



BOARD AGENDA

3:00 PM Chair Commissioner Dykes Call to Order

Welcome

Approval of March 16, 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 March 16, 2023 Minutes

CHEAPR BUDGET



Budget Summary

| January 1, 2023 through April 30, 2023 | | | | | | | | |
|--|------------------|-----------------|------------------|--|--|--|--|--|
| | Rebate Funds | Total Funds | | | | | | |
| Incentive Payments (A) | \$ 1,409,050.00 | | \$1,409,050.00 | | | | | |
| Incentive Pipeline | \$ 288,650.00 | | \$ 288,650.00 | | | | | |
| Administrative (B) | | \$ 247,816.11 | \$ 247,816.11 | | | | | |
| Total Funds Utilized | \$ 1,697,700.00) | \$ 247,816.11 | \$ 1,945,516.11 | | | | | |
| | | | | | | | | |
| Estimated Remaining 2023-2025 Funding | \$ 12,100,821.76 | \$ 1,740,183.89 | \$ 13,841,005.65 | | | | | |

A. Incentives Paid

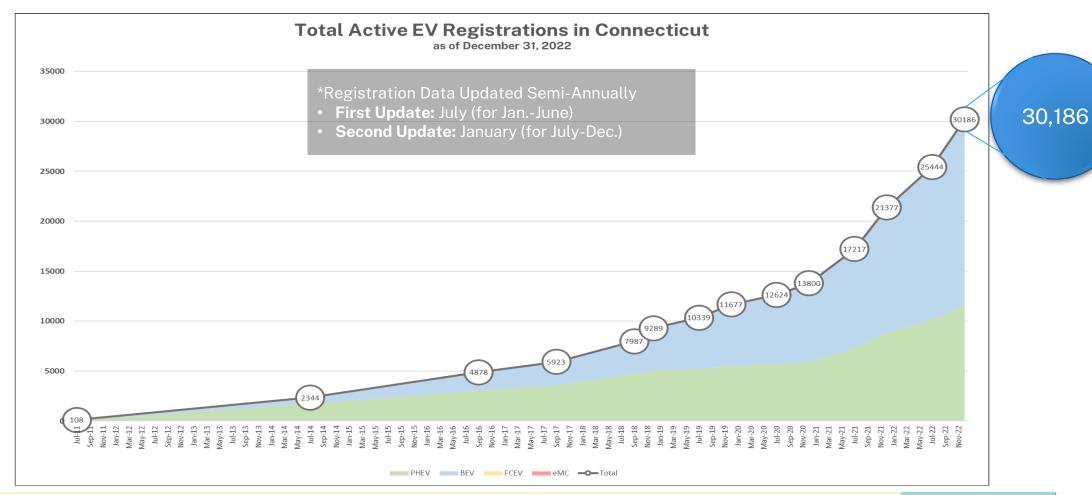
| | Payme Feb'23-A | | All Pay Jan'23- | |
|----------------------|-------------------|-----|--------------------|-------|
| Type of Incentive | \$ | No. | \$ | No. |
| Vehicle | \$ 942,000 | 496 | \$ 1,327,500 | 706 |
| Rebate+ | \$ 18,500 | 8 | \$ 26,000 | 12 |
| Dealer | \$ 32,450 | 306 | \$ 55,550 | 514 |
| Total | \$992,950 | 810 | \$1,409,050 | 1,232 |

B. Administrative Costs

| | Costs Incurred Feb'23-Apr'23 | l |
|-------------------------------|---------------------------------|---------------|
| Time and Materials | \$ 136,406.61 | \$ 160,946.11 |
| Fixed Fees (Monthly & Annual) | \$ 34,500.00 | \$ 81,000.00 |
| Application Volume (Fee/App) | \$ 5,310.00 | \$ 5,870.00 |
| Total Administrative Costs | \$ 176,216.61 | \$ 247,816.11 |

