



CHEAPR BOARD MEETING

Bureau of Air Management
December 11, 2025


AGENDA

3:00 PM	Welcome
3:15 PM	Approval of Sept. 11th, 2025, CHEAPR Board Meeting Minutes
Updates:	
	EV Data
	<ul style="list-style-type: none">• National Data• State Data• CHEAPR highlights
	Budget Update
	Program Updates
4:00 PM	Board Discussion
4:15 PM	Public Comments
	Adjourn

ROLL CALL / PREVIOUS MINUTES

Quorum

Approval of the Sept. 11th, 2025, Meeting Minutes

Previous Meeting Minutes (with links to meeting recordings) along with presentations and agendas are located on the CHEAPR Board webpage under the “Board Activity” section 

* Appointment of previous Sen. Minority Leader



Current Board Members	
Current Appointing Authority	Board Member
DEEP Commissioner or designee	DEEP Commissioner Designee Emma Cimino
DEEP Commissioner designee	Rebecca Andreucci, CT DOT
DCP Commissioner or designee	DCP Commissioner Bryan Cafferelli
Green Bank President or designee	Kevin Moss
PURA chairperson or designee	Julia Dumaine/Jason Small
Senate Pro Tempore: Sen. Looney	Paul Wessel
Senate Majority Leader: Sen. Duff	Eric Sandstrom
House Minority Leader: Rep. Candelora	Jody Ellant
Senate Minority Leader: Sen. Harding	Bradley Hoffman*
House Chair of TRA	Kate Rozen



