



Meeting Minutes

June 6, 2024, CHEAPR Board Meeting via ZOOM || [View Recording](#)

Present:	Board Members: Deputy Commissioner EQ Emma Cimino on behalf of Commissioner Katie Dykes, Julia Dumaine (PURA), Sara Harari (Green Bank), Kate Rozen and Paul Wessel CSE Staff: Mattie Horne and Sara Stockman CT DEEP Staff: Tracy Babbidge, Paul Farrell, Paul Kritzler, Walter Barozi and Nicole Foertsch
Next meeting:	September 12, 2024
Prepared by:	Paul Kritzler, DEEP Walter Barozi, DEEP Nicole Foertsch, DEEP

The June 6th, 2024, meeting of the CHEAPR Program Board was held and recorded online via Zoom. The purpose of the meeting was to discuss program progression and changes in 2024 with updated metrics on program accomplishments. Updates going forward were also discussed including budget and additional program implementations of items in Public Act 22-25.

Call to Order and Announcements

- **Attendance:** The meeting began at 3:08 p.m. and board member attendance was taken where DEEP Deputy Commissioner Emma Ciminio on behalf of Commissioner Dykes, Tracy Babbidge, Sara Harari, Julia Dumaine, Paul Wessel and Kate Rozen were present and provided quorum.
 - **Note – Formal Designation:** The appointee for PURA was previously Stephanie Keohane but going forward, Julia Dumaine will fill the position.
 - It was noted that there are vacancies on the board due to appointments not being made as of yet from House Speaker Ritter, House Majority Leader Rep. Rojas, Sen. Maj Leader Sen. Duff, Sen. Chairperson of Transportation, Sen Ranking Member of Transportation and House Ranking Member of Transportation.
- **Minutes Approval:** The minutes from the previous meeting on March 14th, 2024, were brought forward for a vote of approval. Paul Wessel made a motion to accept the minutes. Sara Harari seconded, and the minutes were approved. Julia Demaine from PURA abstained as a new designee.
 - Sara Harari asked if the Legislative report brought up in the last meeting will be given to board members and discussed today. Paul Farrell and Tracy Babbidge said we will be discussing it today and provide when the report after internal review.
- **Opening Remarks:** Tracy Babbidge introduced the agenda and Emma Cimino began the meeting by expressing appreciation for the board and talking about the legislative session. She noted that the outcomes of the session largely involved incorporating and prioritizing EJ communities more into the CHEAPR program and ensuring the current EJ efforts are showcased. Emma expressed on how CHEAPR is looking forward to doing more within EJ communities and



neighborhoods and appreciates the patience and feedback as the program looks to incorporate and act on these changes.

Staff Reports

- **Legislative Update:** Paul Farrell discussed changes to the CHEAPR Program due to the 2024 Connecticut legislative session that ended in May. New changes include an increase to the Rebate+ incentive to an amount at least 200% greater than the standard rebate level, CHEAPR funding flexibility for EJ initiatives, and an increased grace period for Distressed Municipalities, with populations above 100,000, from 5 years to 10 years during which time such municipalities remain qualified as EJ communities. Based on population, this change would only include Hartford, Waterbury, Stamford, New Haven and Bridgeport. These are all included in [Public Act 24-81](#) in sections 54 through 56.
 - Sara Harari asked if the listed impacted municipalities are the only ones large enough to qualify for the extension or if they are already in a grace period that will now be extended farther under the new statute. Paul Farrell and DEEP staff answered that Hartford, Waterbury, Stamford, New Haven and Bridgeport are currently the only Distressed Municipalities with a large enough population to qualify and that New Haven was already in the grace period, but it has now been extended.
- **Budget Update:** Paul Farrell also gave an update on the budget. Almost halfway into 2024, incentive payments, including active applications in the pipeline, amount to over \$5 million which is equivalent to a spending of about \$1 million a month. The program has surpassed half the budget amount used in 2023 and has awarded 2,127 incentives as of May 15th. If demand remains consistent, CHEAPR has the possibility of awarding about 4,300 incentives this calendar year. Program cash flow is sustainable for the remainder of 2024, however the bureau will continue to track funding trends and prepare to adjust the scope of work as necessary, especially when preparing to allocate some of the budget to Fleets and eBikes later in the year as well as accounting for changes in Rebate+ voucher amounts. The program is currently going to receive about \$20.6 million this year, including a \$4.5 million carryover, from various funds and it is projected to have a possible expense of about \$19.65 million from the different programs scheduled to happen. With not a significant margin between revenue and expenses, incentive levels have the possibility of being altered to keep CHEAPR functioning.
 - Tracy Babbidge provided context on the \$4.5 M carryover budget from 2023, saying that was an overhang remaining from COVID when supply and rebate numbers slowed but it is now becoming a thing of the past within the CHEAPR budget.



