3:00 PM Chair Commissioner Dykes Call to Order

Welcome Paul Wessel-Senator Looney’s appointment to the CHEAPR Board
Board Member Introductions
Approval of the December 16, 2021 CHEAPR Board Meeting minutes

3:15 PM CHEAPR Program Update

- Program and Budget Update
- Update on CHEAPR Program Annual Report
- Review of Participation Rates and MSRP Cap Analysis
- Focus area for next quarter: Education, outreach and marketing for consumers and dealers

4:15 PM Public Comments

Adjourn
Approval of the December 16, 2021 Minutes
CHEAPR Budget

- Budget through February 28, 2022
- See board packet for a higher resolution copy of the budget update
On and after January 1, 2020, until December 31, 2025, inclusive, the board shall establish and administer a program to provide rebates that total at least three million dollars annually to residents of this state who

(1) purchase or lease a battery electric vehicle, plug-in hybrid electric vehicle or fuel cell electric vehicle, or

(2) purchase a used hydrogen vehicle or electric vehicle. The board shall establish and revise, as necessary, appropriate rebate levels and maximum income eligibility for rebates for used hydrogen vehicles or electric vehicles. The board shall evaluate such program on an annual basis.
CSE Annual Report

- First annual report documenting program changes from June 2020 – July 2021 to be circulated electronically for board review by April 4th
- EV Penetration update
- Rebates by vehicle type
- Participation rates
  - Using IHS sales data, CSE found a participation rate of about 40%,
  - DEEP found a participation rate of 34% based on DMV registration data
- Rebate + (new and used) only 1.1%
CT Current EV Population (CY 2021)

Total Active EV Registrations in Connecticut
as of January 01, 2022

Series 1
- CHEAPR 1 – April 2015
- CHEAPR 2 – March 2018
- CHEAPR 3 – June 2021

BEV
- 108
- 2344
- 4878
- 5923
- 7987
- 9289
- 10339
- 11677
- 12624
- 13800
- 17217
- 21377

FCEV
- 0
- 5000
- 10000
- 15000
- 20000
- 25000

eMC
- 0
- 5000
- 10000
- 15000
- 20000
- 25000

Series 4
- CHEAPR 1 – April 2015
- CHEAPR 2 – March 2018
- CHEAPR 3 – June 2021

Legend:
- Series 1
- BEV
- FCEV
- eMC
- Series 4
CT Gross EV Gains (Jan-July 2021)

- 9,741 EVs appeared for the first time in CT registration
- 2,164 EVs were registered in CT but did not remain in the registration database by end of 2021
- 7,577 new EVs remained in CT registration by the end of 2021

<table>
<thead>
<tr>
<th>Vehicle Type</th>
<th>Jan 21-July 21</th>
<th>July 21- Dec 21</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEV</td>
<td>2418</td>
<td>3283</td>
<td>5701</td>
</tr>
<tr>
<td>PHEV</td>
<td>1917</td>
<td>2123</td>
<td>4040</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4335</td>
<td>5406</td>
<td>9741</td>
</tr>
</tbody>
</table>
CHEAPR Applications Approved in 2021-22

Connecticut Department of Energy and Environmental Protection
CHEAPR Applications by Vehicle Type

- Bolt: 9
- Bolt EUV: 1
- Civic PHEV: 1
- Civic SE: 1
- Civic SE Hatchback: 1
- Civic Hybrid: 1
- Corolla: 3
- Corolla Hybrid: 9
- ID.4: 12
- Jazz PHEV: 34
- Leaf: 48
- Mirai: 1
- Model 3: 43
- Niro Electric: 13
- Niro PHEV: 5
- Outlander PHEV: 3
- Pacifica Hybrid: 1
- Prius Prime: 50
- Santa Fe PHEV: 270
- Soul EV: 6
- Tucson PHEV: 2

Connecticut Department of Energy and Environmental Protection
Rebate+ Update

- CHEAPR Rebate+ launched on June 7, 2021
- Current Dealerships Enrolled: 134
- Number of Rebates Approved Since Rebate+ Launch: 996

<table>
<thead>
<tr>
<th>Point of Sale</th>
<th>Rebate+ NEW</th>
<th>Rebate+ USED</th>
</tr>
</thead>
<tbody>
<tr>
<td>982</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>SSI</td>
<td>Head Start</td>
</tr>
<tr>
<td></td>
<td>SNAP</td>
<td>Medicaid(4)</td>
</tr>
<tr>
<td></td>
<td>Medicaid</td>
<td>NSLP</td>
</tr>
<tr>
<td></td>
<td>CEAP</td>
<td></td>
</tr>
</tbody>
</table>
Addressing LMI Participation

Next Steps:

• Increase outreach and awareness on used and more affordable EV models where the TCO yields significant savings.

• Broaden eligibility and streamline qualification process based on census tract and or income thresholds.

