







What is CHEAPR?





The innovative Connecticut Hydrogen and Electric Automobile Purchase Rebate (CHEAPR) program offers monetary incentives to CT residents and businesses for the purchase or lease of qualifying electric vehicles.

Launched in May 2015, CHEAPR has issued over \$10 million for the purchase or lease of over 5,700 electric vehicles!



What is CHEAPR?



Working closely with the Connecticut Automobile Retailers Association (CARA), CHEAPR was the first EV incentive program in the country to offer the consumer incentive as "money on the hood" and also offer a dealer incentive for selling an EV.





CHEAPR Leads the Way





"Connecticut boasts what we believe is the most comprehensive EV consumer rebate program in the country."

Gina Coplon-Newfield
Director of Sierra Club's Electric Vehicles Initiative

"First state in the country to offer rebates on advanced technology vehicles that are applied when the car is purchased."

Auto alternatives for the 21st century

Sarah Shelton hybridcars.com



CHEAPR Website



Eligible Vehicle List

Available Funding

www.ct.gov/deep/CHEAPR

- Dealer or consumer can check real-time available funding on the CHEAPR website
- List of Eligible Vehicles
- Detailed interactive program statistics updated monthly
- Program document repository





Simple Application Process



Pilot program managed by Center for Sustainable Energy (CSE) who also manages the EV incentive programs in CA, MA, NY and OR.

- Dealer completes all paperwork for the consumer at the time of vehicle purchase
- Consumer just has to choose to apply incentive to price of vehicle at time of purchase or receive a check at a later date
- Application is simple and dealers manage all applications online







Overview of Current CHEAPR Program Requirements



Eligibility Requirements



- To qualify, applicants must:
 - Reside in CT
 - Purchase an eligible vehicle from a CT franchised new auto dealer
 - Exception for Tesla EVs purchased out of state until such time they can be offered for sale in Connections
 - Register vehicle in Connecticut
- Rebates are limited to one per person and two per business, non-profit organization, or state/local government entity.



Eligible Vehicles







Incentive Levels



Current Incentive Levels for the purchase or lease of an eligible electric vehicle are based on the EPA rated allelectric range of the vehicle:

	Incentive Amount	EPA All Electric Range	MSRP Cap
BEV	\$1,500	≥ 200 miles	\$42,000
	\$500	< 200 miles	\$42,000
PHEV	\$500	Any PHEV	\$42,000
FCEV	\$5,000	Any FCEV	\$60,000



effective on and after October 15, 2019



Incentive Level History





- From May 2015 through the end of 2019, the CHEAPR program did not have a steady funding source and relied on ad hoc SEP funding.
- Majority of funding for the pilot program came from settlement agreements from both Eversource and Avangrid, along with other air-related SEP funds.
- As EV sales increased and technology advanced, incentive levels and vehicle eligibility requirements were modified to ensure the new sources of funding could provide program continuity.





May 2015 - Incentive levels were set by battery capacity only.

Any BEV, PHEV or FCEV

\$3,000 - > 18kWh \$1,500 - 7 - 18 kWh \$750 - < 7kWh

MSRP Cap

\$60,000 Any Vehicle

July 2016 - Incentive levels still based on the battery capacity of each vehicle but now incentivizing the best in each vehicle category.

BEV

\$3,000 - > 25kWh \$1,500 - 20 to 25 kWh \$750 - < 20kWh

PHEV

\$3,000 - > 18 kWh \$1,500 - 10 to 18 kWh \$750 - < 10 kWh

FCEV

\$5,000 – Any FCEV

MSRP Cap

\$60,000 Any Vehicle





July 2017 – As EVs became more popular it was simpler for the public to understand electric range rather than battery capacity and rebate levels were reduced accordingly.

BEV

\$3,000 - ≥ 175 mi \$2,000 - 100-174 mi \$500 - < 100 mi

PHEV

\$2,000 - ≥ 40 mi \$500 - < 40 mi

FCEV

\$5,000 – Any FCEV

MSRP Cap

\$60,000 Any Vehicle

October 2018 – Electric ranges were modified due to technological advances and rebate levels and MSRP cap were adjusted to ensure program solvency.

BEV

\$2,000 - ≥ 200 mi \$1,500 - 120-199 mi \$500 - < 120 mi

PHEV

\$1,000 - ≥ 45 mi \$500 - < 45 mi

FCEV

\$5,000 – Any FCEV

MSRP Cap

\$50,000 Any BEV/ PHEV

> \$60,000 Any FCEV





October 2019 – In reaction to limited funding and advancements in EV model availability, incentive levels, range bins and MSRP cap were all adjusted to ensure limited remaining funding bridged the gap to 2020.



