked with a large concrete supplier in Southern California yesterday. In the last two and a half years, the price of cement, which is the primary or the most important ingredient going into concrete, has gone up 30 to



40 percent in two and a half years. Liquid asphalt, which is a binder that we use to make the asphalt that we pave the roads with, in the last two years has gone up 76 percent.

So if we squelch the supply of cement and asphalt oil, it is going to continue to drive it up, drive the price up. On the permitting side, the longer it takes to permit something, the longer, the more regulations you have to go through, the longer the process, that obviously drives the price up.

I was at a conference in Dallas a couple of weeks ago, U.S. Army Corps of Engineers Regional Director said they have projects that they are putting out to bid, a lot of Department of Defense contracts, which are not being bid upon because they don't have the ability to give the contractors adjustments on material pricing on long jobs. So contractors, like Granite here, were saying, we can't do that. It's too much risk.

So we have to get inflation down. The only way I know to do that is to increase supply, increase the ability of people to get things done quickly and easily.

Senator Cramer. Do I get to cheat just a little bit?

Senator Carper. Just a little bit.

Senator Cramer. Any of the other witnesses who want to add onto that. Mr. Bauer, you were up originally.

Mr. Bauer. Mr. Johnson had a great answer. The theme of your question is the time value of money.

Senator Cramer. The time value of money.

Mr. Bauer. The longer things take, the more they are going to cost. You are right, that doesn't get considered enough. It is very hard to create policy to capture time value of money. But what they have described as to what their businesses have experienced in the last couple of years just puts a blast rocket on the typical time value of money calculations. Everything costs more. I wish I would have said this when Senator Capito was asking me previously about One Federal Decision. Again, it is hard to legislate this.

But the fact remains that without a commitment on the part of the Federal agencies, State agencies, to try to do this, your policies are always going to miss the mark. There has to be a commitment on the part of certainly our industry, but project owners and administrators too that we want to try to capture value and get projects out as soon as possible.

Again, you have a lot more skill than I do in this area. If you know how to legislate it, great. That commitment is a huge component of success, no matter what we are talking about.

Senator Cramer. You are right on point. It is my greatest frustration of this place.

Thank you. Thank you, Mr. Chairman.

Senator Carper. You bet. Thank you.

Senator Capito has to leave for another obligation. She is

going to ask her questions and if anyone else shows up, I think Senator Sullivan is trying to join us. If no one else shows up, I will have some questions to ask

Senator Capito.

Senator Capito. Thank you, and thank all of you. It has been very interesting.

I would like to say in terms of electric school buses that West Virginia has attracted GreenPower, who is going to be in the process of manufacturing green school buses in South Charleston. So we are very excited about that.

We are also excited about some of the grants that we have already received where some of our more rural areas will be able to access electric school buses. We have terrain issues that are difficult and length of time of certain routes, unfortunately, which presents challenges. But we are at the front end here, so we are excited about that and really happy to be a player and have West Virginians working on this.

Ms. Mills, I want to ask, I mentioned in my opening statement the frustration that I have that we talk about where we compromised and how it put into this bill things that we wanted, like One Federal Decision and other things. But we also left things out on the cutting room floor, so to speak, that we didn't put in here. One of these is the greenhouse gas performance measure. There was an effort to incorporate that

into the bill and a requirement for our States to set certain stages. But we did not include that in there.

However, the Federal Highway Administration is coming back for a proposed rulemaking to establish a greenhouse gas emissions performance measure requiring States to set declining targets. I don't know practically speaking how that plays into your bidding and your perception of how this might impact further construction but also further implementation of this bill.

Ms. Mills. I think again my location in Pennsylvania, I'm not in an urban area. I am in a more rural part of the State. So it is going to be the distances that we travel and the kind of work that we do. It is going to be a challenge.

Senator Capito. I would agree with that. Mr. Bauer, do you have a comment on that?

Mr. Bauer. Yes. This is a situation that a lot of States are addressing individually. It is very reflective of the different challenges that States have with respect to their trying to tackle climate change.

But this is not dissimilar from what I referenced previously about Waters of the U.S. In fact, it is almost the same playbook. We had an Obama Administration proposal in 2015 that the Trump Administration repealed, and it is the continual changing of the regulatory regime as we are trying to implement

long-term transportation plans as well as projects that don't exactly follow a calendar year. I think that the way you all approached greenhouse gas emissions with respect to certain discretionary grant programs and eligibility for States, given the lack of common ground that exists right now, is a nice way to try to prevent that continual changing of regulatory requirements that are really not conducive to delivering projects in a timely manner.