CT EV REGISTRATIONS*



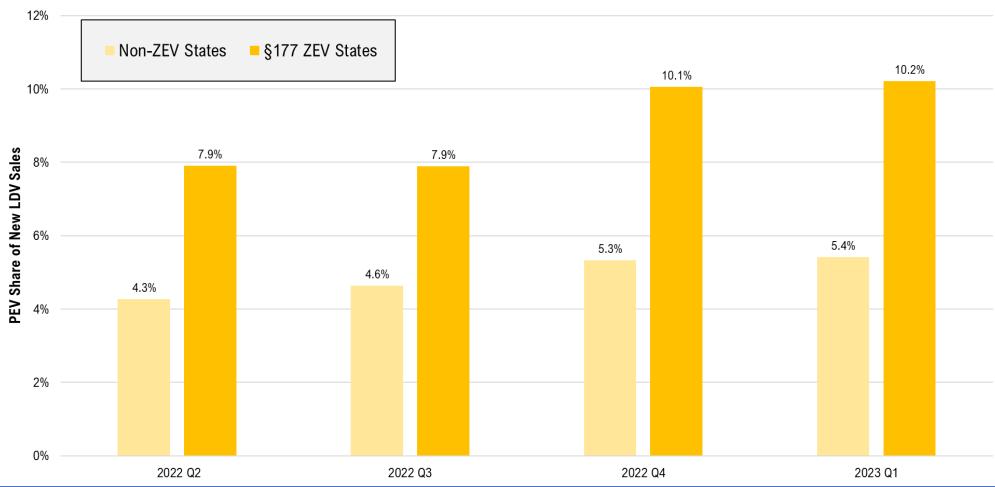


| EV Type | EVs Registered in CT on: | | | | | | | | | | | | | |
|--------------------|--------------------------|----------|-----------|----------|-----------|------------|----------|------------|----------|------------|----------|------------|----------|------------|
| LV Type | 7/1/2011 | 7/1/2014 | 9/14/2016 | 9/1/2017 | 9/24/2018 | 12/31/2018 | 7/1/2019 | 12/31/2019 | 7/1/2020 | 12/31/2020 | 7/1/2021 | 12/31/2021 | 7/1/2022 | 12/31/2022 |
| PHEV | 76 | 1723 | 3066 | 3549 | 4705 | 5063 | 5220 | 5480 | 5722 | 5893 | 7321 | 8827 | 10126 | 11615 |
| BEV | 32 | 621 | 1811 | 2371 | 3280 | 4208 | 5099 | 6172 | 6874 | 7880 | 9861 | 12513 | 15268 | 18509 |
| FCEV | 0 | 0 | 1 | 3 | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 6 | 5 |
| eMC | ND | ND | ND | ND | ND | 16 | 18 | 22 | 25 | 24 | 32 | 34 | 44 | 57 |
| Grand Total | 108 | 2344 | 4878 | 5923 | 7987 | 9289 | 10339 | 11677 | 12624 | 13800 | 17217 | 21377 | 25444 | 30186 |





PEV Sales in the Last Four Quarters: ZEV States vs. Non-ZEV States



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







| 2% | | | | PE\ | / Sales | by Qua | rter in | the Se | ction 17 | 77 ZEV | States | Since 2 | 2019 | | | | |
|--------------|------|------|------|------|---------|--------|---------|--------|----------|--------|--------|---------|------|------|------|-------|-------|
| | | | | | | | | | | | | | | | | | |
|)% - | | | | | | | | | | | | | | | | | |
| 3% | | | | | | | | | | | | | | | | | |
| 3 % - | | | | | | | | | | | | | | | | 10.1% | 10.2% |
| 1% | | | | | | | | | | | 5.7% | 6.9% | 6.7% | 7.9% | 7.9% | | |
| 2% | 2.0% | 1.9% | 2.1% | 2.2% | 2.4% | 1.9% | 2.8% | 3.7% | 3.6% | 4.5% | | | | | | | |
|)% | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 |
| | | | | | | | | | | | | | | | | | |

| 2023 Q1 PEV Share (± Q4) |
|-----------------------------|
| 24.2% (+0.5%) |
| 12.6% (+1.0%) |
| 9.4% (+0.5%) |
| 10.3% (-0.1%) |
| 10.1% (+0.1%) |
| 5.8% (-0.1%) |
| 5.9% (+1.1%) |
| 11.8% (+0.9%) |
| 5.0% (+0.3%) |
| 15.3% (+2.3%) |
| 6.9% (+0.3%) |
| 16.5% (+1.1%) |
| 6.1% (0%) |
| 9.8% (+2.6%) |
| 8.7% (-0.8%) |
| 17.2% (-1.7%) |
| |