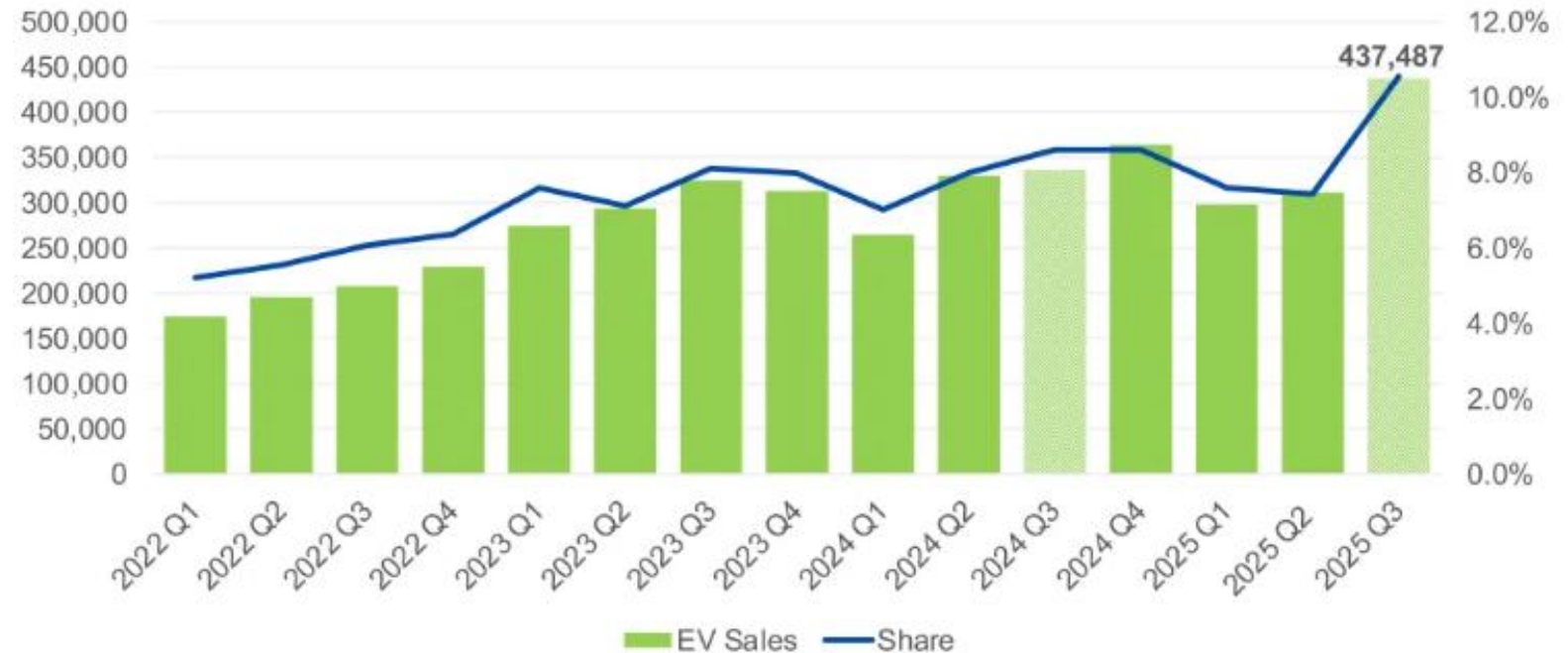
EV and Program Statistics

NATIONAL Q3 EV SALES DATA

- Q3 2025 EV sales hit an all time high of 438,487 units ~ 10.5% market share nationwide
 - Sales volume increased by 40.7% from Q2 and 29.6% year over year
- Best selling EVs were:
 1. Tesla Model Y – 114,897 sales
 2. Tesla Model 3 – 53,857 sales
 3. Chevy Equinox EV – 25,085 sales
 4. Hyundai Ioniq 5 – 21,999 sales
 5. Honda Prologue - 20,236 sales
- Tesla models lead EV sales while market share slipped to 41% in Q3 compared to 49% in Q3 2024

Q3 New EV Sales — Record Sales and Share

Sales surge 29.6% year over year, pushing market share to a record 10.5%

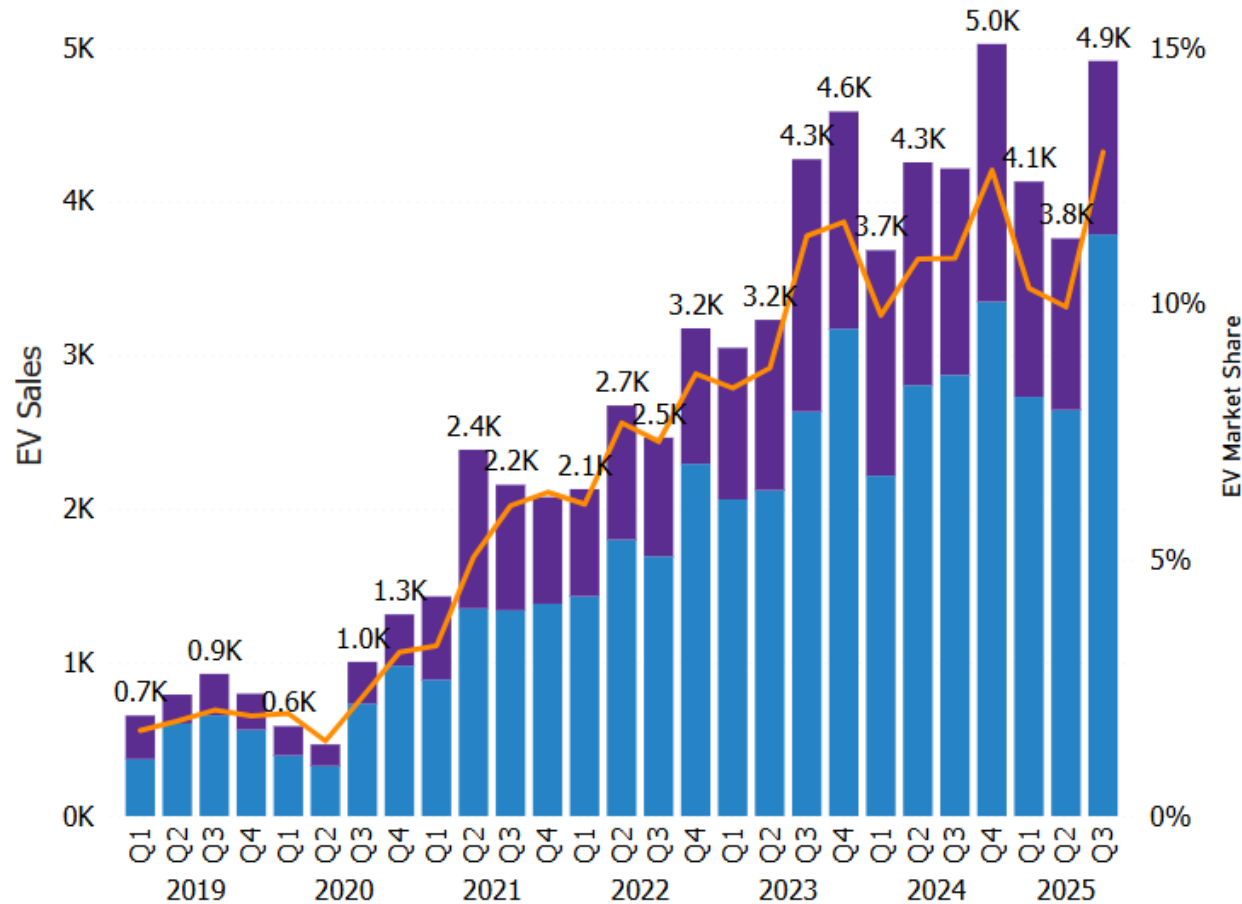


Source: [Cox Automotive](#) – [Q3 EV Sales Report](#)

