BOARD AGENDA

3:00 PM  Chair Commissioner Dykes Call to Order
Welcome
Approval of June 15, 2023 CHEAPR Board Meeting Minutes

3:15 PM  CHEAPR Program Update
Program Metrics
Budget Update
Public Act 22-25 Implementation Update

4:00 PM  Board Discussion

4:15 PM  Public Comments
Adjourn
PREVIOUS MINUTES

Approval of the June 15, 2023 Minutes
# CHEAPR BUDGET

## Budget Summary

<table>
<thead>
<tr>
<th></th>
<th>Rebate Funds</th>
<th>Admin Funds</th>
<th>Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incentive Payments (A)</td>
<td>$2,937,375.00</td>
<td>$2,937,375.00</td>
<td></td>
</tr>
<tr>
<td>Incentive Pipeline</td>
<td>$1,146,675.00</td>
<td>$1,146,675.00</td>
<td></td>
</tr>
<tr>
<td>Administrative (B)</td>
<td></td>
<td>$336,692.76</td>
<td>$336,692.76</td>
</tr>
<tr>
<td>Total Funds Utilized</td>
<td>$4,084,050.00</td>
<td>$336,692.76</td>
<td>$4,420,742.76</td>
</tr>
</tbody>
</table>

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Remaining 2023-2025 Funding</td>
<td>$9,714,471.76</td>
<td>$1,651,307.24</td>
<td>$11,365,779.00</td>
</tr>
</tbody>
</table>

## A. Incentives Paid

<table>
<thead>
<tr>
<th>Type of Incentive</th>
<th>Payments May'23-July'23</th>
<th>All Payments: Jan'23-July'23</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Vehicle</td>
<td>$1,464,000</td>
<td>$2,791,500</td>
</tr>
<tr>
<td>Rebate+</td>
<td>$39,750</td>
<td>$65,750</td>
</tr>
<tr>
<td>Dealer</td>
<td>$24,575</td>
<td>$80,125</td>
</tr>
<tr>
<td>Total</td>
<td>$1,528,325</td>
<td>1,001</td>
</tr>
</tbody>
</table>

## B. Administrative Costs

<table>
<thead>
<tr>
<th></th>
<th>Costs Incurred May'23-July'23</th>
<th>Costs Incurred Jan'23-July'23</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Time and Materials</td>
<td>$47,229.65</td>
<td>$192,402.76</td>
</tr>
<tr>
<td>Fixed Fees (Monthly &amp; Annual)</td>
<td>$34,500.00</td>
<td>$115,500.00</td>
</tr>
<tr>
<td>Application Volume (Fee/App)</td>
<td>$22,920.00</td>
<td>$28,790.00</td>
</tr>
<tr>
<td>Total Administrative Costs</td>
<td>$104,649.65</td>
<td>$336,692.76</td>
</tr>
</tbody>
</table>
COMPARING EV SALES (ZEV VS. NON-ZEV)

Section 177 ZEV States include: CO, CT, MA, MD, ME, MN, NJ, NM, NV, NY, OR, RI, VA, VT, WA

Source: IHS Markit / Polk via Atlas Public Policy’s EV Hub
CT EV REGISTRATIONS*

Total Active EV Registrations in Connecticut
as of July 01, 2023

*Registration Data Updated Semi-Annually
First Update: July (Jan.-June)
Second Update: January (July-Dec.)

---|---|---|---|---|---|---|---|---|---|---|---|---|---
PHEV | 76 | 1723 | 3066 | 3549 | 4705 | 5063 | 5220 | 5480 | 5722 | 5893 | 7321 | 8827 | 10126 | 11615 | 13510
BEV | 32 | 621 | 1811 | 2371 | 3280 | 4208 | 5099 | 6172 | 6874 | 7880 | 9861 | 12513 | 15268 | 18509 | 22695
FCEV | 0 | 0 | 1 | 3 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 6 | 5 | 3 | 3
eMC | ND | ND | ND | ND | ND | ND | 16 | 18 | 22 | 25 | 24 | 32 | 34 | 44 | 57 | 61
Grand Total | 108 | 2344 | 4878 | 5923 | 7987 | 9289 | 10339 | 11677 | 12624 | 13800 | 17217 | 21377 | 25444 | 30186 | 36269

