



Connecticut Department of Energy and Environmental Protection



Wednesday, February 24th 1:00-2:00 PM

Draft Board Agenda



1:00 PM Chair Dykes Call to Order

- Roll
- Approval of the October 9, 2020 CHEAPR Board Meeting
- Summary of December 18, 2020 Meeting
- Overview of Voting Process and Board Vote

1:15 pm Board Discussion

1:30 pm General Updates/TCI and other Legislative Initiatives

1:45 Public Comments

2:00 pm Next steps and Adjourn



Approval of the October 9th Minutes



CHEAPR Budget January 2021

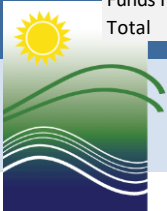


January 1, 2020 through January 31, 2021			
	Rebate Funds	Admin Funds (1)	Total Funds
Contract Funding Summary:			
Air Funding (CHEAPR2 Bridge Funding) (2)	\$ 260,000.00	\$ 65,000.00	\$ 325,000.00
Year 1 (2020) Funding	\$ 2,625,016.00	\$ 374,984.00	\$ 3,000,000.00
Subtotal 2020 Program Funding	\$ 2,885,016.00	\$ 439,984.00	\$ 3,325,000.00
CHEAPR2 Rebates (Vehicle) Paid	\$ (246,500.00)		\$ (246,500.00)
CHEAPR2 Rebates (Dealer) Paid	\$ (13,400.00)		\$ (13,400.00)
Subtotal CHEAPR2 Incentives Paid (3)	\$ (259,900.00)		\$ (259,900.00)
CHEAPR3 Rebates (Vehicle) Paid	\$ (486,000.00)		\$ (486,000.00)
CHEAPR3 Rebates (Dealer) Paid	\$ (26,025.00)		\$ (26,025.00)
Subtotal CHEAPR3 Incentives Paid (4)	\$ (512,025.00)		\$ (512,025.00)
CHEAPR3 Pipeline:			
Rebates Approved (Vehicle)	\$ (3,000.00)		\$ (3,000.00)
Rebates Approved (Dealer)	\$ (125.00)		\$ (125.00)
Rebate in Process (Vehicle)	\$ (74,500.00)		\$ (74,500.00)
Rebate in Process (Dealer)	\$ (4,050.00)		\$ (4,050.00)
Subtotal CHEAPR3 Pipeline (5)	\$ (81,675.00)		\$ (81,675.00)
Jan-June Admin Costs - CHEAPR2 Bridge Funding		\$ (65,000.00)	\$ (65,000.00)
June Admin Costs		\$ (26,572.36)	\$ (26,572.36)
July Admin Costs		\$ (25,832.25)	\$ (25,832.25)
Aug Admin Costs		\$ (40,176.76)	\$ (40,176.76)
Sept Admin Costs		\$ (28,976.81)	\$ (28,976.81)
Oct Admin Costs		\$ (29,952.24)	\$ (29,952.24)
Nov Admin Costs		\$ (30,404.77)	\$ (30,404.77)
Dec Admin Costs		\$ (32,827.85)	\$ (32,827.85)
Jan'21 Admin Costs (under review)		\$ (48,470.48)	\$ (48,470.48)
Total Funds Utilized through 1/31/2021	\$ (853,600.00)	\$ (328,213.52)	\$ (1,181,813.52)
Estimated Remaining 2020 Funding	\$ 2,031,416.00	\$ 111,770.48	\$ 2,143,186.48
Funds Held by DEEP/DMV	\$ 1,625,116.00	\$ 124,984.00	\$ 1,750,100.00
Funds Held by CSE	\$ 406,300.00	\$ (13,213.52)	\$ 393,086.48
Total	\$ 2,031,416.00	\$ 111,770.48	\$ 2,143,186.48

- Budget carryover 2020 to 2021: \$2.1 million
- See board packet for a readable version of the budget update

Notes

- (1) Admin cap of 11.5% for CHEAPR 2.0 and 12.5% for CHEAPR 3.0.
- (2) Bridge funding added to the program May 6, 2020.
- (3) Rebates approved 1/27/20-6/12/20 (226 vehicle rebates).
- (4) Rebates approved 6/15/20 through 1/31/21 (450 vehicle rebates).
- (5) Rebates approved and in process but not yet paid as of 1/31/2021 (67 vehicles)



Program Update

- 2020 Available funds (as of 1/31/2020): **\$2,143,186**
- # of Rebates Approved through 12/31/2020: 676
- # of Rebates Approved in Jan 2021: 67
- # of Rebates Approved through 1/31/2021: 743

Note: Program admin request to move over next \$3M in program funding – in process.