CT Q3 EV SALES DATA

EV Sales and EV Market Share by Year, Quarter and Technology

● BEV ● PHEV — EV Market Share



Source: [Atlas Public Policy EV Market Dashboard](#)

- **Market share reached 13%, a record-breaking level, passing 12.6% seen in Q4 2024**
- **Second highest quarter in sales since 2019 with 3,784 BEV sales and 1,129 PHEV sales**
- **Best selling EVs were:**
 - 1. Tesla Model Y – 1,138 sales**
 - 2. Tesla Model 3 – 407 sales**
 - 3. Honda Prologue – 339 sales**
 - 4. Chevy Equinox EV – 186 sales**
 - 5. Kia Sportage PHEV – 152 sales**
- **Tesla's CT Q3 EV market share rose to 34.11% up from 30.42% in Q2**

CONNECTICUT SNAPSHOT

Sales Volumes	2024 Q3	2025 Q3	Year-over-Year Change
Tesla BEVs	1,409	1,676	267 (+19%)
Non-Tesla BEVs	1,451	2,098	647 (+45%)
PHEVs	1,344	1,129	-215 (-16%)
All Passenger Vehicles	37,981	37,296	-686 (-2%)

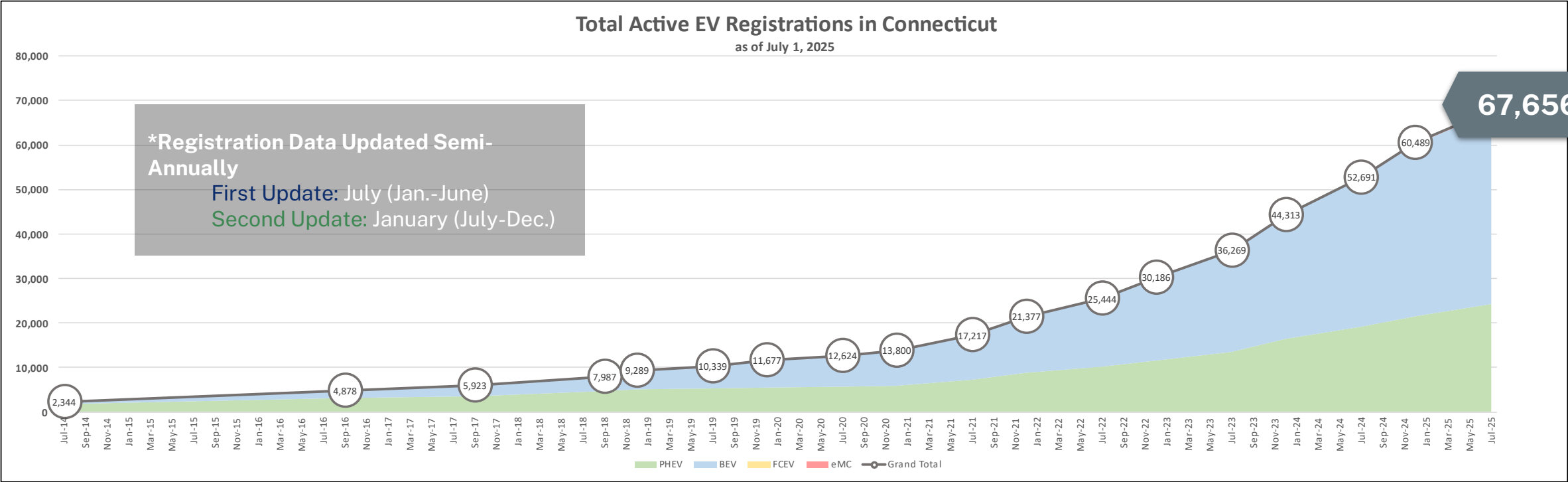
PEV Share	11.1%	13.1%	+2%
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Year-over-year passenger vehicle sales volumes decreased modestly in Connecticut. PHEV shares declined, but Tesla BEVs and Non-Tesla BEVs captured increasing shares of overall increased passenger vehicle volumes, which drove a 2% increase in year-over-year PEV market share to 13.1% – a quarterly record for Connecticut.

