

**South Dakota Department of
Agriculture and Natural Resources
523 E Capitol
Pierre, SD 57501**

**South Dakota's Volkswagen
Electric Vehicle Charging Station
Rebate Program**

Guidelines



**Round Three
Application Deadline:
*February 16, 2024 – 5:00 PM***

This program is funded through the South Dakota Volkswagen (VW) Environmental Mitigation Trust

Section 1 – Introduction

The primary goal of South Dakota's VW Environmental Mitigation Trust Program is to facilitate the improvement and protection of the ambient air quality throughout South Dakota. The South Dakota Department of Agriculture and Natural Resources (DANR) administers the rebate program. DANR is seeking eligible applicants to install light-duty electric vehicle charging stations (EVCS) available to the public at locations across South Dakota.

Program information will be posted on the VW Mitigation Trust Program EV Charging Station website at

<https://danr.sd.gov/Environment/AirQuality/VolkswagenTrust/VWEVCS.aspx>.

For additional information, please contact: Barb Regynski at 1-800-GET-DENR (1-800-438-3367) or barb.regynski@state.sd.us.

Section 2 – Background

In 2016, EPA and California filed a lawsuit against Volkswagen for installing a system that allowed nitrogen oxide pollution, also referred to as NOx, to exceed levels allowed by the Clean Air Act. As part of the court settlement, Volkswagen funded an Environmental Mitigation Trust to be used to offset the excess pollution emitted by the non-compliant vehicles. South Dakota's Allocation from the trust is \$8,125,000.

Section 3 - Eligible Participants

- Federal, state, or local government entity (including school district, university, municipality, city, county, etc.)
- Businesses
- Nonprofit Organizations

Section 4 - Eligible Projects

Project costs necessary for and directly associated to the acquisition, installation, operation and maintenance of light-duty electric vehicle charging stations. To be eligible for funding, EVCS equipment must be installed at a location available for use by the public 24 hours per day, 7 days per week.

Project costs may include, but are not limited to, the following:

- Level 2 charging stations: 208 to 240-volt AC charging with a cord connector that meets the Society of Automotive Engineers (SAE) J1772 standard. Can be one standalone EVCS unit capable of charging one (single port) or more (multi-port) electric vehicles simultaneously. The station must provide a charge of at least 6.6 kilowatts (kW) continuous with electric service rated at 208V (30A continuous) to provide up to 100 miles of travel in 3 to 4 hours. Must be certified through the Nationally Recognized Testing Laboratory (NRTL) program to demonstrate compliance with appropriate product safety test standards.
- Level 3 Direct-Current Fast Chargers (DCFC): 208V or 480V AC 3-phase electrical service. DCFC must have at a minimum one SAE Combined Charging System (CCS) connector. The station must be capable of providing a minimum 50 kW charge. Must be certified through the

Nationally Recognized Testing Laboratory (NRTL) program to demonstrate compliance with appropriate product safety test standards.

- Charging station installation costs directly associated with and required for the installation and safe operation of EVCS.
- Utility upgrades and transformers and extensions
- Connecting EVCS to electrical service
- Other hard costs (concrete, conduit, signage, cable/wiring, paint striping and stenciling, etc.)
- Warranties for charging equipment (minimum of 3 years)
- Shipping of equipment
- Networking costs (up to 3 years)

Project costs that are not directly related to the project are considered ineligible for reimbursement. In addition, the following costs, even if they are directly related to the project, are ineligible.

- Administrative Costs
- Purchase or rental of real estate
- Other capital costs (construction of buildings or parking facilities)
- General maintenance (other than that of the EVCS equipment)
- Battery storage serving the charging equipment
- Solar photovoltaic panels providing power to the charging equipment
- Cost of electricity to power the EVCS equipment
- Used or refurbished EVCS equipment

Section 5 – Funding Amounts

Under the State Mitigation Trust, a maximum of 15 percent of funds allocated to each state can be used to fund light duty EVCS projects. South Dakota's plan was revised to allocate up to the maximum 15 percent of its funds or \$1,218,750. This amount is subject to change.