Stimulus Implementation

Carry Over Funds Estimated to Support Stimulus for all of 2021



Offer Stimulus for Six Months

Valid: April 15, 2021 – 11:59 pm December 31, 2021

Periodic check of remaining surplus funds

< 50% (~\$1.1M) Surplus Used by August 15th

➡ Extend to December

>75% (~\$1.65M) of Surplus Used by May

⬅ Revert to Standard Rebate



CHEAPR Program Design Options – Vote No. 2

	Range Agnostic (42K MSRP)	EV Coalition (50K MSRP)
New BEV (Long Range) Rebate	1500	2500
New BEV (Short Range) Rebate	1500	2500
New PHEV Rebate	500	500
New FCEV Rebate	5000	2500
Used BEV (Short Range) Rebate	2000	2500
Used PHEV Rebate	750	500
Used BEV (Long Range) Rebate	2000	2500
Used FCEV Rebate	5000	2500
New BEV (Long Range) LMI Supplement	2000	2000
New BEV (Short Range) LMI Supplement	1500	2000
New PHEV LMI Supplement	1500	1500
New FCEV LMI Supplement	2000	2000
Dealer Incentive (Used)	75	75
Dealer Incentive (New & <\$1,500 consumer rebate)	75	75
Dealer Incentive (New & >\$1,500 consumer rebate)	125	125
Percent of EVs rebated	0.528	0.84

Note: Incentive design will include an additional 50% stimulus increase from date of program implementation through December 2021. The stimulus is not reflected in the incentive levels outlined on this slide.



CHEAPR Rebate Amounts with 50% Stimulus

	Range Agnostic (42K MSRP)	Total with 50% stimulus increase
New BEV Rebate	1500	2250
New PHEV Rebate	500	750
New FCEV Rebate	5000	7500
Used BEV Rebate	2000	3000
Used PHEV Rebate	750	1125
Used FCEV Rebate	5000	7500
New BEV LMI Supplement	2000	2000
New PHEV LMI Supplement	1500	1500
New FCEV LMI Supplement	2000	2000
Dealer Incentive (Used)	75	75
Dealer Incentive (New & <\$1,500 consumer rebate)	75	75
Dealer Incentive (New & >\$1,500 consumer rebate)	125	125

Note: Incentive design will include an additional 50% stimulus increase from date of program implementation through December 2021.





Discussion, Motion and Board Vote

on Implementing the Range Agnostic
(\$42K MSRP) Incentive Design Option





Low Income (LI) CHEAPR Program Rebate*Plus*

CHEAPR Board Meeting

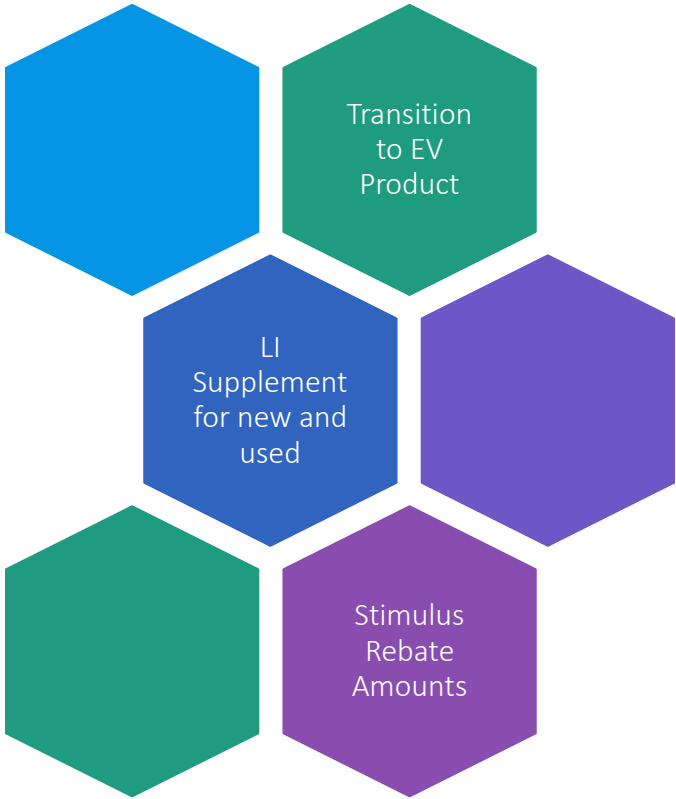
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CSE Program Management & Platform Dev Teams