CHEAPR STATS OVERVIEW (2015 to Present)

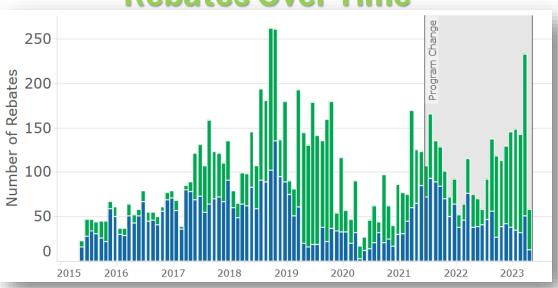
CHEAPR has issued over \$16 million for the purchase or lease of over 9,500 EVs... since 2015!

Program Summary

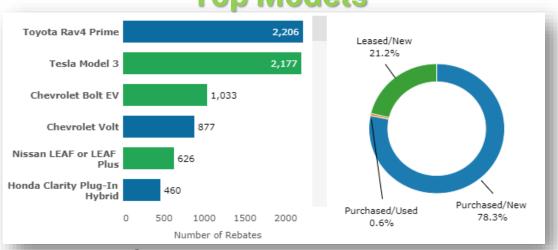
| Select vehicl category to f | - IOCALA | mount | Count | D_Ap | | D_Appl |
|--------------------------------|--------------|----------|-------|------|--------|--------|
| visuals by ve category. | ehicle New | Used | New | Used | New | Used |
| PHEV | \$5,674,250 | \$4,500 | 4,804 | 2 | 50.2% | 14.3% |
| BEV | \$10,593,750 | \$36,000 | 4,764 | 12 | 49.8% | 85.7% |
| Total | \$16,268,000 | \$40,500 | 9,568 | 14 | 100.0% | 100.0% |



Rebates Over Time

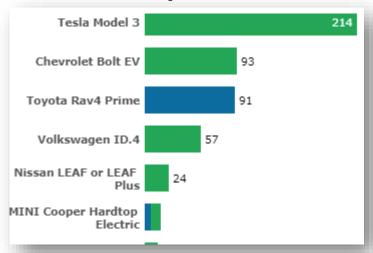


Top Models

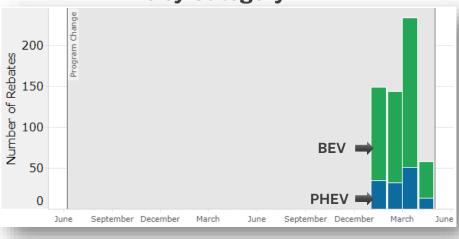


CHEAPR STATS (2023: JAN 1 – APR 13) Available on CHEAPR Stats Page

Most Popular EVs

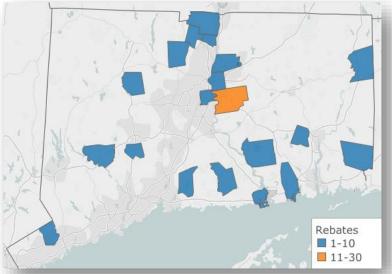


EVs by Category

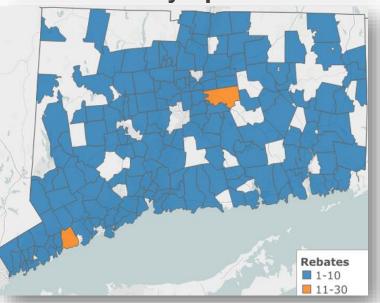


Connecticut Department of Energy & Environmental Protection

Rebates by City

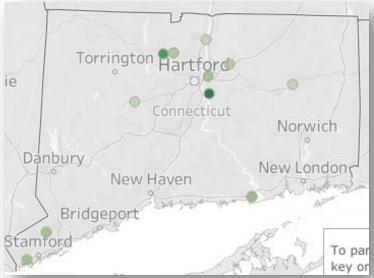


Rebates by Zip





Rebated Dealerships by Location



Top Rebated Dealerships

| Tesla, Inc. | 213 |
|-----------------------------------|-----|
| Maritime Chevrolet | 19 |
| Dave McDermott Chevrolet | 14 |
| Gene Langan VW | 13 |
| Lynch Toyota | 13 |
| Crabtree Toyota | 11 |
| Executive Volkswagen of North Hav | 11 |
| Westbrook Toyota | 11 |
| Hamden Chevrolet | 10 |
| New Country Toyota of Westport | 10 |
| Executive Kia | 9 |
| Meriden Hyundai | 9 |
| Prestige VW of Stamford | 9 |
| Hoffman Toyota | 8 |
| Mini of Fairfield County | 8 |
| New Country Motors Inc | 8 |
| Toyota of Wallingford | 8 |





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.