• Continue to explore other models to provide access to clean transportation and clean mobility options.
Evaluating Changes to CHEAPR’s MSRP Cap
### CHEAPR Program: MSRP Bin Analysis

#### Number of Newly Registered EVs in CT Classified by MSRP Bin

<table>
<thead>
<tr>
<th>Bin</th>
<th>BEV</th>
<th>PHEV</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bin 1 ($0 – 42k MSRP)</td>
<td>1198</td>
<td>2622</td>
<td>3820</td>
</tr>
<tr>
<td>Bin 2 ($42,001 – 45k MSRP)</td>
<td>1978</td>
<td>107</td>
<td>2085</td>
</tr>
<tr>
<td>Bin 3 ($45,001 – 50k MSRP)</td>
<td>50</td>
<td>135</td>
<td>185</td>
</tr>
<tr>
<td>Bin 4 ($50,001 – 55k MSRP)</td>
<td>0</td>
<td>595</td>
<td>595</td>
</tr>
<tr>
<td>Bin 5 ($55,001 – 60k MSRP)</td>
<td>1716</td>
<td>70</td>
<td>1786</td>
</tr>
<tr>
<td>Bin 6 ($60,001 – 65k MSRP)</td>
<td>0</td>
<td>368</td>
<td>368</td>
</tr>
<tr>
<td>Bin 7 ($65,001 – 70k MSRP)</td>
<td>133</td>
<td>20</td>
<td>153</td>
</tr>
<tr>
<td>Bin 8 ($70k+ MSRP)</td>
<td>610</td>
<td>123</td>
<td>733</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>5685</strong></td>
<td><strong>4040</strong></td>
<td><strong>9725</strong></td>
</tr>
</tbody>
</table>

- 2021 CT EV data divided into MSRP bins
- Majority of CT EVs fall under Bin 1, Bin 2 and Bin 5
- Bin 5 contains 1,608 Tesla Model Y vehicles
# Program Optimization: Balancing Utilization Rates

<table>
<thead>
<tr>
<th>Program Options</th>
<th>25% Utilization Rate</th>
<th>34% (Real World)</th>
<th>50% Utilization Rate</th>
<th>75% Utilization Rate</th>
<th>Final Program Cost (per year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status Quo</td>
<td>$1,358,521</td>
<td>$1,847,588</td>
<td>$2,717,042</td>
<td>$4,075,563</td>
<td>$5,434,084</td>
</tr>
<tr>
<td>Option 1 0-50k, SQ Stimulus</td>
<td>$2,735,269</td>
<td>$3,719,966</td>
<td>$5,470,539</td>
<td>$8,205,808</td>
<td>$10,941,077</td>
</tr>
<tr>
<td>Option 2 0-60k, SQ Stimulus</td>
<td>$4,001,432</td>
<td>$5,441,948</td>
<td>$8,002,864</td>
<td>$12,004,297</td>
<td>$16,005,729</td>
</tr>
</tbody>
</table>

Program cost estimates assuming 99% Standard Rebate & 1% Rebate+New utilized and various utilization rates
Bin Analysis

- In 2021, 1198 BEVs and 2622 PHEVs were eligible for CHEAPR rebates. About 34% of total eligible vehicles utilized the rebate.
- At 100% utilization, the CHEAPR program would cost $5.4M last year. With base funding of $3M, CHEAPR could support about 2149 EVs before exhausting funds.
- Therefore, with no changes the current budget can't support the current program if all rebates are taken.
- Increasing the MSRP cap to $50K, could potentially bring 2270 EVs into program eligibility.

<table>
<thead>
<tr>
<th>Program Option</th>
<th>MSRP Bin</th>
<th>Total Number of EVs</th>
<th>Rebate Given</th>
<th>Final Program Cost (per year)</th>
<th>Current Cost (34% utilization rate)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status Quo</td>
<td>1 ($0-42k)</td>
<td>3820</td>
<td>SQ Standard Rebate, SQ Stimulus Rebate+</td>
<td>$5,434,084</td>
<td>$1,847,588</td>
</tr>
<tr>
<td>1</td>
<td>1-3 ($0-50k)</td>
<td>6090</td>
<td>SQ Standard Rebate, SQ Stimulus Rebate+</td>
<td>$10,941,077</td>
<td>$3,719,966</td>
</tr>
</tbody>
</table>

Number of Eligible EVs below $50K MSRP in 2021

| Bin 1 ($0 – 42k MSRP) | 1198 | 2622 | 3820 |
| Bin 2 ($42,001 – 45k MSRP) | 1978 | 107 | 2085 |
| Bin 3 ($45,001 – 50k MSRP) | 50 | 135 | 185 |

CHEAPR Program Cost Estimates for Status Quo and $50K MSRP Cap Increase
<table>
<thead>
<tr>
<th>MSRP Bins</th>
<th>Total Registered Vehicles</th>
<th>Total Models</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0-42K</td>
<td>3820</td>
<td>38</td>
</tr>
<tr>
<td>$42-45K</td>
<td>2085</td>
<td>6</td>
</tr>
<tr>
<td>$45-50K</td>
<td>185</td>
<td>4</td>
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<tr>
<td>$50-55K</td>
<td>595</td>
<td>5</td>
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<tr>
<td>$55-60K</td>
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<tr>
<td>$60-65K</td>
<td>368</td>
<td>3</td>
</tr>
<tr>
<td>$65-70K</td>
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<td>6</td>
</tr>
<tr>
<td>$70+K</td>
<td>733</td>
<td>17</td>
</tr>
</tbody>
</table>
Recommendation to raise the MSRP cap to $50,000
DEEP is in the process of identifying funds to dedicate to develop a marketing campaign directed towards increasing the utilization rates for all consumers including LMI.
Next Steps

- CSE Annual Report to be distributed to the CHEAPR Board electronically by April 4th.
- DEEP to find off-CHEAPR budget for marketing outreach to focus on dealers and LMI communities.
- CSE to continue working with/training dealers as needed.
CHEAPR BOARD MEETINGS for 2022

Thursday, June 16\textsuperscript{th} from 3:00-5:00 PM

Thursday, September 15\textsuperscript{th} from 3:00-5:00 PM

Thursday, December 15\textsuperscript{th} from 3:00-5:00 PM
Public Comments