Comparing 2024 Q3 & 2025 Q3 Passenger PEV Sales

State	2025 PEV Share (± 2024)	State	2025 PEV Share (± 2024)
CA	31.0% (+6.4%)	NJ	13.6% (-0.9%)
CO	26.7% (+1.3%)	NM	6.1% (+0.6%)
CT	13.2% (+2.1%)	NV	19.5% (+3.1%)
DC	24.0% (+4.4%)	NY	12.5% (+2.8%)
DE	10.3% (0%)	OR	20.2% (+4.3%)
MA	14.0% (+2.1%)	RI	9.4% (+1.0%)
MD	10.8% (-0.8%)	VA	11.2% (+1.4%)
ME	5.6% (-1.1%)	VT	10.8% (-2.3%)
MN	8.4% (+1.2%)	WA	23.4% (-0.2%)

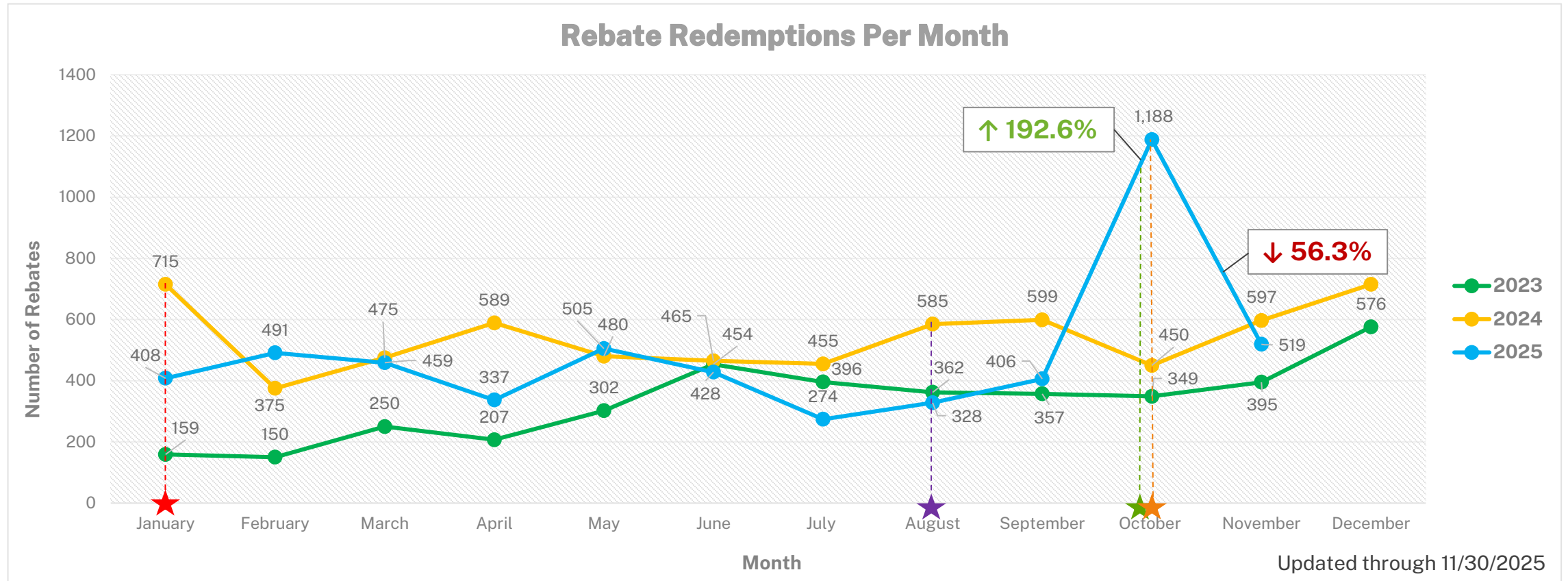
CT EV REGISTRATIONS



EVs Registered in CT on:

	Jul-14	Sep-16	Sep-17	Sep-18	Dec-18	Jul-19	Dec-19	Jul-20	Dec-20	Jul-21	Dec-21	Jul-22	Dec-22	Jul-23	Dec-23	Jul-24	Dec-24	Jul-25	Dec-25
BEV	621	1,811	2,371	3,280	4,208	5,099	6,172	6,874	7,880	9,861	12,513	15,268	18,509	22,695	27,709	33,386	38,589	43,141	
PHEV	1,723	3,066	3,549	4,705	5,063	5,220	5,480	5,722	5,893	7,321	8,827	10,126	11,615	13,510	16,517	19,211	21,584	24,195	
FCEV	0	1	3	2	2	2	3	3	3	3	3	6	5	3	3	3	3	3	
eMC	ND	ND	ND	ND	16	18	22	25	24	32	34	44	57	61	84	91	313	317	
Grand Total	2,344	4,878	5,923	7,987	9,289	10,339	11,677	12,624	13,800	17,217	21,377	25,444	30,186	36,269	44,313	52,691	60,489	67,656	

CHEAPR - REBATE REDEMPTIONS PER MONTH



Dates of Significance in 2025:

- ★ **January 1:** BEV Standard decreased to \$1,500, BEV Rebate+ New & Used increased to \$3,000
- ★ **August 1:** Standard Rebate decreased to \$500 for BEVs & PHEVs
- ★ **September 30:** End of the Federal EV Tax Credits
- ★ **October 1:** BEV Standard Increased to \$1,000