The rebate recipient will pay all project costs and submit a reimbursement request to the Department including proof that project invoices have been paid and project work has been completed. Rebate payments will be paid as reimbursements after the work is completed, verified, and approved. Verification may occur through a site visit by DANR staff to test the equipment and photograph the completed installation.

The rebate program provides funding on a reimbursement basis. Applicants will receive reimbursement up to 80% for charging stations installed at locations accessible and available to the general public. Eligible sources of funding may include cash, loans, or other grants.

Volkswagen settlement funds awarded can be used as match for another funding assistance program, such as a federal grant, if specifically allowed under the other assistance program for funding electric vehicle charging stations. If an applicant intends to use federal grants or other funding assistance program monies as funds for this opportunity, please include that as an attachment in your application. The applicant must provide written documentation/confirmation that the other funding assistance monies can be used as match for Volkswagen Settlement funds.

Section 6 – Project Awards

The intent of this project is to maximize geographic distribution of EVCS and number of recipients. Ranking will be based on a combination of type, location, costs, and number of applications received.

Selected applicants will enter into a written agreement with DANR. Rebates will be issued upon submittal of a Request for Reimbursement Form, evidence of final costs, colored photos of the completed project, and the Information Verification Form. All projects must be completed, and documentation provided to DANR by October 31, 2025. DANR will not provide up-front funding to qualified applicants.

Section 7 – Tentative Schedule

| Round Three | |
|--------------------------------------|--|
| Date | Activity |
| October 23, 2023 | Call for Round Three Projects Opens |
| February 16, 2024 | Call for Round Three Projects Deadline |
| February 19, 2024 – March 8, 2024 | Evaluate & Select Round Three Projects |
| March 13, 2024 | Post Round Three Selected Projects. Email rebate agreements to highest ranking applicants. |
| After agreements are signed | Recipients will commence Round Three Projects |
| October 31, 2025 | Deadline for all invoices and paperwork for Round Three to be submitted to DANR |

Section 8 – Program Application Process

The application process is as follows:

1. Program applications are available on the website at <https://danr.sd.gov/Environment/AirQuality/VolkswagenTrust/VWEVCS.asp>
[X](#).
Applications must be submitted to DANR by 5:00 PM, February 16, 2024. Applications are to be submitted by email to barb.regynski@state.sd.us or by mail to: VW Rebate Program
SD DANR – AQ Program
523 E Capitol
Pierre, SD 57501
2. DANR will evaluate applications.
3. DANR will post selection list.
4. Selected applicants will be emailed rebate agreements.
5. Upon signing of the agreement by DANR, a copy of the executed agreement will be returned to the recipient, at which time the agreement will be considered awarded and projects may commence.

Section 9 – Program Requirements

A completed Electric Vehicle Charging Station Application along with all required attachments must be submitted to DANR by February 16, 2024.

- Applicants must submit dated, cost estimates/bids for any equipment, contractual services, or purchase of supply items costing \$2,000 or more. If the application is approved, the rebate amount will be based on the estimate/bid submitted. Recipients may select a higher cost estimate/bid, but reimbursement will be for the lowest cost estimate/bid submitted.
- Applicants must submit a map and photo documentation showing charger and parking space locations along with distances to nearby amenities.
- Applicants must submit a site host agreement signed by the site owner assuring that the charging station will remain at the site and have the opportunity to remain operational for a minimum of 3 years.
- Documentation from the electric utility serving the project location such as a letter of service notice, indicating power supply availability for the proposed project.

Successful project applicants must enter into an agreement with DANR setting forth specific performance criteria to ensure compliance with statutory and audit requirements. Agreement preparation will begin immediately upon DANR selection of a project. The agreement will include further details on complying with program requirements. All services or work carried out under an agreement awarded as a result of this call for projects must be completed within the scope, time frames, and funding limitations specified by the agreement. Upon signature and execution of the agreement by DANR, a copy of the executed agreement will be returned to the applicant, at which time the project will be considered awarded.

- The applicant agrees that program criteria and requirements may be reviewed, as new information becomes available, and can be revised at the discretion of DANR.
- DANR maintains the right to monitor the project periodically.
- The rebate recipient will pay all project costs as they are incurred.
- Recipients will have until October 31, 2025, to complete the project.
- Rebates will be issued upon submittal of a Request for Reimbursement Form, evidence of final costs, colored photos of the completed project and the Information Verification Form.
- Rebate will be issued upon verification (documentation and/or DANR staff site visit).

