



Meeting Minutes

December 14, 2023 CHEAPR Board Meeting via ZOOM || [View Recording](#)

Present:	Board Members: DEEP Commissioner Katie Dykes, Deputy Commissioner EQ Emma Cimino, Paul Wessel, Kate Rozen, Stephanie Keohane for PURA Chair Gillett, Sara Harari, Brian Jones from CSE and Tracy Babbidge CT DEEP Staff: Paul Farrell, Pete Babich, Paul Kritzler and Walter Barozi
Next meeting:	March 14, 2024
Prepared by:	Walter Barozi, DEEP Nicole Foertsch, DEEP

The December 14th, 2023 meeting of the CHEAPR Program Board was held and recorded online via Zoom. The purpose of the meeting was to discuss updates with the budget, provide updated metrics about what CHEAPR is accomplishing and present updates on the implementation of items in Public Act 22-25.

Call to Order and Announcements

- **Attendance:** The meeting began at 3:02 p.m. and board member attendance was taken where DEEP Commissioner Katie Dykes, Sara Harari, Stephanie Keohane in place for PURA Chair Marissa Gillett, Paul Wessel and Kate Rozen were present and provided quorum.
- **Opening Remarks:** DEEP Commissioner Katie Dykes began the meeting by introducing new Deputy Commissioner of Environmental Quality Emma Cimino. She then discussed recent positive steps in the EV market and the importance of CHEAPR incentives for Connecticut residents.
- **Minutes Approval:** The minutes from the previous meeting on September 13th, 2023 were brought forward for a vote of approval. Paul Wessel asked for clarification on a question Kate Rozen asked on whether the board could see communications that were shared with eBike dealers. Brian Jones answered that he shared that directly with Kate but going forward they will be shared with all board members. Paul Wessel made a motion to accept the minutes. Sara Harari seconded, and the minutes were approved.
- **Note - Formal Designation:** Chair Gillett has formally designated Stephanie Keohane for her seat on the board moving forward.

Staff Reports

- **Budget Update:** Paul Farrell compared the 2022 budget to the 2023 budget and showed that the number of rebates given out this year were almost double of last year. There were 2,896 incentives paid as of November 29th, 2023 which equals an amount of \$5,847,900. With Tesla known to make a big end-of-the-year push, the numbers for December could continue to increase. The remaining funds for 2023 for administrative and rebate funding is \$912,936 which shows a positive uptick in rebate incentives but that the budget could be fully utilized if this trend continues.
- **Data Update:** There are just over 36,000 EVs registered in CT as of July 1, 2023. DEEP will reach out to DMV for an update in January 2024. Looking at NESCAUM data of EV sales in states that have adopted the CA emission standards, CT is at 11.4% of new sales which is about 1 in



every 10 cars purchased is an EV. Paul Farrell then touched upon statistics from CHEAPR showing total rebates given, rebates by city, popular EV models and popular dealerships. It was noted that CHEAPR incentives are accessed for the Tesla Model 3 and Model Y significantly more than any other EV model.

○ **Board Questions:**

- Kate Rozen asked where on the “Rebates Over Time” chart on the CHEAPR stats overview slide that the incentive levels were increased. Walter Barozi pointed to the line that indicated when Rebate+ was added which signified the increased incentive on or about June 2022. Sara Harari asked why there is such a dramatic increase in rebates throughout 2023 on the same chart. Walter Barozi and Brian Jones answered that the Tesla Model Y dropped in price and became eligible under CHEAPR requirements with an MSRP of under \$50,000 in April of 2023 and shortly after, there was an uptick.
- Sara Harari asked if there could be a shortfall in the budget for this year and Paul Farrell responded that this is the first time that money is going out faster than it is coming in. This led Kate Rozen to ask whether the board should talk about reducing the subsidy amounts considering that the fleet program hasn’t been rolled out yet. Tracy Babbidge responded that this is something that DEEP and CSE are going to track for now and DEEP can come with recommendations at the next meeting. Sara Harari later asked what might happen if funds end up running out before the years’ end and if there is any backup plan in place and Tracy responded that it would be a cashflow issue but would likely not imperil the program.
- Stephanie Keohane asked if anything more came of the possibility of adding income eligibility requirements that was brought up in the last meeting. Paul Farrell responded that income is taken into consideration for Rebate+ and the eBike program but DEEP is looking at possibly adding income eligibility in different ways when reforming the prioritization of CHEAPR recipients.