Senator Capito. Thank you for that. I suppose at this point in my career I can't claim to be naïve, but I think the intent of our legislation is what should be directing certain administration cabinet officials on how we want to see these things proceed. But we all know that the rules and regulations are really where the rubber meets the road, so to speak. There is still enough leeway in there to be able to have the Administrations put their foot on the pedal one way or the other. That is what we see happening.

Mr. Johnson, you mentioned that you had in your industry made great strides in terms of emissions and bringing emissions down. Do you have an opinion on this particular part of what the Federal Highway Administration is doing right now?

Mr. Johnson. The legislation needs to be followed States and companies need to be given flexibility. Give us some guidelines, give us some goals. Let the companies figure out

how to reach it.

Senator Capito. Right.

Mr. Johnson. But I think it is inappropriate for agencies to be creating their own standards that are not in line with legislation that was passed by Congress.

Senator Capito. Thank you. That goes to what Ms. Mills was saying, and my State alone, we are a rural State. We don't have the congestion of traffic that a lot of our more urban areas have.

So in order for us to bring our targets down and show improvement it is going to be really difficult. Because it is almost like I am not going from 100 to 90, I am going from two to one. Sometimes that is very, very difficult.

So the flexibilities that we tried to build in throughout this bill is absolutely critical. And the things that we left out of the bill were intentionally negotiated between the Chair and I, because we felt like our projects would move quicker, we would eliminate some of the delays. We would, whether the decision is to not build a new highway or to build a bypass through your entire State, let the States decide how and when to best use those dollars.

That is why I am a little, I am sort of like the repeating, whoever repeats, I am one of those, to say the flexibility portions of this are absolutely critical for our States. For

the progress in everything, whether it is an electric school bus, whether it is an EV charging station, whatever it is. An EV charging station protocol that is going to be developed in LA is not going to work in the entire State of West Virginia. So we need to look at other options. I think that is what is critical, and I thank all of you for what you are doing to try to keep that flexibility in to match what our intent was in the bill.

Thank you, Mr. Chair.

Senator Carper. Thanks again. I will slip out to make a quick phone call, she is going to hold the gavel and try to keep this guy under control. We welcome and recognize a Marine Colonel who needs no introduction, Danny Sullivan.

Mr. Sullivan. Thank you, Mr. Chairman. I want to thank the witnesses for being here. Important topic.

I like to say my State is also rural. Senator Capito was talking about West Virginia. The great State of Alaska, we are a resource rich but infrastructure poor State. We are 120 times bigger than Connecticut and we have fewer road miles. Think about that. We have resources, minerals, oil, gas, so many things that can power the whole Country and our national security and our economy. But they are hard to get to. Unfortunately, there are a lot of radical groups from the lower 48 that try to prevent Alaskans from building anything.

So what I want to do is talk about, continue this topic of permitting reform. A lot of us worked hard to get some good permitting provisions in this Infrastructure Bill. I voted for the bill. It wasn't perfect, but in part because of the permitting provisions. We need more of them, but it was a good start.

So here was my astonishment, and I think some of you might have shared it with me, that the Biden Administration which touted the bill as important for the economy and workers and infrastructure then issued a regulation in April of this past year from their CEQ group in the White House a rule to make permitting on infrastructure much harder. We all know that.

So Ms. Mills, I want you to talk about that and maybe others. I put together what is called a Congressional Review Act, which is Congress's ability to flex its muscle and say, you know what, we really don't like that executive order, we are going to rescind it. I was proud to say that my CRA as we call them had a vote on the Senate Floor and it rescinded the Biden permitting CEQ rule which was an anti-permitting rule meant to stop production and building of energy projects of roads. Unbelievable.

So that passed. The reason it passed is because we had over 50 groups in America, all the unions that build things, AGC, farmers, ranchers, you name it, they came out, chamber of



commerce, literally everybody except the radical enviros, they all came to support my CRA. So can you talk about this insane CEQ rule that undermines the whole bill? Do you support my CRA? I know you do because you guys were one of the groups that supported it. What more can we do to make this Administration wake up to the fact that you can't crush the ability to get projects done? I know you love the radical enviros, Mr. President, Center for Biological Diversity, all these nut job groups.