CHEAPR OPERATING BUDGET

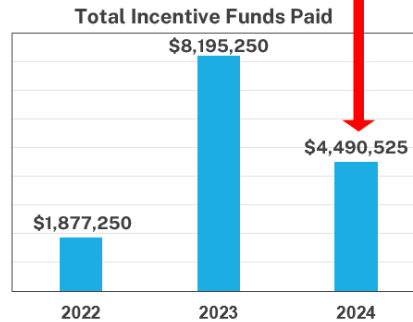
Budget Summary

January 1, 2024, through May 15, 2024

	Rebate Funds
Incentive Payments Year-to-Date	\$4,490,525
Incentive Pipeline of Active Applications	\$706,175
Total Funds Utilized	\$5,196,700
Remaining 2024 Funding*	\$614,720

*CSE on-hand available funding

Number of Rebates			
Incentive	2022	2023	1/1 - 5/15/2024
Standard	1,155	3,660	1,911
Rebate+	20	253	136
Total	1,175	3,878	2,127



- Data Update:** Walter Barozi discussed EV registration data for calendar year 2023. There are just over 44,000 EVs registered in CT as of December 31, 2023. DEEP will reach out to DMV for an update next month for updated registration data. EV sales data at the state and national level has been updated since the last meeting with data from Q4 2023 and Q1 of 2024. Q4 EV sales in Connecticut were 10.8% while Q3 EV sales were 11%, representing a modest reduction in sales. In states that follow the California standards, including Connecticut through 2025 (§ 177 states), EV sales remain strong with fractional percent decreases being noted that are impacting the automotive industry as a whole.
 - Walter then touched upon statistics from CHEAPR showing total rebates given, rebates by city, popular EV models and popular dealerships. It was noted that over \$27 million has been issued in rebates for the purchase or lease of about 15,000 EVs since 2015. Participation in Rebate+ has increased over all with an approximate 50% uptake of Rebate+ incentives used during the first five months of 2024. All oprogram data can be found on the [CHEAPR stats page](#), which is updated monthly.
- Used Vehicle List update:** Walter proceeded to talk about the updates to the which is available on the CHEAPR website. There are 21 eligible OEMs and 127 Model/Trims that fit the eligibility criteria of a \$50,000 maximum MSRP of the current model year and the three previous model years. Identifying eligible used EVs required a significant effort due to many fluctuations in MSRP, continuous model/trim name changes that make tracking used vehicles difficult. In response to a board member question, DEEP has committed [to update this list on a regular basis](#). These vehicles are only available to qualifying Rebate+ individuals. The will be regularly updated as well.
 - Paul Wessel asked how DEEP will ensure the list will be regularly updated. Walter answered that the model year helps establish a basis to keep the list regularly up to date with the current information from OEMs of trims, vehicles, etc. Now that the list is



current, with thanks to efforts from DEEP and CSE, it will be an easier task going forward to identify future model year information from OEMs .

Update on Public Act 22-25

- **CHEAPR & eBike Annual Report:** Paul Kritzler explained that CHEAPR has dual-reporting obligations, one initially imposed by DEEP and a second annual reporting requirement imposed by the General Assembly. The [July 2022-June 2023 Annual Report](#) created in collaboration with CSE which is posted to the [CHEAPR website](#) on [the Board](#) page along with the materials from the March 14th, 2024 meeting and the [Resources page](#) with previous annual reports that are available for the public. The biggest takeaways are that Rebate+ applications and applications overall are increasing steadily. Now Given different reporting timeframes, DEEP is working with CSE to create a uniform timeframe that will satisfy both timelines.
- **CHEAPR Legislative Report:** Paul Kritzler noted the annual report DEEP must provide to the legislature in June 2024. It will include information about participation throughout the history of CHEAPR as well as highlighting how the program is benefitting EJ communities and areas overburdened by air pollution. The report looks at the impact of CHEAPR on EJ communities as well as communities that are overburdened by air pollution. The report will be available shortly after internal review and its due date of June 20th, 2024.