Budget Update & Incentive Level Changes

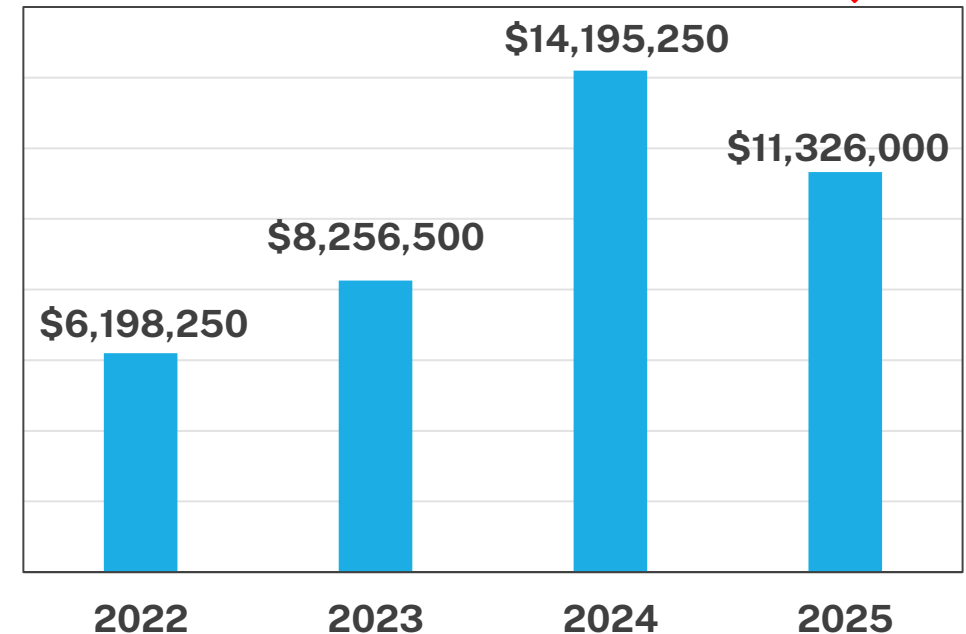
CHEAPR OPERATING BUDGET

Budget Summary

January 1, 2025, through November 30, 2025

	Rebate Funds
Incentive Payments Year-to-Date	\$11,326,000
Incentive Pipeline of Active Applications	\$1,443,225
Total Funds Utilized YTD	\$12,796,225

Total Incentive Funds Paid



Number of Rebates

Incentive	2022	2023	2024	2025 YTD
Standard	1,159	3,667	5,953	4,462
Rebate+New	17	232	578	707
Rebate+Used	3	36	98	171
Total	1,179	3,935	6,629	5,340

CHEAPR 2026 BUDGET

Anticipated Funding

- DMV Feb: \$1,900,000
- RGGI Mar: \$1,900,000
- DMV April: \$1,700,000
- DMV June: \$1,700,000
- RGGI June: \$4,000,000
- DMV Nov: \$1,900,000

Will be added to current SOW to ensure program continuity through June

Total: \$13.1 Million

Costs

- Administration: \$3.2M <10%
- **Administration includes: Program design, IM update, rebate processing (income verification), dealer portal & platform maintenance, public facing statistics, outreach and education, reporting (bi-weekly, annual evaluation, end of program finance, supporting DEEP/Board meetings), program wind down**
- Incentives: ~\$9-10 million

Total: \$13.0 Million

The 2026 budget will be split under two SOW's as the current master contract ends and the next begins.

ADMINISTRATIVE PROGRAM UPDATES



- **DAS Master Contract for Mobile Source Programs expires this year**
- **CHEAPR Scope of Work (SOW) is being amended to ensure CSE can operate the program until a new master contract is in place, at which time program administration services will be re-bid**
- **DAS, on behalf of DEEP, is in the process of issuing a new Master Contract which is expected to be released in Q1 of 2026 and cover a variety of mobile source topics:**
 - ❖ Heavy Duty (HD) Truck Sector
 - ❖ Idle Reduction
 - ❖ Construction Sector
 - ❖ Transit Sector
 - ❖ Nonroad, Freight Movement, Locomotives and Ports Sector
 - ❖ Low Emission Vehicles (LEV) & Zero Emission Vehicles (ZEV) Sector
 - ❖ Fleet Evaluation w/ Marketing and VIN Decoding
 - ❖ Fuels and Fueling Infrastructure
 - ❖ Mobile Source Modeling/Inventory, including MOVES
 - ❖ Inspection & Maintenance
 - ❖ Vehicle Incentive Programs
 - ❖ Federal and State Grant Administration
 - ❖ Emerging Mobile Sources Issues