But nobody else does. They hurt workers. They hurt the economy. They hurt the ability to build infrastructure. Can you guys talk about this? It is so important and it is remarkable to me that we pass a bill and then the White House would come out with rules to undermine the very ability to build infrastructure that they have touted.

Ms. Mills. I remember when this bill was being passed, I was staying up late talking to our association director, text back and forth, like yes, let's get this done. We were so excited about this historic bill.

Again, I am right outside of Pittsburgh. We had the Fern Hollow Bridge project. We have all this money. Let's get all this work out to the contractors and my employees.

Senator Sullivan. And the unions, right?

Ms. Mills. And the unions.

Senator Sullivan. Building trades. They are great Americans.

Ms. Mills. Everybody wants to be at work. Everyone wants to make roads and bridges better.

Senator Sullivan. Yes.

So what was your view of the CEQ rule?

Ms. Mills. It was burdensome.

Senator Sullivan. Make it harder to build bridges and roads, right?

Ms. Mills. Yes.

Senator Sullivan. Anyone else have a view on this? You pass an infrastructure bill with permitting reform and then you have the White House come out and say, hey, we are going to issue a rule that makes it harder to build things.

Mr. Johnson. Senator, Gary Johnson with Granite Construction. We have a large presence in your State.

Senator Sullivan. I know. You guys are great in Alaska. I have a hard question for you next.

Mr. Johnson. It is. And something else that confuses us, we are moving, vehicles are becoming more fuel efficient, going to electric vehicles, obviously that lowers the amount of revenue we get from the gas tax. I am sure everybody will figure out how to raise that revenue later.

But if the vehicles are becoming more energy friendly or

environmentally friendly, what is wrong with building capacity?

Senator Sullivan. Right.

Mr. Johnson. We need capacity to move the freight, to move the goods, which reduces inflation. If we have a truck sitting on a highway and going 10 miles an hour, all it does is increase inflation. So we need to get over the fact that we have to continue to build capacity to keep up with the fact that we are increasing the population to say that we are producing more goods.

Senator Sullivan. Yes, absolutely.

Mr. Johnson. I agree with you.

Senator Sullivan. I will sum it up for all. But on permitting reform, we just need the more efficient, timely, certain permitting. We are not cutting corners. I mean, in Alaska, we love our environment. But it shouldn't take eight years to permit a bridge. We had a gold mine in Alaska, it took 20 years to permit. The Kensington Mine, it now employs over 400 people, average wage over \$110,000. It took 20 years. That is insane.

The only people that helps is the Chinese Communist Party and the radical enviros. That is my view.

Mr. Johnson. I worked on permitting a quarry in southern California that took over 20 years.

Senator Sullivan. Yes. Makes no sense.

Mr. Bauer?

Mr. Bauer. Senator, the elements of the solution are exactly what you described, which is certainty, focus on time. But I think what is overlooked a lot of times, Mr. Johnson sort of addressed this. When we deliver infrastructure improvements, they can have a positive environmental impact.

Senator Sullivan. Oh, sure.

Mr. Bauer. Cars moving at free-flowing speeds of traffic produce fewer emissions than those in stop-and-go traffic that I took to get here this morning. I think that end point also has to be part of the discussion and the consideration of permitting when we are at the initial stages. The legislation that you all put in place last year, which again, thank you for that, has the elements of what we need to be able to move forward. It just needs to be implemented as you directed.

Senator Sullivan. Good. Well, I want to thank all the witnesses.

Mr. Chairman, I want to thank you. You and I have talked about this many, many times. I think we are on the same page. Common sense permitting reform is something that every American, regardless of political party, regardless of where you live, agrees with. That is what we try to get done in this bill.

I think it was a good start. But the Administration now is undermining it, and it makes no sense. So we are going to keep

fighting to enable people to build infrastructure in our great Nation. It shouldn't take 10 years to permit a bridge or 20 years to permit a gold mine or a quarry. I know we have problems, Mr. Johnson, in Alaska and other places, you mentioned 20 years in California on a quarry. We have to do better. We are very focused on it. I am certainly, it is an obsession of mine that we are going to continue to focus on.

Thank you again, all of you, for being here. Mr. Chairman, I continue to look forward to working with you on these issues.

Senator Capito. You bet. Thanks very much.

With respect to permitting reform, my hope is that we can move forward on that issue. I think it is important. I think both Democrats and Republicans believe it is important to continue to protect our environment as we go through permitting reform, and to keep in mind the least of these, including Native families up in Alaska.