Center for
Sustainable
Energy™

Enhancements for CHEAPR Program



Low Income (LI) Supplement

- Post-Purchase LI Rebate (new and used vehicles)
 - A cost-effective program design that works best for LI applicants and auto dealers
 - LI applicants apply online using CSE's secure portal in less than 15 minutes or can mail in the application.
- Income Verification – Categorical Eligibility
 - CSE will verify applicant's eligibility using Categorical Eligibility: the most cost-effective administrative efficient program design
 - Accepted Programs on the following slide
- CSE and DEEP are choosing a name for the LI rebate to make it easy for consumers to understand and apply



Accepted Categorical Eligibility Programs

Program	Acceptable Documentation	Maximum Age of Document
Energy Assistance Program (CEAP)	<ul style="list-style-type: none"> CEAP Eligibility Confirmation Letter 	12 months
Weatherization Assistance Program (WAP)	<ul style="list-style-type: none"> CT-WAP Participation Card or similar form by the Community Action Agency (CAA) 	12 months
Supplemental Nutrition Assistance Program (SNAP)	<ul style="list-style-type: none"> SNAP Notice of Eligibility 	12 months
Temporary Assistance for Needy Families (TANF), Temporary Family Assistance (TFA), Tribal TANF	<ul style="list-style-type: none"> Award Letter or Notice of Action 	12 months
Head Start Income	<ul style="list-style-type: none"> Award Letter or Notice of Action Approved Head Start application or Enrollment in Head Start 	12 months
Supplemental Security Income (SSI)	<ul style="list-style-type: none"> Benefits Verification Letter 	12 months
National School Breakfast and Lunch Program (NSLP)	<ul style="list-style-type: none"> Notice of Application Approval 	Within current school year
Bureau of Indian Affairs General Assistance	<ul style="list-style-type: none"> Award Letter or Notice of Action 	12 months
Medicaid	<ul style="list-style-type: none"> Award Letter or Notice of Action 	12 months
HUD Housing Choice Voucher Program (Section 8)	<ul style="list-style-type: none"> Award Letter or Notice of Action Housing Voucher 	12 months 12 months



Stimulus Rebate Amounts

Program design will include an additional 50% stimulus increase from date of program implementation through December 2021.

		Range Agnostic Rebate Amount (42K MSRP)	Rebate Total Amount with 50% stimulus increase
New	BEV	\$ 1,500	\$ 2,250
	PHEV	\$ 500	\$ 750
	FCEV	\$ 5,000	\$ 7,500
	BEV LI Supplement	\$ 2,000	No change
	PHEV LI Supplement	\$ 1,500	No change
	FCEV LI Supplement	\$ 2,000	No change
	Dealer Incentive (<\$1,500 consumer rebate)	\$ 75	No change
	Dealer Incentive (>\$1,500 consumer rebate)	\$ 125	No change
Used	BEV	\$ 2,000	\$ 3,000
	PHEV	\$ 750	\$ 1,125
	FCEV	\$ 5,000	\$ 7,500
	Dealer Incentive	\$ 75	No change



Dealer POS & LI Application Process

Point of Sale (POS) Workflow



New Vehicle LI Workflow



Used Vehicle LI Workflow



Transportation Climate Initiative Program (TCI-P)