MASTER CONTRACT AND SOW TIMELINE

Current Master Contract

DAS RFP Release and DEEP Evaluation of Qualifications

DAS Negotiation of Contracts

DEEP RFP for CHEAPR and Evaluation of Proposals

New SOW

CHEAPR v. 2026



Program Design Considerations for CHEAPR 4.0

PROGRAM OBJECTIVES



Primary Program Objectives

- Air Pollution and GHG Reductions
- Affordability
- Equity
- Widespread EV Adoption
- OEM Model Availability

How Does the Program Achieve These Goals

- Increase EV adoption
- Incentivize affordable vehicles
- Outreach on the O+M benefits of Evs amid rising gas costs
- Stronger LMI incentives than the standard rebate
- Make the business case for EVs stronger

2026 CHEAPR INCENTIVE LEVELS



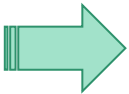
Current Incentives

October 1, 2025

Incentives (\$)		
PHEV Standard	500	-
PHEV Rebate+ New	1,500	-
PHEV Rebate+ Used	3,000	-
BEV Standard	1,000	↑
BEV Rebate+ New	4,000	-
BEV Rebate+ Used	5,000	-
FCEV Standard	1,000	↑
FCEV Rebate+ New	3,000	-
FCEV Rebate+ Used	5,000	-

What changed?

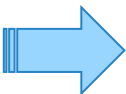
Increased BEV Standard to \$1,000 on 10/1/2025



What's Next?

Jan – July 1, 2026

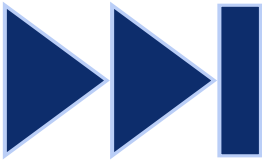
- Retain incentives
- Monitor EV sales trends
- Federal and state policies impacting EV sales
- CHEAPR program utilization
- Finalize 2025 Legislative Report
- Re-bid CHEAPR Administrative Services



Assess Program Enhancements



- Standard incentive focus?
- LMI focus?
- Community+?
- Sliding scale eligibility based on budget (CA style)?
- OEM caps?
- Other possibilities?
- Assess incentive levels?



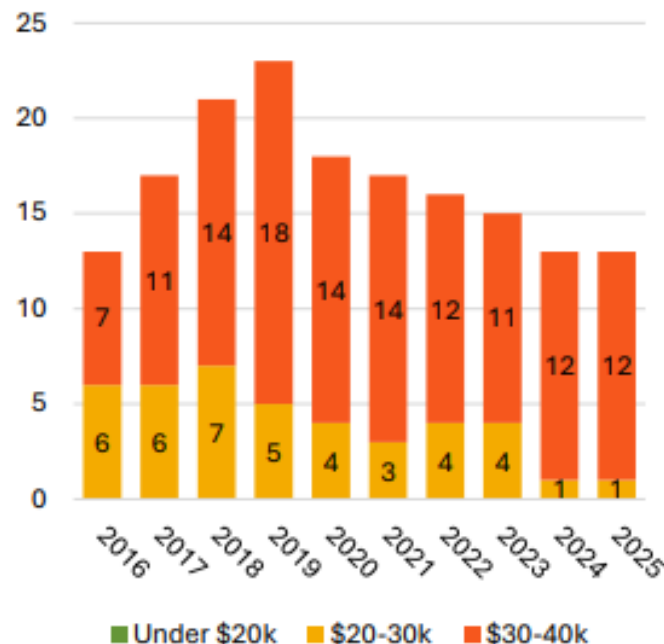
CHEAPR POLICY OPTIONS TO CONSIDER

Policy Options	Legislative Change Req.	Effect	Description/ Notes
Standard Incentive Focus	No	Promote broader EV adoption among new car buyers	Increase Standard Incentive. As federal and state regulatory programs pivot away from mandating EV adoption, higher incentives may become more important for broader adoption.
Create Community+ Incentive Tier	Yes	Slightly Slow Spend Rate, Balance Equities	Create an intermediate tier of incentives for those who live in EJ designated neighborhoods with a lower incentive level than Rebate+
LMI Focus	No	Promote EV adoption among LMI drivers	Focus on income qualified only. Can set higher incentives but will not lead to widespread EV adoption.
OEM Annual Vehicle Caps	Yes	Significantly Slow Spend Rate	Cap OEM sales eligible for incentive (e.g., first federal tax credits phased out at 200K unit sales). Could allow for higher incentive levels.
Sliding Eligibility Scale	No	Better match program to budget	Goal is to maximize incentives to those who need it most and to limit free ridership.
Sales Tax Exemption	Yes	Help Make up for Expired Federal Credits	Remove sales tax from the purchase or lease of an EV to reduce total sale price even more, act as a further incentive.