ANALYZING EFFECTIVENESS OF CHEAPR FOR EJ COMMUNITIES



Depends on the lens being used:

Is the effect of CHEAPR in EJ communities solely the number of Rebate+ New and Used rebates?

Is the effect of CHEAPR in EJ communities the emissions benefits realized by vehicles receiving rebates in CHEAPR communities?

The Legislative Report analyzes the effect of CHEAPR in different ways

	Rebate+ New	Rebate+ Used
YTD	139	35
Total	390	74

Statewide Distribution of CHEAPR 2021-Spring 2024

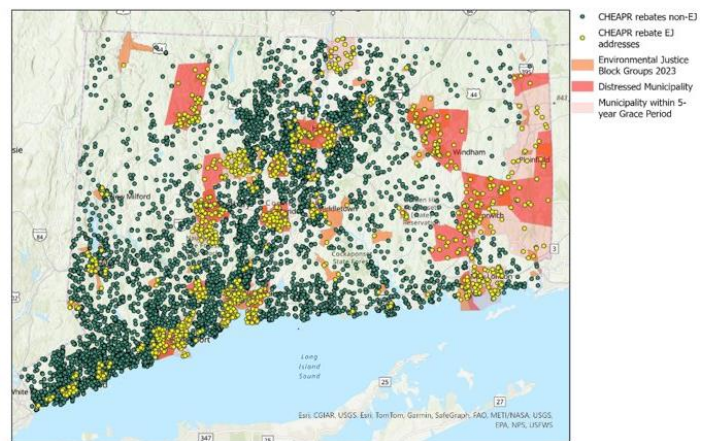


Figure 12: Rebates Redeemed in EJ Communities post-2021

- Sara Harari asked if corridor emissions are possibly tracked and if DEEP has seen emissions changes within corridors specifically due to the CHEAPR program. Paul Farrell answered that by scale, comparing EV registrations and ICE registrations and EV registrations only due to CHEAPR, would likely show negligent benefits given EVs



comprise a small percent of registered vehicles with fleet turnover being a more significant factor at this time.

- Paul Wessel asked if this report would include eBike rebates, specifically geographically. Paul Kritzer said it does not include geographic information about CHEAPR eBike rebates but there is discussion in the report about eBike impacts. It should be noted that location information of vouchers can be viewed on the [eBike Program Statistics](#) page.
- **CARA Annual Meeting:** DEEP attended the Connecticut Automotive Retailers Association Annual Meeting in May to get feedback from dealers on the CHEAPR Program, both verbally and with an online survey intended for automotive dealers. Feedback is still being gathered online and can be shared after results are found but generally, it was said that CHEAPR is working well with little issues.
 - Julia Dumaine asked what questions DEEP asked within the survey. Paul Kritzer answered that the survey was very open-ended. DEEP wanted feedback on what resources might be helpful for dealerships, what suggestions they have, any problems they encounter, etc. and that the survey questions could be sent out to the board. Tracy Babbidge said when DEEP is finished gathering data, we can get that information out as well.
 - Kate Rozen requested that DEEP keep the board up to date with things that happen within CHEAPR such as reports being posted to the website and surveys being distributed to certain audiences and not wait until a board meeting to keep everyone updated on important items.
- **eBikes:** Paul Farrell discussed the next steps for eBikes as DEEP is beginning to prepare to launch the second round by the end of this year. There will be a change in the application process from the first round. This time, the application period would remain open for at least ten days and applicants would be selected by a lottery system where LMI and EJ Community-residing applicants would be prioritized. There is a \$750,000 budget allocated for this round with the intention to decrease incentive levels from those offered in the first round. This will allow DEEP to distribute more incentives, with a small increase in the contribution that would need to be made by recipients of the vouchers. A launch date will come shortly as DEEP works with CSE to determine timing.
 - Kate Rozen asked when we will be able to share this information with other state agencies and organizations that work with EJ communities. Tracy Babbidge answered that DEEP is looking for feedback from board members or even an ad hoc meeting to discuss how outreach and marketing can be better for this second round as DEEP solidifies timing plans for launching with CSE.
 - Kate Rozen also asked that if wCHEAPR be able to do a third round as the initial budget of \$1.5 million will be exhausted. Tracy Babbidge answered that will have to be a decision made going forward that will most likely be at the discretion of the Commissioner.
 - Paul Wessel asked if DEEP has been in contact with bike dealers yet about the new approach for round 2. Tracy Babbidge answered that we are in contact with bike dealers that are involved but we need more information about timing and have all program details in place before we go forward.
- **CHEAPR Fleets:** Paul Farrell also shared the updates of the CHEAPR Fleets program where DEEP is moving forward to prepare for launching within the year. The program will require pre-application where fleets must apply and be approved before purchasing vehicles eligible for the



post-purchase rebate. DEEP's intent is to focus on fleets operating in EJ neighborhoods or Distressed Municipalities, fleets with high VMT and fleets with vehicles that are older than ten years. DEEP also would like suggestions and feedback such as an ad hoc meeting to discuss the best way to market the Fleets program going forward. Paul Farrell also emphasized that if major structural changes were required to the program platform, then the program launch could be delayed.