Thanks so much for joining us and for your passion and good work.

I promised I was going to ask all of you to answer the same question. I want a fairly short answer, because I have a number of questions to ask. We are into our first vote on the Floor, so I don't have forever. So just be brief, right to the point. Start with Mr. Stanberry. Here is the question. Maybe pick one major point where you think you are all in agreement. This is

important for this committee, that you say, if you don't remember anything else, remember this, and this is something we all agree on. Go ahead.

Mr. Stanberry. I think we all agree that this is a transformational bill. The private sector is ready to take it on. We all need help getting the rules right, to your point, the refinements, so that we have clear rules of the road that encourage business investment going forward. I think we can 100 percent all agree to those points.

Senator Carper. Good, thanks. Mr. Levy?

Mr. Levy. In addition to agreeing with Mr. Stanberry, I think the one theme that I heard a couple times from everybody is that there are a lot of best practices already existing that we can leverage together. That requires some stakeholder engagement.

It also requires some working through implementation of the individual States that are putting out awards to say, hey, here is something we have seen in other grant programs or in other recycling programs or anything else that has come up today. I think the power of leveraging best practices can help reduce the time to deploy and really make sure we are implementing responsibly and effectively.

Senator Carper. Thank you, Mr. Levy. Mr. Bauer?

Mr. Bauer. A big part of this discussion, and I appreciate

your convening the hearing, is trying to talk about how the legislation that you all crafted and shepherded through is impacting lives. I think we can't do that enough. When we get to the point where the Bipartisan Infrastructure Bill has to be reauthorized, if members of Congress and the American public don't know exactly how they have benefitted and how greatly it changed the quality of life and the American economy, then our challenge of continuing the trajectory and maintaining the progress that you all made is going to be even greater. We have to do more of that as the years go forward.

Senator Carper. Thanks, Mr. Bauer. Ms. Mills?

Ms. Mills. Yes, I again thank you for this historic bill. We are really excited about it here in Pennsylvania and in our company. I think I am echoing what everybody else is saying. There are some challenges to it. There is a little bit of uncertainty. But we look forward to benefitting from it.

Senator Carper. Okay, thanks. Mr. Johnson?

Mr. Johnson. They mentioned the reauthorization. But even before that, it is important that we get a full year of appropriations out and we don't have continuing resolutions.

Senator Carper. Amen.

Mr. Johnson. We have to get the money to the States and let them spend it. It is inflationary to continue to push things down the road.

Senator Carper. Business needs certainty and predictability. That is one of the first things I ever learned as a cub State treasurer at the age of 29. I will take that with me to the grave.

We have Senator Padilla joining us by WebEx. Alex, we are in the middle of a vote but go ahead and take a few minutes. Please go right ahead.

Senator Padilla. Thank you, Mr. Chairman. Thank you for the flexibility. As you know, I am simultaneously in Judiciary Committee. I appreciate the opportunity to join virtually.

I will just jump right into it. Strengthening our electrical grid is an ongoing effort, particularly in my home State of California. Two years ago you may recall an extreme summer heat wave placed so much stress on the grid that rolling blackouts were imposed on many customers across the State. This September, triple digit temperatures during an extreme heat dome event presented a similar challenge to the grid with peak electricity demands reaching a new all-time high.

This time, however, there were no rolling blackouts. We had hundreds of thousands of Californians who took voluntary steps to reduce their energy consumption to thank for that. We also have improved an energy storage system to thank. Between 2020 and this year's heat wave, California installed over 3,000 megawatts of new battery storage. I am proud to have led the



effort to include \$5 billion in the Bipartisan Infrastructure Law to enhance the physical resilience of the electrical grid in response to extreme weather events and natural disasters.

Electric vehicles draw power from the grid, but some models coming to the market soon will have the capacity to return power to the grid [audio gap] intense demand or serve as their own residential or community power generators, a system of bi-directional charging.

The question is for Mr. Stanberry. How does school bus electrification, along with the rollout of vehicle-to-grid technology present opportunities to support improved grid resiliency, especially during emergency situations?

Mr. Stanberry. Senator Padilla, thank you very much for the question. We are proud to be doing work with school districts in California.