Site Requirements

- Charging sites must be located within the State of South Dakota to be eligible for a rebate.
- Highway Corridor Sites must be located within 3 miles driving distance of any state, federal, or interstate highway in South Dakota.
- Level 2 charging sites should be within a short and safe walking distance to retail or service establishments such as restrooms, convenience stores, restaurants, shopping centers, or tourist destinations.
- Site development, equipment installation, and maintenance shall be done in compliance with all applicable laws, ordinances, regulations, standards,

permitting, zoning, and code requirements including, but not limited to, the Americans with Disabilities Act (ADA).

- All electrical work must be performed by electrical contractors licensed in the state of South Dakota.
- Applicants must submit a site host agreement signed by the site owner assuring that the charging station will remain at the site and have the opportunity to remain operational for a minimum of 3 years. If ownership of the charging station or host site changes prior to 3 years of station operation, the owner must notify DANR.
- If the charging station is rendered inoperable, or otherwise disposed of, the applicant under certain circumstances may be required to pay a pro-rated portion of the station cost back to DANR.
- Projects shall be connected to a network by Wi-Fi or cellular connection using an open standard protocol. Recipients must maintain appropriate charging network service that includes capabilities for remote diagnostics, remote start of the equipment, and collecting and reporting usage data.
- Public access sites must be easily assessable 24 hours per day and 7 days per week and adequately lit from dusk to dawn.
- All charging equipment must have a minimum 3-year warranty and maintenance plan and be kept in full working order at least 95% of each year. Should repair be necessary, charging units must be fully operational within 72 hours of equipment issue/breakdown.
- The charging equipment must be covered by an insurance policy for damage, vandalism, and theft.
- Sites must include at least one designated parking stall for each connector.
- Each charger parking stall must have “Electric Vehicle Charging Only” or equivalent message signs on either side of the charger.
- The site owner must make reasonable efforts to ensure that the charger parking stalls are only utilized by EVs being charged.
- If the project is a stand-alone charging station (not wall-mounted), placement of bollards to protect the station equipment.
- The charging equipment enclosure must be constructed for use outdoors in accordance with UL 50E Standard for Safety for Enclosures for Electrical Equipment.
- Charging equipment must include a cord management system to eliminate potential for cord entanglement, user injury, or connector damage from cords lying on the ground.
- The charging equipment must be capable of operating without any decrease in performance over an ambient temperature range of -22 to +122 degrees Fahrenheit with a relative humidity of up to 95%.
- DANR incurs no liability for charging stations funded under this program. The owner of the charging station, or host site assumes all liability and must maintain a liability coverage insurance policy.
- Upon completion of the project, the recipient must register each charging site location with the Alternative Fuels Data Center Station Locator tool at <https://afdc.energy.gov>.

Charging Service Requirements

- Customer Service: Charging sites must include a clearly posted customer service support telephone number available 24 hours/day, 7 days/week.
- Payment Options: If the charging station is not provided as a free service, then the payment options are at the discretion of the owner. Payment options may include, but are not limited to direct use of a credit or debit card at the station, smart phone application (app)-based payment, subscription methods, smart cards, etc.

Reporting Requirements

All recipients must submit monthly station utilization data to DANR on an annual basis (due by January 31, with information for the previous year) for 3 years after project completion. The following information shall be submitted for each charger installed:

- Number of charging events
- Total kWh dispensed
- Average kWh per charging event
- Average peak power (kW) per event
- Peak power demand by month
- Average duration of charging events
- Percent charger downtime

Section 10 - Verification Procedures

Any applicant that receives VW EVCS Rebate Program funds may be subject to verification of each program or project funded. The verification may be conducted by staff from DANR. Upon the completion of verification, DANR will determine if the funds were used for the approved project.

If DANR determines that the funds were expended in a manner contrary to law or not in accordance with provisions, DANR will notify the applicant of the determination, and may, at its discretion, seek re-payment of funds misappropriated, spent for non-eligible activities, or otherwise inappropriately expended.