Implementation Update on Public Act 22-25

- **CHEAPR Fleets:** Paul Farrell presented the structure of the CHEAPR Fleets program expansion saying that businesses, municipalities, etc. will pre-apply with DEEP and be approved prior to purchasing so older fleets, EJ and distressed communities can be prioritized.
 - Sara Harari mentioned that CT GB has recently expanded the C-Pace program to include low interest loans for EVSE and they could provide the information when fleets are purchased.
- **Marketing Program:** Paul Farrell explained that DEEP is still working on the second phase of the marketing program but clearly with the uptick in utilization, the program is starting to speak for itself.
- **Next Steps:** Paul Farrell discussed how DEEP and CSE will continue to track the utilization rate of the program, Rebate+ application rates and voucher redemption rates. It’s important to take the next steps with CHEAPR fleets and work with CSE and CARA to create the pre-application process, understand fleet demands and conduct outreach to fleet managers to fine tune the process and make the public more aware of CHEAPR fleets.
- **eBikes:** Walter Barozi presented that DEEP launched the first round of the eBike Incentive Program on June 28th, 2023. The application portal was open for 10 days and received 6,000+ applications on a first-come, first-served bases. Incentive levels were \$500 for a base rebate and



there was LMI eligibility for an additional \$1000. Voucher+ applications were prioritized because DEEP wanted to focus on EJ communities. Walter Barozi then provided an overview of the eBike dashboard showing that 468 vouchers were approved and 422 had been redeemed thus far. About 80% of Voucher+ applicants were from EJ communities and the next largest pathway was enrollment in public assistance programs.

- **Next Steps for eBikes:** DEEP held a forum in November for feedback from eBike retailers. Responses included that there was overall satisfaction with payment flow and the timeframe of reimbursement. Retailers were challenged with an influx of vouchers in terms of dealing with inventory and cash flow. NCAT also provided feedback and DEEP is slowly working their way through that. There are a couple different opinions about when the second round should launch but June or July seems like a workable goal.
 - Kate Rozen suggested convening for an additional meeting for board feedback before the second round of eBikes start given that there is a large gap between the next meeting in March and when the second round would launch. Paul Farrell replied that once DEEP has a finalized recommendation of next steps, they will share with the board for feedback and it can be discussed in email or at an ad hoc meeting.
- **eBike Annual Report:** The full report is published along with the slides from the meeting, but highlights include that Voucher + applications encumbered all of the funding resulting in CSE “cancelling” all standard rebates. There were three eligibility pathways and the most used was residence in an EJ/distressed community with 341 applications and a ~99% approval rating. 19% of the vouchers went towards eBikes that cost \$1,500 or less and 50% of the vouchers covered half to three-fourths of the total cost. There were around 30 eBike retailers who participated and when voucher recipients were surveyed about the purpose of their eBike, the top three reasons were replacing a vehicle, for exercising, or recreational use.
- **Board Questions:**
 - Kate Rozen asked if any effort was made yet to quantify the emissions benefits from the added eBikes on the road from the program. Paul Farrell said that DEEP is in the process of identifying a methodology that could be used.
 - Sara Harari asked if DEEP has heard feedback from any town officials or the public about eBikes affecting traffic. Multiple DEEP members corroborated that they have not received any comments about that.
 - Stephanie Keohane asked if anyone in the first round will be queued first in the second round. Paul Farrell clarified that no one in the first round will carry over and that applicants would have to reapply. DEEP is looking into how to change the format for the second round so it is different.
 - Kate Rozen suggested that vouchers could be set aside for other pathways that weren’t prioritized in the first round to ensure eBikes have a chance of getting distributed more equally in certain populations. People could get assistance to apply for the program with other state entities.

