



NORTH CAROLINA
Department of Transportation

Carbon Reduction Program

November 2, 2022

Connecting people, products and places safely and efficiently with customer focus, accountability and environmental sensitivity to enhance the economy and vitality of North Carolina

Overview

The Infrastructure Investment Jobs Act also known as the Bipartisan Infrastructure Law (BIL) establishes the Carbon Reduction Program (CRP)

- **\$6.4 Billion** in formula funding for Fiscal Years 2022 through Fiscal Years 2026
- Funding for **projects to support transportation emissions*** reductions



**Transportation Emissions* means carbon dioxide emissions from on-road highway sources of those emissions within a State (23 U.S.C. 175(a)(2)).

Overview

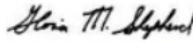
FHWA has provided Implementation Guidance



Memorandum

Subject: **INFORMATION:** Carbon Reduction Program (CRP) Implementation Guidance

Date: April 21, 2022

From: Gloria M. Shepherd 
Associate Administrator, Office of Planning,
Environment, and Realty

In Reply Refer To:
HEP-1

To: Division Administrators
Directors of Field Services

On November 15, 2021, the President signed the Infrastructure Investment and Jobs Act (IIJA) (Public Law 117-58, also known as the “Bipartisan Infrastructure Law”) (BIL) into law. The BIL authorizes a new Carbon Reduction Program codified at 23 United States Code (U.S.C.) 175 to reduce transportation emissions. The attached Carbon Reduction Program (CRP) Implementation Guidance provides information on funding, eligible activities, and requirements of the CRP.

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

This document will be accessible on the Sustainability Website ([FHWA Sustainability Website](#)), the BIL Website ([FHWA Bipartisan Infrastructure Law Website](#)), and through the Policy and Guidance Center ([FHWA Policy and Guidance Center](#)).

If you have questions, please contact: Becky Lupes (202-366-7808 or Rebecca.Lupes@dot.gov) or John Davies (202-366-6039 or JohnG.Davies@dot.gov) of the Office of Natural Environment.

- List of eligible projects
- FHWA Requirements
- NC has their own requirement that are beyond FHWA Requirements

Overview

North Carolina's Suballocation

- Funds are available to FY26
- NC has already received FY22 and FY23 amounts
- 35% of funds may be obligated to any area of the State
- 65% of funds apportioned to a State for CRP obligated by populations:
 - Urbanized areas over 200,000;
 - Urbanized areas from 50,000 to 200,000;
 - Urbanized areas from 5,000 to 49,999;
 - Other areas *less than 5,000*.

Project Funding

Match Requirements

- All Projects: 80% federal, 20% non-federal
- Funds flexed to FTA (transit projects) will be 80% federal, 20% non-federal
- NCDOT will be able to cover the match for some projects
 - This is project by project based on Session Law 2022-68 Senate Bill 201.
 - State funds used to match federal Carbon Reduction Program formula funds appropriated to the State for projects on the State highway system that improve the safety, mobility, and operational characteristics of the State highway system for motorists.

This is a **reimbursement program**; local entity will pay for 100% of the project upfront.

Eligible Activities

- Identified in FHWA statute:
 - Traffic management
 - Truck stop electrification
 - Public transportation
 - Transportation alternatives
 - Advanced transportation and congestion management technologies
 - Intelligent transportation systems
 - Development of a Carbon Reduction Strategy
 - Travel demand management
 - Efforts to reduce the impacts of freight movement deployment of alternative fuel vehicles
 - Diesel engine retrofits
 - Traffic flow improvements that do not involve construction of new capacity; and
 - Projects that reduce transportation emissions at port facilities

These are not exhaustive lists.

Eligible Projects

- Examples from NCDOT:
 - Construction of sidewalks
 - Transit expansion
 - New Transit Operations
 - Park and Ride lots
 - Transit electrification
 - Alternative Fuel Transit Vehicles: biofuels, compressed natural gas, propane
 - Improve traffic flow: roundabouts, continuous right turn lanes
 - Truck stop electrification
 - EV Charging
 - the public needs to have access to the charger, not just the municipal vehicles
 - Town Clean vehicles
 - Buy America required or receive a waiver from FHWA
 - Upgrade streetlights with energy efficient bulbs

Ineligible Activities

- Planning Activities (however, environmental documents are eligible)
- Feasibility Studies
- Projects with no carbon reduction benefits
 - Diesel bus to diesel bus
 - Replacing existing sidewalks
 - Fare free to fare free, unless you can demonstrate increase in ridership
- Does not connect to a destination

These are not exhaustive lists.

Project Submission

RPOs apply to NCDOT Transportation Planning Division for Funding

- Each RPO must develop criteria to determine which projects to submit
- Each RPO can Submit:
 - 8 projects in areas of 5,000 or less in population
 - 4 projects in areas with between 5,000 and 49,999 in population
- Project minimum cost is \$100,000
- Each entity must confirm they have the 20% match available and include an additional 10% in the project cost for NCDOT project oversight.

This is a **reimbursement program**; local entity will pay for 100% of the project upfront.

Questions