REBATE + CHANGES

NEW Prequalification (Launched March 29, 2023). Customers will come into the dealership preapproved for a larger rebate.

NEW Eligibility Options

- Qualified Programs
- Household income at or below 300% of the federal poverty level (2022)
- A household address within an EJ neighborhood or Distressed Municipality

| Before I | March 29 |
|-----------------|----------|
|-----------------|----------|

Rebate+: <20

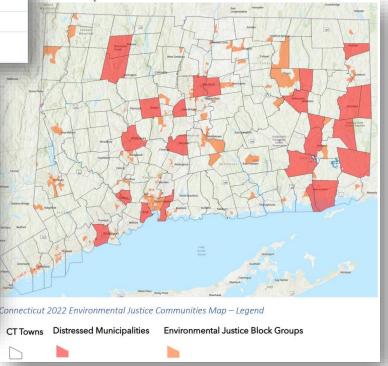
After March 29

Rebate+: >50

| Program | Acceptable Documentation |
|--|--|
| Energy Assistance Program (CEAP) | CEAP Eligibility Confirmation Letter |
| Weatherization Assistance Program (WAP) | CT- WAP Participation Card (or similar form by the Community Action Agency) |
| Supplemental Nutrition Assistance Program (SNAP) | SNAP Notice of Eligibility |
| Temporary Assistance for Needy Families (TANF), Temporary Family Assistance (TFA) or Tribal TANF | Award letter or Notice of Action |
| Head Start Income Eligible | Award letter, Notice of Action, Approved Head Start application, or Proof Enrollment in Head Start |
| Supplemental Security Income (SSI) | Benefits Verification Letter |
| National School Breakfast and Lunch Program (NSLP) | Notice of Application Approval. Must be dated within current school year |
| Bureau of Indian Affairs General Assistance | Award letter or Notice of Action |
| Medicaid | Award Letter or Notice of Action |
| HUD Housing Choice Voucher Program ("Section 8") | Award Letter, Notice of Action, or Housing Voucher |



| Household/ Family Size | 300% |
|---------------------------|-----------|
| 1 | \$43,740 |
| 2 | \$59,160 |
| 3 | \$74,580 |
| 4 | \$90,000 |
| 5 | \$105,420 |



CHEAPR FLEETS



Coming Soon! CHEAPR will be expanded to:

- Businesses, Municipalities, Non-Profits, and Tribal Entities.
- 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
- Next steps identifying high use (VMT) fleets for outreach and connecting with fleet sales



UPDATES & NEXT STEPS...



THE LAST SIX MONTHS



Develop and implement new workflows.



Revise program implementation SOW with CSE for period of January 1, 2023 through December 31, 2025.



Issue Outreach & Marketing Program Design SOW and evaluate proposals.



CHEAPR Expansion and Dealer Platform Updates Webinar Thursday, March 23, 2023 @1:00 pm.



Present at CARA - 2023 Dealer Symposium Tuesday, May 23, 2023.

THE NEXT SIX MONTHS

Track Rebate+ draw-downs due to new eligibility requirements to maintain program health.

Roll out eBikes and CHEAPR Fleets, develop new tracking metrics to track.

Continue to improve CHEAPR utilization rate.

Conduct additional outreach with Bike shops, Fleets, and LMI to improve awareness of the program

Continue to work with marketing firm to build marketing campaign.