\$1,500 - ≥ 200 mi \$500 - < 200 mi

PHEV

\$500 – Any PHEV

FCEV

\$5,000 – Any FCEV

MSRP Cap

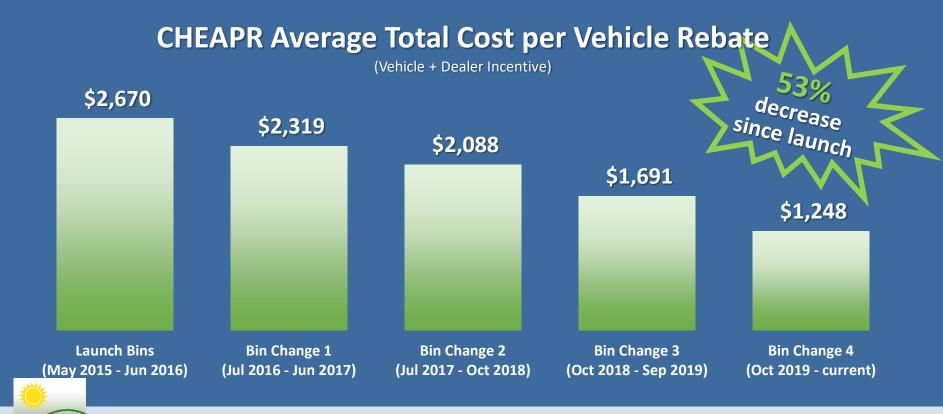
\$42,000 Any BEV/ PHEV

> \$60,000 Any FCEV





While EV sales have grown rapidly in the last few years, CHEAPR has been able to adjust to market conditions and ensure the program is fiscally responsible.





CHEAPR's Impact

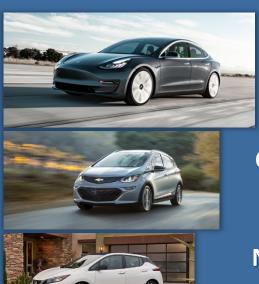


CHEAPR's Impact



CHEAPR has issued **5,786** EV rebates since May 2015 and **50%** of those have been full battery electric vehicles

Best Selling BEVs



Tesla Model 3 **1,416**

Chevrolet Bolt **557**

Nissan Leaf

Best Selling PHEVs



Chevrolet Volt 877



Toyota Prius Prime 831



Honda Clarity PHEV

447





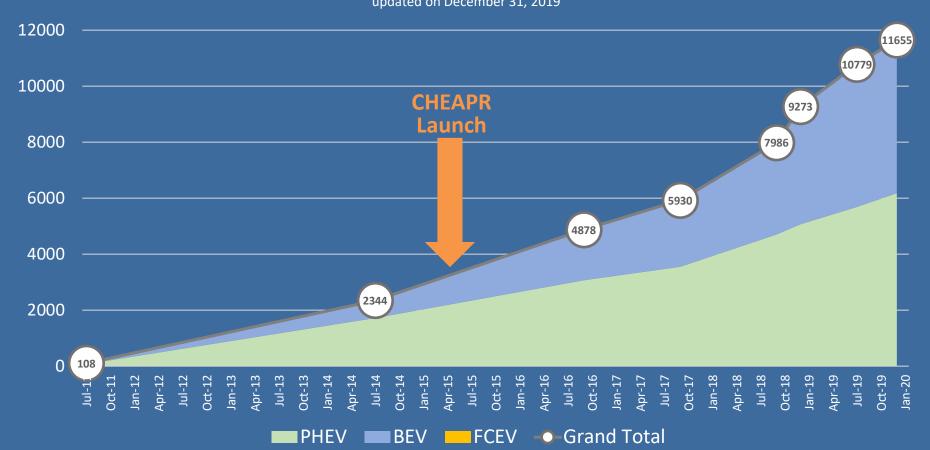
CHEAPR's Impact



There are approximately 11,655 electric vehicles registered in Connecticut as of December 31, 2019

Total Active EV Registrations in Connecticut

updated on December 31, 2019





CHEAPR's Future



CHEAPR's Future



You! Public Act 19-117 reestablishes CHEAPR within DEEP, under a board consisting of, up to twelve members chaired by the Commissioner of DEEP.

Steady Funding! The General Assembly allocated \$15 million to support CHEAPR over a 5-year period from Jan 1, 2020 – Dec 31, 2025.

Used Vehicles! Incentive program for used vehicles will be established with income eligibility thresholds.

Stay engaged! It will continue to be vitally important for CHEAPR to react to market changes, technological advances, and program participation rates to ensure that allocated funding continues to stimulate EV adoption over 5 year period.

Next Steps



Bridge funding during program transition Public Act 19-117 directs CHEAPR be administered by the CHEAPR Board on and after January 1, 2020. The Board must authorize incentive levels and use of gap funding during program transition.

Program vendor DEEP and DAS are finalizing the contract for program administration.

Program parameters and implementation guidelines Program parameters must be established, including new parameters for used vehicles and income eligibility thresholds.

Next Board Meeting Suggesting quarterly meetings with updates from DEEP staff as necessary and appropriate

Questions?