Connecticut Department of Energy & Environmental Protection

36,269
COMPARING EV SALES (ZEV STATES)

PEV Sales by Quarter in the Section 177 ZEV States Since 2019

<table>
<thead>
<tr>
<th>State</th>
<th>2023 Q2 PEV Share (± Q1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA</td>
<td>26.0% (+1.8%)</td>
</tr>
<tr>
<td>CO</td>
<td>12.2% (-0.4%)</td>
</tr>
<tr>
<td>CT</td>
<td>9.4% (0%)</td>
</tr>
<tr>
<td>MA</td>
<td>12.1% (+1.8%)</td>
</tr>
<tr>
<td>MD</td>
<td>10.6% (+0.5%)</td>
</tr>
<tr>
<td>ME</td>
<td>5.5% (-0.3%)</td>
</tr>
<tr>
<td>MN</td>
<td>6.0% (+0.1%)</td>
</tr>
<tr>
<td>NJ</td>
<td>13.6% (+1.8%)</td>
</tr>
<tr>
<td>NM</td>
<td>4.5% (-0.5%)</td>
</tr>
<tr>
<td>NY</td>
<td>11.0% (-4.3%)</td>
</tr>
<tr>
<td>NV</td>
<td>8.5% (+1.6%)</td>
</tr>
<tr>
<td>OR</td>
<td>13.8% (-2.7%)</td>
</tr>
<tr>
<td>RI</td>
<td>6.9% (+0.8%)</td>
</tr>
<tr>
<td>VA</td>
<td>10.1% (+0.3%)</td>
</tr>
<tr>
<td>VT</td>
<td>9.0% (+0.3%)</td>
</tr>
<tr>
<td>WA</td>
<td>17.6% (+0.4%)</td>
</tr>
</tbody>
</table>
CHEAPR STATS OVERVIEW (2015 to Present)

CHEAPR has issued over $18 million for the purchase or lease of over 10,400 EVs... since 2015!

Program Summary

<table>
<thead>
<tr>
<th>Program Summary</th>
<th>Total Amount</th>
<th>Rebates</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select a vehicle category to filter visuals</td>
<td>New</td>
<td>Used</td>
<td>New</td>
</tr>
<tr>
<td>PHEV</td>
<td>$5,773,250</td>
<td>$6,750</td>
<td>4,954</td>
</tr>
<tr>
<td>BEV</td>
<td>$12,293,750</td>
<td>$39,000</td>
<td>5,514</td>
</tr>
<tr>
<td>Total</td>
<td>$18,067,000</td>
<td>$45,750</td>
<td>10,468</td>
</tr>
</tbody>
</table>

Connecticut Department of Energy & Environmental Protection
**CHEAPR STATS (2023: JAN 1 – JUL 6)**
Available on CHEAPR Stats Page

### Most Popular EVs

<table>
<thead>
<tr>
<th>EV Model</th>
<th>Rebates</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tesla Model 3</strong></td>
<td>417</td>
</tr>
<tr>
<td><strong>Tesla Model Y</strong></td>
<td>362</td>
</tr>
<tr>
<td><strong>Toyota RAV4 Prime</strong></td>
<td>183</td>
</tr>
<tr>
<td><strong>Chevrolet Bolt</strong></td>
<td>154</td>
</tr>
<tr>
<td><strong>Volkswagen ID.4</strong></td>
<td>81</td>
</tr>
<tr>
<td><strong>Nissan LEAF or LEAF Plus</strong></td>
<td>39</td>
</tr>
<tr>
<td><strong>Hyundai Ioniq 5</strong></td>
<td>36</td>
</tr>
</tbody>
</table>

### Rebates by Zip

![Map showing rebates by zip code](map.png)

### Rebates by City

![Map showing rebates by city](map.png)

### EVs by Category

![Bar chart showing EVs by category](chart.png)

### Rebated Dealerships by Location

![Map showing rebated dealerships](map.png)