Electric school buses, as folks may guess, have very large battery packs that can serve multiple purposes. Since these buses have duty cycles or use patterns that leaves them unused for much of the time, the batteries can be used to serve critical functions. In particular, they can provide power back to the grid and buildings and other devices when needed. And I would say that electric school buses are designed in part due to some of the work in California to provide that bi-directional flow. Most of them today can do this.

That means that we can provide vehicle-to-grid services where the buses can provide power back to the grid in times of need. We have a couple of operating vehicle-to-grid projects up in South Burlington, Vermont, behind Green Mountain Power, out in Beverly Public Schools in Massachusetts with National Grid. In fact, these very vehicles are being used to provide power during peak demand events.

The other thing I would note, given the Senator's outline of extreme events and community response to extreme events, we are seeing an increased interest because the batteries of these buses can be used not only to flower power back to the grid but also to buildings, and using these batteries in tandem with onsite solar generation in places like California to form a local microgrid that can use the schools, which of course are public buildings as community resilient centers during times of natural disasters.

So really these bus batteries end up serving the purpose of a community resource.

Mr. Levy. Senator, if I may, I think there is an additional benefit beyond the V-to-G side of beneficial use. What we see is that EVs, whether it is the bus side or the light duty vehicle side, have the ability to help flatten the belly of the duck curve as we see daytime utilization coinciding with peak solar generation in California and elsewhere. So there is

a symbiosis there that can happen even just on the usage side of the equation.

Senator Padilla. Thank you for that addition.

Mr. Chairman, I know my time is short but I would like to ask one more.

Senator Carper. Go ahead.

Senator Padilla. Thank you, Mr. Chairman. And it is related. I think I speak for all of us when I say we applaud President Biden's critically important goal of deploying 500,000 electric vehicle charging stations by the year 2030.

Senator Carper. How many? Say that again. You cut out.

Senator Padilla. Five hundred thousand.

Senator Carper. That is what I thought you said. Go ahead.

Senator Padilla. So to achieve this, it is clear we are going to need strong public-private partnerships and maximize incentives for electric vehicle charging infrastructure. It is notable that the Bipartisan Infrastructure Bill will make generational investments in electric vehicle charging infrastructure. I want to make sure that no one is left behind from these investments. It is critical to focus on building up charging infrastructure within communities and not just along highway corridors.

A 2021 UCLA study on electric vehicle charging found that

residents of multi-family housing units were largely relying on public charging infrastructure. That is especially the case in my home State of California, where apartment buildings comprise almost one third of all housing units.

In addition to that, residents of multi-unit dwellings tend to be more low- and moderate-income individuals and live in areas that are heavily impacted by the air pollution we are trying to counter.

So Mr. Levy, how can we work together toward a more equitable deployment of charging stations? What can the Federal Government do to ensure that we are meeting the needs of families in the communities where they live, work, and go to school?

Senator Carper. I am going to ask you to be very brief in your response.

Mr. Levy. Yes, sir, I will be very quick.

Essentially, there are a couple of different ways. One, we vehemently agree with you that FHWA should encourage States to move quickly from corridor to also supporting community charging projects. It can do that by setting the date at which the corridors are built out as the date of obligation of funds.

Second of all, we would note that the work that Senator Carper, Senator Cardin, you, and others all did on IRA included the geo-targeting of 30(c) to look at lower-income, lower

percentage of income census tracts. Third, private companies like EVgo have a role to play here.

What we have done is incorporated the EPA's environmental justice screen tool into our proprietary siting analysis tool so that we can say, let's make sure we are going to those disproportionately impacted communities, whether those chargers are going to be used by those very same residents that you mentioned may not have access to parking, or the ride share drivers that start and end those trips in low to moderate income communities that are disproportionately burdened by EM 2.5 and other pollutants.

Senator Padilla. Thank you very much. Thank you, Mr. Chair.

Senator Carper. Senator Padilla, thank you for always, you are very faithful in your attendance on this committee. We appreciate that, in person and remotely. Thank you for joining us in this case.

One last question and I have a couple of comments, then we will call it a day, and I will go vote on the Floor. This question is for the entire panel. It is clear from your testimonies that private sector can partner productively with public agencies to achieve important national goals.

What advice would you give to the U.S. Department of Transportation and to the Environmental Protection Agency to

ensure that as they implement Federal programs like the ones we were just talking about here today they help to elicit and leverage private sector expertise, private sector investments and innovation? Mr. Johnson, would you go first, just very briefly.