Board Roundtable

- Paul Wessel asked about the timeframe of the fleet program wondering if applicants pre-registered with DEEP and were approved but the vehicles couldn’t be acquired right away, would the money for that be lost or does the structure of the program allow for a lag time. Paul Farrell clarified that if the applicant pre-registered with DEEP and received the confirmation to purchase



a certain number of vehicles, that funding would be set aside and held for them if they had to wait due to supply chain issues, etc.

Public Comments

- Jay Stange asked if there were no budget constraints, how many eBikes could the program handle and is that a limitation? Also, are DEEP and the board are going to recommend the legislature to raise the MSRP cap to include family-oriented bikes?
 - Paul Farrell replied that the platform would be able to handle an increase in vouchers but in terms of supply, that would be a question for retailers. Also, since the MSRP cap is in statute, it would need to be taken into consideration how the legislature may act.
- Anthony Cherolis asked if eBikes would be eligible for the fleet program and are qualified eBike models in the program participating in battery recycling programs? He also spoke on behalf of the petition sent in by NCAT, recommending to either increase funding for all rebates and drop the standard amount, focus on program qualified or means tested applicants before others or seek out more funding through different programs and the legislature.
- Alex Keyes asked how are subsidy amounts and budgets determined for eBikes and EVs?
 - Paul Farrell responded that the MSRP cap for cars was set by the legislature but was informed by the definition of a vehicle subject to the state's luxury tax, which applies to vehicles costing over \$50,000. The \$3,000 MSRP cap on eBikes was also set by the legislature and incentive levels were informed by public commentary and analysis by DEEP and the board.
- Craig Peters commented that in the proposed fleet program, a VMT level of 20,000 seems too high for municipalities and that priority is going to be a limitation to municipalities getting funding.
- Tanner Thompson is the chair for the Bike Walk Advisory Commission for Norwalk and a member of local bike advocacy groups and comments that more money should be allocated for eBikes and the MSRP cap should be raised to allow the inclusion of models that could adequately replace a car for people.
- Kevin Moss with the Green Bank asked about the progress for MHD incentives.
 - Paul Farrell replied that there is funding for an MHD program, but further program design and related planning will follow a regional meeting to be held in January.

Adjournment

The meeting was closed by Tracy Babbidge at 4:16

The next Board Meeting will be held on March 14, 2024.



Attachment A: Attendee Report

1. Akshay Gupta
2. Alex Keyes
3. Anthony Cherolis
4. Ash Duong, Yale SOM '25
5. Ashley Seaward (she/her), PeopleForBikes
6. Brian Jones
7. Charles Rothenberger
8. Charles's iPhone
9. Charlotte Huijgen
10. Craig Peters
11. Dan Newmyer
12. Daniel
13. Douglas Hausladen
14. Edith Pestana
15. Emma Cimino, CT DEEP
16. iPhone (164)
17. Jacob Sheppard-Saidel (they/he)
18. Jae Berg (she/her)
19. Jay Stange
20. jidy
21. karen k
22. Kate Rozen
23. Katie Dykes-CT DEEP
24. Katie McGarry
25. Kevin Moss
26. OJ's iPhone
27. Paul Aresta
28. Paul Farrell
29. Paul Kritzler (CT DEEP)
30. Paul Wessel
31. Pete Babich
32. Sara Harari | CT Green Bank
33. Sara Stockman
34. Sara Stockman (CSE)
35. Stefanie Keohane, CT PURA
36. Stephen Higgins
37. Tanner Thompson
38. Tracy Babbidge, CTDEEP
39. Wade Packer (DEEP)
40. Walter Barozi