### Top Rebated Dealerships

<table>
<thead>
<tr>
<th>Dealership</th>
<th>Rebates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tesla, Inc.</td>
<td>775</td>
</tr>
<tr>
<td>Lynch Toyota</td>
<td>24</td>
</tr>
<tr>
<td>Maritime Chevrolet</td>
<td>22</td>
</tr>
<tr>
<td>Meriden Hyundai</td>
<td>21</td>
</tr>
<tr>
<td>Toyota of Wallingford</td>
<td>20</td>
</tr>
<tr>
<td>Gene Langan Volkswagen</td>
<td>20</td>
</tr>
<tr>
<td>Brandfon Hyundai</td>
<td>19</td>
</tr>
<tr>
<td>Executive Kia</td>
<td>18</td>
</tr>
<tr>
<td>New Country Toyota of Westport</td>
<td>17</td>
</tr>
<tr>
<td>Middletown Toyota</td>
<td>17</td>
</tr>
<tr>
<td>Torrington Toyota</td>
<td>16</td>
</tr>
<tr>
<td>Hamden Chevrolet</td>
<td>16</td>
</tr>
<tr>
<td>Westbrook Toyota</td>
<td>16</td>
</tr>
<tr>
<td>Shaker Family Hyundai</td>
<td>15</td>
</tr>
<tr>
<td>Colonial Motors Inc</td>
<td>14</td>
</tr>
<tr>
<td>RICHARD CHEVROLET, INC.</td>
<td>14</td>
</tr>
</tbody>
</table>

Connecticut Department of Energy & Environmental Protection
Since January 1, Model 3 and Y received ~50% of incentives (~$2,042,000)…far outpacing other EV models.
TRACKING INCENTIVE UPTAKE

Overall EV sales likely exceeding 10%

Tesla uptake accounts for large % of current budget

Need to determine participation rate for eligible Tesla EVs to establish upper bound

Need to determine participation rate for non-Tesla EVs

Rebate + uptake (10% target) and developing data on voucher redemption rate

Budget allocation for CY 2023 is $4M; actual spend for Jan – July is $3M

These factors require further analysis of potential budget impacts once budget implications for Fleets and eBikes are considered

DEEP will continue to track
  - Given statutory framework, amending funding levels or incentive levels are the only levers
Program Implementation Update
REBATE PROCESS CHANGES

Standard Point of Sale Rebate
- No significant changes

LMI Voucher Program*
- Pre-Approved Voucher
- Work on platform development with new SOW
- Launched March 29

Fleet
- Platform Development
- Dealer Outreach & Fleet ID
- Launch New Program

*DEEP is retaining the post-sale rebate for LMI Individuals for continuity.
CHEAPR FLEETS

Coming Soon!

CHEAPR will be expanded to:

- Businesses, Municipalities, Non-Profits, and Tribal Entities.
- Post-Purchase Rebate
  - must first purchase or lease an eligible new vehicle
- Only New EVs will be eligible
- Must be on CHEAPR eligible vehicle list (≤ $50K MSRP)
- Standard Rebate: $2,250 (BEVs) | $750 (PHEVs)
- Non-government entities must provide Certificate of Legal Existence (Good Standing)
- Fleets eligible for up to 10 rebate per year and 20 total
- Prioritized by the following criteria:
  - A home base within an Environmental Justice Community or Distressed Municipality;
  - A certified annual Vehicle Miles Traveled (VMT) of the applicant fleet above 20,000 miles per vehicle per year; or
  - Replacement of a vehicle older than 10 years.
Marketing Program Update
CHEAPR MARKETING PROCESS

DEEP has divided the marketing initiative into 2 phases.

Phase 1) Strategic Marketing and Outreach Discovery and Planning - COMPLETE
- Develop a comprehensive marketing strategy and messaging for different sectors/consumer groups.
- Develop a digital marketing plan.
- Develop an outreach plan.
- Demonstrate how each component of the scope of work contributes to the overall marketing lifecycle for CHEAPR

Phase 2) Creative Development and Launch Marketing and Outreach Campaign
- The strategic roadmap to inform the development and implementation the next CHEAPR campaign will be produced and implemented in Phase 2.
- RFP development and posting.
NEXT STEPS

- Continue to monitor CHEAPR utilization rate.
- Track Rebate+ Application Rate and Voucher Redemption Rate.
- CHEAPR Fleets, coordinate with CARA to understand fleet demands and sales cadence, develop pre-application process.
- Conduct additional outreach with Fleets managers to improve awareness of the program and refine pre-application process.
- Continue to work with vendor to develop marketing campaign.
- Participate in the Connecticut International Auto Show this November.
eBike Incentive Program Update
eBike INCENTIVE PROGRAM