Mr. Johnson. Sure. We at Granite, every company here, I am sure, trade associations, we are always eager to work with the agencies to find solutions and to move this stuff forward. One of the things that if the agencies could get out their grant application programs so we could take advantage of the authority under IIJA and IRA to come up with innovative ways to further decrease energy use and decrease air emissions, we would be glad to do that.

Senator Carper. Thank you. Ms. Mills? Very briefly.

Ms. Mills. Sure. I think I will echo what Mr. Johnson said. We are eager to get to work. We want to build those bridges so they are not falling in the State of Pennsylvania. We want to partner with any agency for a great project.

Senator Carper. All right. Thank you, ma'am.

Mr. Bauer?

Mr. Bauer. Yes. Similar to that, and the ongoing dialogue about the regulatory policies that were put in place. It is our industry; it very much recognizes the objectives that you all put in place and that the Administration is pursuing. We want

to be part of that solution, because we would rather be involved in the dialogue at the front end as opposed to the back end.

I think that is essential to success going forward.

Senator Carper. I agree. Thank you.

Mr. Levy, please.

Mr. Levy. Yes, sir. The Administration has done a great job soliciting public feedback and comment, as have the States. We would modestly say we hope they listen to the recommendations that EVgo and other companies have submitted.

Additionally, we hope that the States and others will recognize that distributed infrastructure projects like EV charging are very different than some of the traditional projects that my colleagues to the left have worked on, where those projects may take very, very long times to build. So what is happening is often in the noise, in terms of month or two delays. Whereas we are only onsite constructing for four to twelve weeks. But the whole project to build an EV charging station typically takes around 12 to 18 months, soup to nuts.

So any three- or six-month delay from a local utility or a local permitting authority, that is an issue that we want to make sure we can all work through together, and again, use best practice practices, convene stakeholders and push forward to accelerate deployment.

Senator Carper. Good. Thanks. Mr. Stanberry, please.

Mr. Stanberry. Thank you, Senator. In addition to what my colleagues have said, I would say that our advice would be to seek out structures and incentive programs that encourage cost-share. I would note that that is something that was specifically called out by Congress in the law in the school bus program and has yet to be implemented. I know the Environmental Protection Agency is looking at doing that. We have strongly encouraged them to move forward expeditiously in implementing that.

I would also say to look for structures that reduce uncertainty for a business that will participate in providing that cost-share, and to encourage competition amongst those businesses.

Senator Carper. Good. Thank you. In closing, I want to say a couple of things. I am a big believer in certainty and predictability. That has been a theme that has been permeating almost all of your testimonies.

I am privileged to chair this committee. I am also the senior Democrat on the committee that deals with Homeland Security and Governmental Affairs. That committee, which I used to chair, we do a lot of oversight hearings. At the end of the hearing I will ask our witnesses, what should we be doing more as an oversight committee on homeland security and governmental affairs? What advice would you have for us?



Almost every time, the witnesses would say, more oversight. The first time I heard that, it surprised me. But oversight is helpful. We worked so hard to put this bill together, this legislation together. We worked very hard with the President and his team, with the folks in the House, Democrats and Republicans. None of it, nothing that is this adventurous, this transformative, it won't be perfect.

So we are going to do a lot of oversight, and we appreciate your being part of that for us today.

I go back and forth on the train to Delaware almost every day and night. Not a week goes by that somebody doesn't say to me, I wouldn't want your job for all the tea in China. They say, you must hate your job. I love my job. I feel so lucky at any time to actually be here, involved with this climate change, trying to strengthen our economy, tame inflation. I mean, gosh, it doesn't get any better than that.

Einstein used to say, I quote him a lot, used to say that the definition of insanity is to do the same thing over and over again expecting different results. That is not the quote I use. I use the one that says, in adversity lies opportunity. In adversity lies opportunity. A lot of adversity here.

Another guy that I like to quote, Henry Ford, father of the Model T, he used to say, if you think you can or you think you can't, you are right. If you think you can, or you think you

can't, you are right. I think we can, and one of the ways we will take this transformative legislation and actually bring the most good out of it is with your help and your advice and participation.

One of the things I like to do during recess is customer calls. In fact, I do them all the time to businesses large and small in my State. I have always focused on how to create a nurturing environment for job creation and job preservation. If you want to help people, the best way is to make sure they have a job and to make sure that businesses that are doing good work are providing those job opportunities.