Participate in the Connecticut Auto Show in November.



eBike Incentive Program Development Update

eBike INCENTIVE PROGRAM



NEW Phase 1 - Point of Sale Voucher

- Launch June 28, 2023!
- CT Brick and Mortar retailers

Phase 2 - Post Purchase Rebate

- Launch after Phase 1
- Online retailers

Incentive levels:

- Standard Voucher: \$500
- PreQual Voucher: \$1,000 Eligibility determined both categorically and via income verification
- Vouchers will be stackable: Total Voucher \$1,500

Other program parameters:

- eBike MSRP ≤ \$3,000
- **NEW** 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.





eBike SAFETY UPDATE

Ensuring eBike Battery & Electrical Component Safety

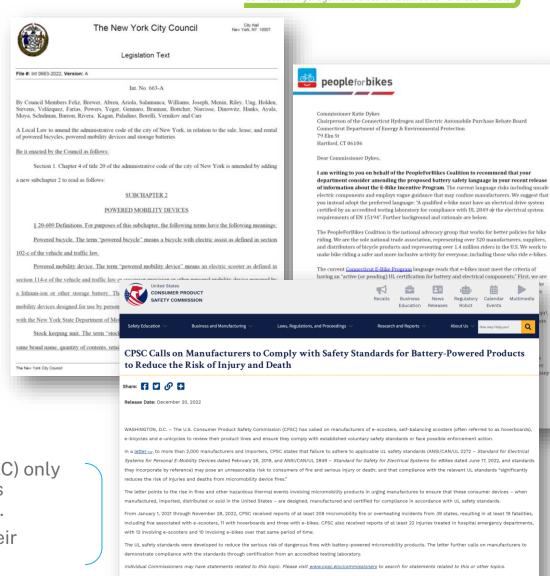
 DEEP is at the forefront by considering eBike safety standards as part of program requirements

What are the industry standards DEEP is considering?

- UL 2849 Standard for Safety for Electrical Systems for eBikes
- EN 15194 (European Standard)

Pros and Cons

- Increased safety, Higher quality, More reliable eBikes
- Fewer models/brands, Higher price point, Less accessible, Fewer retailers



The U.S. Consumer Product Safety Commission (CPSC) only recommends voluntary standards from organizations including ASTM, ANSI, and UL, but not EN standards.

The CPSC is aware of EN 15194 and ISO 4210, but their engagement is limited to UL standards.

23-074



Goals Met





LMI MARKETING & OUTREACH

Expanded outreach to LMI communities requires a new contracting process

Vendor Onboarding



CHEAPR MARKETING PROCESS

DEEP has divided the marketing initiative into <u>2</u> phases.



Phase 1) Strategic Marketing and Outreach Discovery and Planning

- 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 CHFAPR

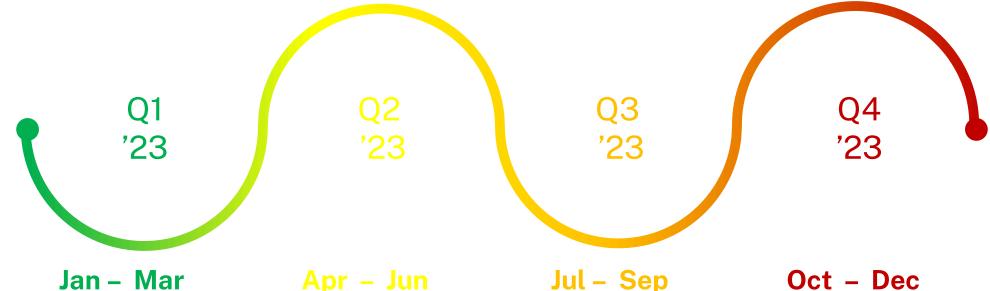


Phase 2) Creative Development and Launch Marketing and Outreach Campaign

• The strategic roadmap to inform the development and implementation the next CHEAPR campaign will be produced and implemented in Phase 2.



UPDATED TIMELINE



- Develop Marketing and Outreach SOW
- · eBikes-short term efforts continue
- Develop eBike Program SOW
- Finalize program design
- EV dealer training on prequal voucher program

Apr – Jun

- Income PreQual voucher program (New + Used Evs)
- Fleets Tech Meeting
- Phase 1 eBike program launch

Jul - Sep

- Phase 2 eBike program launch
- CHEAPR Fleets launch

Oct - Dec

- Gather data
- Evaluate programs
- Adjust if needed



BOARD QUESTIONS AND DISCUSSION

Open for Board Member questions and discussion.



PUBLIC COMMENTS

Please raise your hand in the chat.



CHEAPR BOARD MEETING SCHEDULE

Upcoming CHEAPR Board Meetings

- September 13, 2023* (moved up a day to Wednesday)
- December 14, 2023