- Tracy Babbidge suggested that DEEP hold an ad hoc meeting to discuss both eBikes and Fleets.
- Paul Wessel asked if DEEP has reached out to CARA about the Fleets program yet. Paul Farrell answered that DEEP has asked for information on fleet purchasing but hasn't discussed thoughts about the Fleet program structure yet. Paul Wessel suggested talking to dealers to see how financing for fleets typically works, especially if participants will be getting a post-purchase rebate and have to pay upfront first themselves.
- **Next Steps:** Moving forward, DEEP is going to reassess across the Agency on how best to market to and reach EJ Communities so that community members are fully informed about DEEP's programs .

Board Roundtable

- Julia Dumaine if there is more information on the budget, admin costs, etc., to see if there is any way to help streamline things.
 - Paul Farrell answered that information can be gathered and given out.
- Kate Rozen asked for clarification on the \$1.5 million budget originally allocated for the eBike incentive program for three rounds compared to the plan going forward to have two rounds that contain the entire budget.
 - Tracy Babbidge answered that from previous decisions already made when the eBike program first came to fruition, it was decided that \$1.5 million was the initial amount allocated.
- Kate Rozen asked if CHEAPR is watching the budget and looking at the eligible vehicle lists in the future case that China is successful with creating a low-cost EV and if there is a mechanism where the board or others can put a pause or prevent that from drastically impacting the budget.
 - Paul Farrell answered that there would be high tariff prices on EVs from China so that would help keep costs higher in the U.S. and not impact the CHEAPR budget and voucher numbers drastically if that were to happen soon. If that were not the case, there would need to be a discussion on setting incentive rates to support the state's EV penetration goals.
- Kate Rozen emphasized that it has been asked at past board meetings to have a discussion about lowering the standard rebate level, especially since this could possibly be the final round of the eBike program yet incentives for EVs will continue afterwards.
 - Paul Kritzer answered that the discussion surrounding that couldn't happen without knowing the outcomes of the 2024 legislative session. Now that the session is over and the changes to CHEAPR are known, DEEP is beginning the analysis and will bring the findings going forward to the board. Tracy Babbidge added that there are many changes in the EV industry and EV technology options that are out there that need to be taken into consideration. And at a staffing level, it has been difficult to allocate time to do that.

Public Comments



- Gannon Long commented that it would be smart to increase the allocated budget of the eBike program. EVs still have a lot of environmental impacts, are heavier in the front due to the battery and cost more maintenance-wise compared to an eBike. Overall, EVs are more dangerous for pedestrians than an eBike is. They also suggested to include more in the eBike program to help with problems from owning one. There are storage problems that inhibit utilization of eBikes both at homes and workplaces so helping be a part of the solution of where people could store their bikes would be a beneficial addition.

Adjournment

The meeting was closed by Tracy Babbidge at 4:14

The next Board Meeting will be held on September 12th, 2024.



Attachment A: Attendee Report

1.	Aaron Goode
2.	Craig Peters- Capitol Clean Cities of CT
3.	Emma Cimino# CTDEEP (Emma Cimino)
4.	Gannon Long
5.	Julia Dumaine
6.	Karen Kitsis, CTDOT
7.	Kate Rozen
8.	kritzlerp
9.	Lidia Ruppert - CT DEEP
10.	Matthew's OtterPilot
11.	Mattie Horne (madeline.horne)
12.	Nicole Foertsch - CT DEEP
13.	Paul Aresta - CEQ
14.	Paul Farrell
15.	Paul Wessel
16.	poolak.forutanpour
17.	Sara Harari CT Green Bank
18.	Sara Stockman
19.	Sarah Fryxell (CARA)
20.	Shane
21.	Stephen Higgins
22.	Tracy Babbidge, CTDEEP
23.	Wade Packer (DEEP)
24.	Walter Barozi