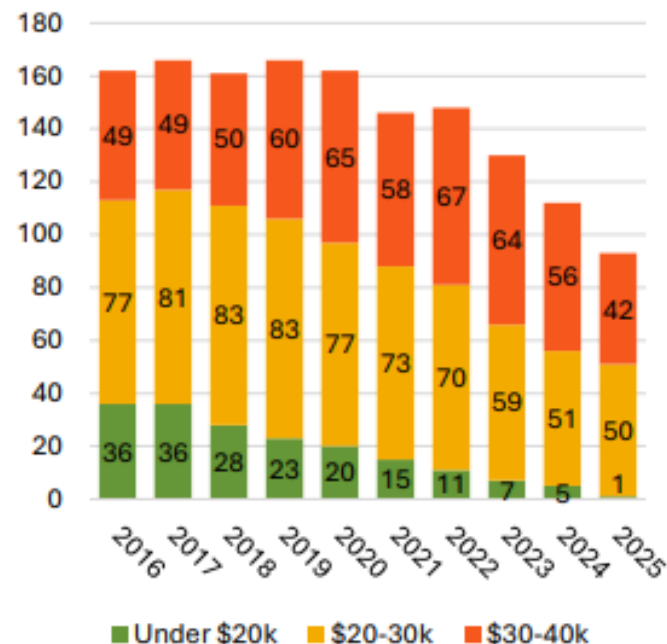


AFFORDABLE VEHICLES ARE IN DECLINE...

Number of Electric Models



Number of Gas Models



According to [Kelley Blue Book](#), the average transaction price (ATP) of a new vehicle for all fuel types surpassed \$50k for the first time ever in September 2025 in the US.

- EV models made up 26% of passenger vehicle models in 2025, but “affordable” vehicle models* of all fuel types have decreased
 - Vehicle models under \$40K decreased from 175 in 2016 to 106 in 2025, a 39% decrease
 - With EVs, there was an increase of affordable models in 2019 but now availability is similar to 2016
 - With ICEs, a steady decrease has been happening since 2021 to only 93 models, compared to a high of 166 in 2019

...CAN EVS BE PART OF THE SOLUTION?



Why are affordable models disappearing?

- Smaller car models are disappearing as market popularity shifts towards crossovers, SUVs and other larger cars
- Popular affordable models in other countries, particularly EVs, are not allowed due to safety regulations or haven't made their way to the US yet
- Inflation, supply chain constraints, tariffs
- Interrelated ICE and EV model discontinuation: US automakers tend to end production of both models at the same time, not just discontinuation of the EV line

Can EVs be the solution?

- EV battery costs will continue decreasing as technology improves, already a 90% drop between 2008 and 2023
- EV range in most available US models is reaching 200-300 miles, the range most accepted by Americans to begin trusting EVs
 - Automakers may shift focus from improving EV range and battery size to decreasing manufacturing costs
- In the absence of federal tax credits, automakers could make EVs more affordable, particularly for a global market
 - States are also independently stepping in to improve EV incentives
- Less stringent CAFE standards will make gasoline vehicles more expensive to own and operate

Source: Atlas Public Policy's Issue Brief: [Affordable Vehicles in Decline](#)



eBike Program Updates

EBIKES – ROUNDING OUT ROUND 2



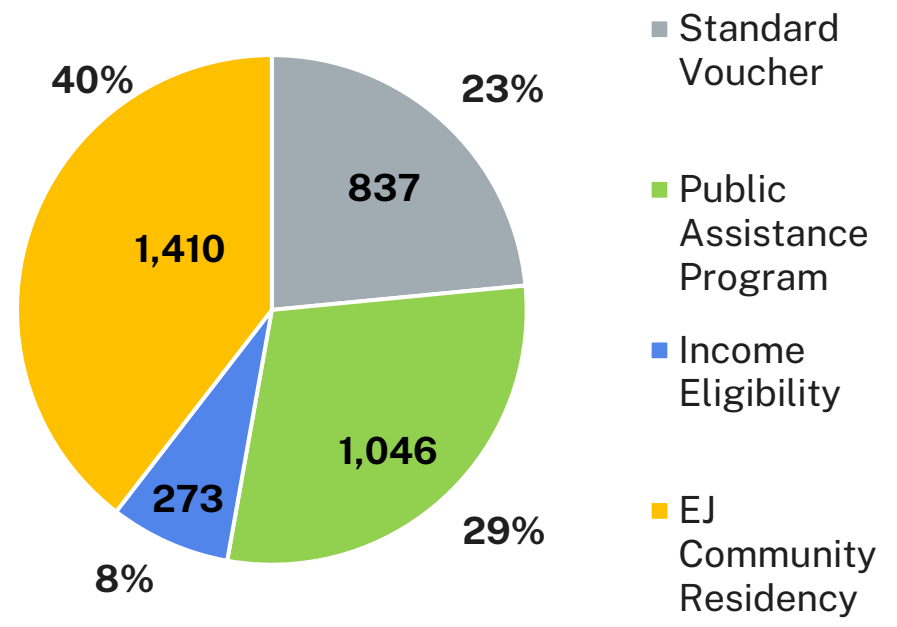
Background:

- **\$750,000** was allocated for Round 2 to support the issuance of **600 Voucher+ incentives of \$1,250**
- **Launched on September 17, 2024**, and the application portal was open for 14 days, **closing on October 1, 2024**
- Applicants were prioritized based on three different tiers of qualification:
 - Tier 1: Participant in a **state or federal income qualifying program** or have an income **less than 300% of the Federal Poverty Level (FPL)**
 - Tier 2: Reside in an **Environmental Justice (EJ) community or Distressed Municipality**
 - Tier 3: Eligible for **Standard voucher**

Outcomes:

- A total of **3,566 applications** were submitted during the two-week period
- After cancelled applications and a dozen pulls from a standby list, a final lottery was conducted on May 27, 2025, to allocate as much of the budget as possible to income qualified Tier 1 applicants
 - With a **240-day redemption period**, the latest possible date a voucher can be redeemed is **January 22, 2026**
- **447 out of 600 vouchers were issued** for Round 2 (74.5%). This totals to \$558,750 in funds
 - **436 claimed as of Nov. 30, 2025** (~80% Public Assistance, ~20% Income Eligible)
 - **11 vouchers still to be redeemed**
- If all 447 are redeemed, there will be **\$191,250 of the remaining budget for future program use**

Applications Received per Type



EBIKES - ROUND 3 CONSIDERATIONS

Postponed to Summer 2026



**Connecticut
Electric Bicycle
INCENTIVE PROGRAM**

Incentive Budget: \$700,000

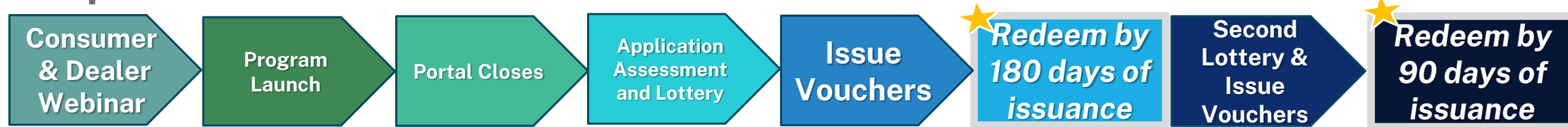
New Program Requirements: P.A. 25-65 (CT DOT Minor Revisions Bill) - Persons with physical disabilities are now defined as a priority group and adaptive eBikes are not subject to statutory MSRP cap

- These new requirements are creating several program admin challenges

Incentive levels:

- Standard Voucher: \$500 (remaining the same)
- Voucher+: \$1,250 (Standard + \$750)
 - This is lowered slightly to allow for more program participation, especially from LMI households and EJ communities

Sample Timeline:



Program Parameters remaining similar:

- | | |
|---|---|
| <ul style="list-style-type: none">• Participating Retailers must:<ul style="list-style-type: none">✓ Have a physical storefront✓ Be in good standing✓ Offer at least one eligible eBike model | <ul style="list-style-type: none">• Eligible eBikes must:<ul style="list-style-type: none">✓ Have MSRP ≤ \$3,000✓ Have an electrical drive system certified by an accredited testing laboratory for compliance with UL 28493 or EN 15194.✓ Have a manufacturer's warranty for frame and components for a period of not less than one (1) year |
|---|---|

BOARD QUESTIONS AND DISCUSSION

Open for Board Member questions and discussion.

PUBLIC COMMENTS

Please raise your hand in the chat.

CHEAPR BOARD MEETING SCHEDULE

2025 CHEAPR Board Meetings

- ✓ March 13, 2025
- ✓ June 12, 2025
- ✓ Ad-Hoc July 29, 2025
- ✓ September 11, 2025
- ✓ December 11, 2025





2026 CHEAPR Board Meeting

- March 12, 2026
- June 11, 2026
- September 10, 2026
- December 10, 2026

Remember to register for the meetings in advance!

Register on the [CHEAPR Board webpage!](#)

2026 Meeting Dates

March 12 th	Agenda 	Register
June 11 th	Agenda 	
September 10 th	Agenda 	
December 10 th	Agenda 	

- 2026 CHEAPR Board [meeting registration](#) is now live!
- Join the [CHEAPR e-mail list](#) to be notified of program related information!