But I was out on the west coast, in the Bay area, visiting a bunch of technology companies that were interested in what was done in the Inflation Reduction Act, particularly the huge piece, I think it is about a \$350 million, \$360 million investment in the IRA in clean energy. There are a bunch of technology companies out on the west coast, and they are other places in our Country, but they are very much interested in the provisions we put in that bill.

We visited one company, I think the name of it was Brimstone, and they are involved in a technology that enables the creation of cement that rather than increasing carbon dioxide and global emissions actually diminishes it. So you can have your cake and eat it too. We are investing taxpayer monies

in that kind of technology, just like we are investing in making sure we have roads, highways, bridges. We have to. We have to do both of those.

The last thing I would say, I like to say there is no silver bullet. No silver bullet, but there are a lot of silver BBs. You are helping us identify some of those, and for that we are grateful.

One of the silver BBs involves getting a Senate-confirmed Federal Highway Administrator on the job. Again, your testimony today to that effect is helpful. I am proud of our committee, very grateful to Senator Capito for her support. Finally, when we got an Administration that would give us a great nominee, Shailen Bhatt, actually move him through hearing and now reporting him out unanimously. We are going to try to get him before the Senate and confirmed ASAP. It would be a great early Christmas present for the people of this Country. He will do a great job.

I think the other thing, I have a script here, I am going to read this, and then we will wrap it up and I will go vote. In closing, I want to thank our witnesses for appearing before us today and sharing their perspective on the implementation of the Bipartisan Infrastructure Law.

Before we adjourn, a little bit of housekeeping. Senators will be allowed to submit written questions for the record

through the close of business on Wednesday, December 7th, Delaware Day. It is the 250th anniversary of the day that Delaware became the first State to ratify the Constitution, the day that will live in not infamy, but in glory. Delaware Day, December 7th, is the last day that my colleagues have to submit their questions, that is a week from today. We will compile those questions, sending them to our witnesses, and we are going to ask you to reply to them by Wednesday, December 21st.

The last thing, a word on inflation. After the Navy I had a scholarship at Ohio State, studied economics, my professors would tell you not enough, but enough to graduate and become a Naval flight officer, right in the middle of the Vietnam War. After the war was over, I came back to the States, and moved to Delaware to get an MBA, studied some more economics.

One of the things I learned about were the laws of supply and demand. I don't think they have really been reinvented entirely, when we are looking at prices.

One of the points I would just have us keep in mind, this guy named Putin in Russia who is a no-good guy, he has invaded a little country and is killing literally dozens, scores of people every day, innocent people. It is just awful what is going on. He has used, he has been using energy policy, their energy policy in an effort to really be engaged in our election process, aiding and abetting the increasing inflation

particularly at the pump and the price of energy. In Iran, we are following what is going in Iran as well.

We are determined to stop both of those countries, both of those bullies, from being successful in what they are trying to do. I wanted to mention that.

The last thing I would say, I think I was treasurer when Gerald Ford and Richard Nixon were President. We had inflation, as I recall, we were looking at inflation, like 20 percent inflation. A guy named Paul Volcker was nominated and confirmed to serve as the head of the Federal Reserve. They raised interest rates to like 20 percent, you may recall. It choked off inflation, created a recession. But it worked, in terms of the inflation. Hopefully, that is not going to happen this time.

But hopefully, the Federal Reserve, which was AWOL for frankly too much of this year, they have now started doing their job. I think they are doing it well. Hopefully, we can navigate our way to a soft landing.

Controlling inflation is a team sport, and the Federal Reserve has a big responsibility to do that, as do the rest of us, and the private sector, companies like Brimstone, are coming through. There is a bunch of them, and they are providing jobs and doing good things for our planet.

That is for me like the Holy Grail, how do we save this

plant. It is the only one we are going to have. President Biden is having a state dinner tomorrow tonight. The President of France, President Macron, is going to be there. President Macron spoke to a combined session of the House and Senate about three years ago. I will never forget what he said. He spoke in English brilliantly. He said, there is no planet B. That is what he said. He said, there is no planet B. He said, this is the only planet we are going to have.

So we have an obligation to take care of it. Thank you for your commitment to that as well. We are determined to walk and chew gum at the same time, do good things for our economy, do good things for job creation in this Country and do good things so our kids will have a planet they can be proud of and live on for a long time to come.

With that, it is a wrap. God bless you all, and happy holidays. Thanks so much.

We are adjourned.

[Whereupon, at 12:04 p.m., the hearing was adjourned.]