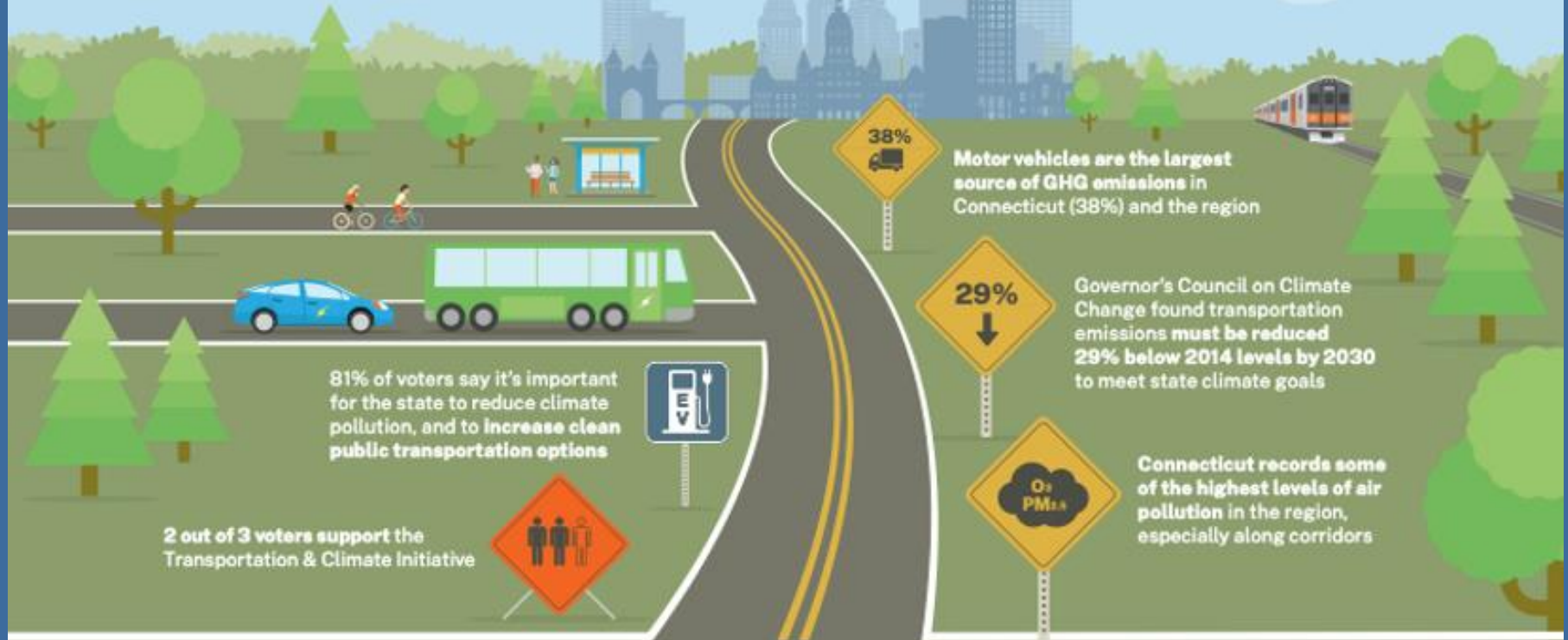


Reducing Transportation Emissions and Investing in Communities

Cap and reduce greenhouse gas (GHG) emissions and other harmful pollutants from transportation

Generate revenue to decarbonize and modernize transportation and create new economic opportunity

Invest in overburdened and underserved communities and create healthier places to live



Transportation and Climate Initiative Program (TCI-P) is a multistate initiative to cap and reduce carbon emissions from transportation and invest in an equitable, cleaner, and more resilient transportation system. TCI would work by placing a declining "cap" on carbon pollution from gasoline and on-road diesel and require fuel suppliers to purchase "allowances" to cover the carbon content of their fuel. Allowance auctions would generate revenue to reinvest in clean transportation options and infrastructure, with a focus on communities overburdened by air pollution and underserved by the existing transportation system.



Connecticut Department of Energy and Environmental Protection

TRANSPORTATION AND CLIMATE INITIATIVE PROGRAM

Memorandum of Understanding

WHEREAS, there is scientific consensus that Earth's climate is now changing faster than at any point in the history of modern civilization, primarily as a result of greenhouse gas (GHG) emissions from human activities; climate change has resulted in the increased frequency and severity of extreme weather events that have adversely impacted each Signatory Jurisdiction; and climate change poses a clear, present, and increasingly dangerous and costly threat to the health, safety, and welfare of the residents of every Signatory Jurisdiction; and

* * *


NOW, THEREFORE BE IT RESOLVED, that the undersigned Signatory Jurisdictions, through this Memorandum of Understanding (MOU), express our mutual understanding and commitment to establish a multijurisdictional program consistent with this MOU, to be known as the Transportation and Climate Initiative Program (TCI-P), to achieve the goals described in this MOU; and

BE IT FURTHER RESOLVED, that the goals of TCI-P include:

- reducing carbon dioxide (CO₂) emissions from the transportation sector;
- improving air quality and public health, increasing resilience to the impacts of climate change, and providing more affordable access to clean transportation choices;
- promoting local economic opportunity and creating high quality jobs;
- maximizing the efficiency of the multijurisdictional program to ensure greater benefits;
- advancing equity for communities overburdened by pollution and underserved by the transportation system; and

* * *

THE STATE OF CONNECTICUT

By: 
Ned Lamont
Governor



THE DISTRICT OF COLUMBIA

By: 
Muriel Bowser
Mayor

THE COMMONWEALTH OF MASSACHUSETTS

By: 
Charles D. Baker
Governor



THE STATE OF RHODE ISLAND

By: 
Gina M. Raimondo
Governor



NEXT STEPS FOR THE TRANSPORTATION AND CLIMATE INITIATIVE

Climate change poses a clear and increasing threat to our communities, and as the transportation sector accounts for nearly 40 percent of greenhouse gas emissions across the region, bold action to reduce emissions is necessary. As signatories to the Memorandum of Understanding (MOU)¹ prepare to launch the Transportation and Climate Initiative Program (TCI-P), our Transportation and Climate Initiative (TCI) jurisdictions commit to continued collaboration and individual actions to equitably reduce air pollution, create healthier communities, and invest in cleaner transportation.