Round 1 - Point of Sale Voucher
- Launched June 28, 2023!
- CT Brick and Mortar retailers

Incentive levels:
- Standard Voucher: $500
- Voucher+: $1,000
- Vouchers are stackable: Total Voucher $1,500

Other Program Parameters
- eBike MSRP ≤ $3,000

Safety Standards:
- Underwriters Laboratories (UL) standard 2849 or EN 15194
- One year manufacturer’s warranty for the parts and components
- Maximize air quality benefits
- Prioritize EJ communities and low-moderate income households

Eligibility determined both categorically and via income verification
**eBike INCENTIVE PROGRAM LAUNCH**

Round 1 – Launched June 28

**eBike Program Launch**
- DEEP launched the Round 1 of the eBike Incentive Program on **June 28, 2023**, and received a strong response.
- DEEP closed the application portal ten (10) days later, on **July 8, 2023**, as outlined in the [eBike Program Terms and Conditions](#). The eBike Incentive program received:

  - **1,343** Standard Voucher applications
  - **5,051** Voucher+ applications
  - **6,394** Total eBike Program Applications!

**eBike Program Budget**
- DEEP increased the first year of funding from **$500,000** to **$750,000** which will enable the program to issue incentives to the first **500 Voucher+** applicants.

**Eligible eBike Models**
- **68** eBikes eligible Models currently.

  *Note: eligibility is not the same as availability. Not all eligible eBikes are currently available at Participating eBike Retailers.*

**Participating CT eBike Retailers**
- **29** Participating eBike Retailer Locations.

  *Note: Some Participating eBike Retailers may have multiple locations throughout CT. Enrollment of additional interested eBike retailers continues.*
**Program Summary**

<table>
<thead>
<tr>
<th>Total Vouchers Approved</th>
<th>Total Vouchers Redeemed</th>
<th>Total Funds Redeemed</th>
</tr>
</thead>
<tbody>
<tr>
<td>459</td>
<td>113</td>
<td>$166,763</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funds Approved</th>
<th>Vouchers Approved</th>
<th>Vouchers Redeemed</th>
<th>Funds Redeemed</th>
</tr>
</thead>
<tbody>
<tr>
<td>EJ Community/Distressed Municipality</td>
<td>$534,000</td>
<td>366</td>
<td>89</td>
</tr>
<tr>
<td>Income Qualification</td>
<td>$5,000</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Public Assistance Program</td>
<td>$130,500</td>
<td>87</td>
<td>21</td>
</tr>
</tbody>
</table>

**Vouchers Approved**

- Jul 23: 5
- Jul 28: 150
- Aug 2: 20
- Aug 7: 10
- Aug 12: 5
- Aug 17: 5

**Total Funds Approved**

- Jul 18: $0
- Jul 28: $500,000
- Aug 7: $600,000

**Voucher+ Applicants**

- EJ Community/Distressed Municipality: 80.2%
- Public Assistance Program: 19.0%
- Income Qualification: 0.8%

Due to rounding, values may not add to 100%.

**Connecticut Department of Energy & Environmental Protection**
eBike PROGRAM STATS
(July 10 to Aug 14, 2023)

Available on eBike Stats Page

Most Popular eBike Brands

- Aventon, 87
- Velotric, 18
- Gazelle, 6
- Trek, 2

Vouchers by County

Vouchers by City

Vouchers by Zip

Vouchers by eBike Retailer

Top Rebated Retailers

- Connecticut Hydrogen and Electric Automobile Purchase Rebate (CHEAPR)
FAQs & Common Issues (addressing info concerns?)

Resources available for Consumers & Retailers
www.DriveCHEAPR.org/ebikes

Feedback Forum
Q&A
Lessons Learned
eBike Retailer Info Session
Additional Outreach
eBike INCENTIVE PROGRAM—Next Steps

- Continue Program Outreach
- Data Gathering
  - Bike shop feedback
  - Participant feedback
- Program Adjustments, if needed
- Round 2 – Design
CHEAPR BOARD MEETING SCHEDULE

Upcoming CHEAPR Board Meetings

• December 14, 2023
• March 14, 2024
• June 13, 2024
• September 12, 2024
• December 12, 2024
BOARD QUESTIONS AND DISCUSSION

Open for Board Member questions and discussion.
PUBLIC COMMENTS

Please raise your hand in the chat.