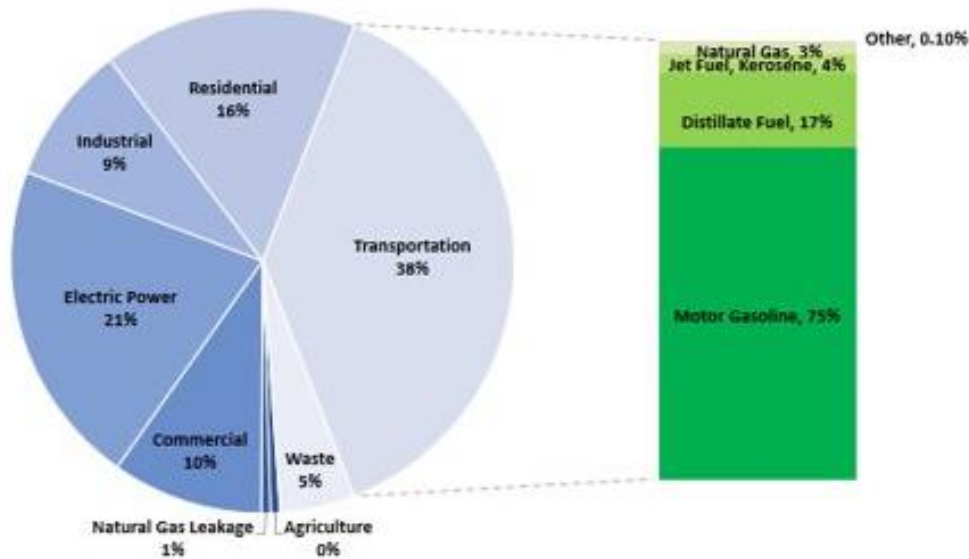
- All jurisdictions will continue to collaborate through TCI, including working with the TCI-P Signatory Jurisdictions to help develop a model rule and other clean transportation and emission reduction program elements that could be implemented

Recognizing that addressing our significant climate and transportation challenges will require dedication and regional and national collaboration, the TCI jurisdictions look forward to continuing this productive partnership to combat climate change and protect public health while building a cleaner, more equitable, and resilient transportation system.

Participating Jurisdictions:

Connecticut
Delaware
District of Columbia
Maryland
Massachusetts
New Jersey
New York
North Carolina
Pennsylvania
Rhode Island
Vermont
Virginia

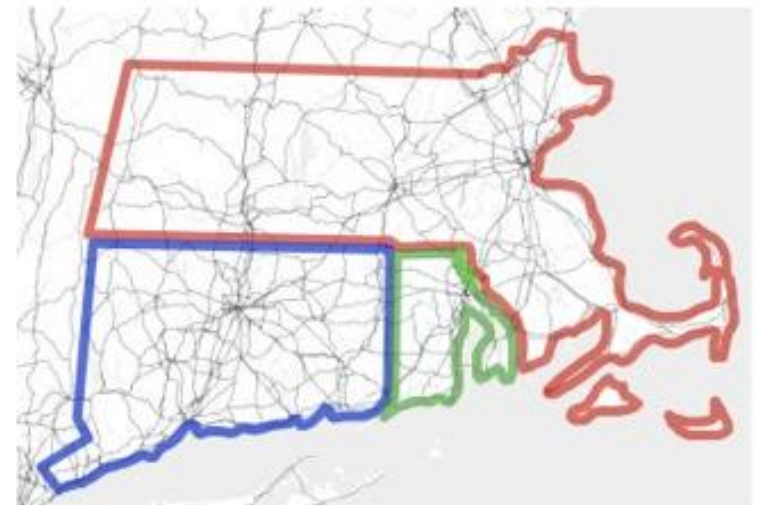




2017 Connecticut Greenhouse Gas Emissions Inventory. DEEP. Released January 2, 2020.

- **Transportation is largest source of GHGs in CT (38%) and the TCI-P jurisdictions (42%)**
- **Gasoline and diesel are largest components (92%) of CT transportation sector emissions**
- **Light-duty vehicles and medium- and heavy-duty trucks account for 66% of nitrogen oxides, key component of harmful smog**

- GC3 found transportation GHGs must be reduced **29% below 2014 levels by 2030** to meet Global Warming Solutions Act target
- CT, MA, and RI account for **73% of transportation GHGs, 76% of motor vehicles, and 80% of GDP** of New England



Public Comments

