



Briefing Minutes

July 29, 2025, CHEAPR Ad Hoc Board Briefing via ZOOM || [View Recording](#) (Passcode: b=\$u40Z!)

Next meeting:	September 11, 2025
Prepared by:	Nicole Foertsch, DEEP

The July 29, 2025, briefing of the CHEAPR Program Board was held and recorded online via Zoom. The purpose of the ad hoc briefing was to inform the board of the upcoming changes to the EV incentive levels that are being implemented on August 1, 2025. The team reviewed program data showing increased demand and spending, while also addressing the need to adjust incentive levels and consider potential program modifications in response to the upcoming expiration of federal EV tax credits. Various strategies were discussed to maintain program effectiveness with the group agreeing to monitor current trends and consider farther adjustments after September 30th.

Call to Order and Introduction

- ***Opening Remarks:*** Deputy Commissioner EQ Emma Cimino began the session by welcoming everyone and explaining the purpose of why a meeting was called for today. With the sunsetting of the federal EV tax credits at the end of September combined with an increase in Rebate+ redemptions, the budget for the CHEAPR program is being impacted in ways that weren't anticipated. DEEP staff would like to brainstorm with the board some ideas of how CHEAPR can look and function within the allotted budget a few months down the line in a post-federal EV credit landscape.

Overview of CHEAPR Uptake

- ***Future of CHEAPR - Program Update:*** Staff first explained the future goals of CHEAPR and the image that the program should continue to uphold. It's a consensus that CHEAPR should be maintained and in operation and to continue without any kind of pause if possible. Connecticut has been one of the few states that have not needed to bring the program to a pause due to lack of resources and it would be beneficial for CHEAPR's image if it can stay that way. Recently, there has been an extreme jump in in demand for the standard incentive after the announcement of the elimination of the federal credits. DEEP is therefore temporarily lowering the standard BEV and PHEV rebates to \$500 effective August 1, 2025. Rebate+ levels will remain at the amounts they are currently set at but Rebate+ New levels will be impacted slightly since they are stacked with the standard incentive.

There is a lot of uncertainty for what EV market share could look like in the coming months given other changes that could happen and either lead to an increase or decrease in EV production by OEMs. Soon, CHEAPR will become the only incentive program available to CT drivers looking to invest in an EV so certain aspects of CHEAPR might need to be prioritized and deprioritized down the line depending on the message CHEAPR should operate on. Changes could include focusing more on the standard incentive, more on income eligibility, deprioritizing zip code enhancements, among others.

- ***Data Update:***
 - ***EV Statistics:*** DEEP staff presented EV registration numbers throughout the state that have been updated since the last meeting. There are 67,660 EVs registered in CT as of July 1, 2025, which is an increase of about 7,500 vehicles since the previous update in



January of this year. CHEAPR rebate redemption numbers through the period of January 1st through July 15th since the inception of Rebate+ were also presented. The numbers show that 2024 moved at a faster speed with rebate uptake across all facets of CHEAPR, even compared to this year. But when looking at 2025, both Rebate+ New and Used numbers are higher than previous years and since those levels are enhanced, that means more of the budget is being spent. Therefore, with 2024 moving at an unsustainable rate and 2025 also trending that way in a different manner, changes need to be made to keep the program sustainable.

- **CHEAPR Budget Statistics:** Pie charts of the CHEAPR annual budgets were shown, breaking down 2024 and 2025. For 2024, the overall budget was approximately \$20 million with almost \$17 million in expenses. That means there was about \$3 million carried over into the 2025 budget. Additionally, CHEAPR is getting about \$12.8 million in revenue from its funding sources in 2025 and after subtracting the different expenditures that need to be spent to keep the program running, there is \$11.2 million leftover for EV rebates. So far in 2025, \$10.3 million has already been spent on EV incentives and there is still a third left of the year to go meaning CHEAPR is operating at unsustainable speeds.

Multiple scenarios were presented to the board last year to help decide where incentive levels would be set at in 2025 and with each scenario, a budget range was presented with a low demand point to a high demand point. With the selected scenario, the high demand budget was predicted to be \$9.7 million and with the carryover budget from previous years depleting, it is clear more adjustments must be made. A monthly breakdown of incentives paid out was presented to show how the budget was being spent on the rebates this year. BEVs account for 2,176 rebates so far this year compared to 556 PHEV rebates as of data through July 15, 2025. The Standard rebate accounts for 2,361 rebates so far compared to 300 Rebate+ New and 81 Rebate+ Used. With Rebate+ applications increasing this year and more money being allocated to Rebate+, it's important to take action with the Standard rebate to keep the goal of the program in mind.

- **Budget Summary:** In the past 30 days, CHEAPR has seen an increase in daily demand compared to the previous year with approximately \$39,125 a day being spent on incentives YTD but a jump to approximately \$52,088 a day within the past month, a 33% increase. The budget scenario that was selected in 2024 had the program operating on spending about \$750,000 a month on incentives and CHEAPR is currently spending about \$1.56 million a month with the current increase in rebate redemptions. For the remainder of 2025, CHEAPR has approximately \$4.8 million remaining in the program budget but this, along with two minor bursts of DMV funding at about \$1.6 to \$2 million each, needs to sustain the program until around March of 2026 which is when the next major influx of funds from RGGI auctions comes in. CSE conducted a budget analysis and depending on if the burn rate speeds up or slows down, CHEAPR could run out of funding and need to pause anywhere from October 23, 2025 to February 2, 2026.



New Standard Incentive Levels Taking Effect August 1st

- ***Next Steps:*** There are certain aspects of the program that are written in statute and can only be modified by the state legislature but there are other options that DEEP staff and the CHEAPR Board can alter. The MSRP cap of \$50,000 is set by the statute so that cannot be changed. Therefore, one of the only levers available that can be changed without the legislature that will have a meaningful impact on the program is the amount of the Standard rebate. Effective August 1, 2025, the Standard rebate for BEVs, PHEVs and FCEVs will be lowered to \$500 from \$1,500 for BEVs and PHEVs and \$750 for PHEVs. This will alter the total amounts for the Rebate+ New incentive as well since they are stacked with the Standard rebate. DEEP staff and CSE will continue to monitor incentive uptake, as well as EV market statistics for the last two quarters of the year so CHEAPR can be reassessed in the future to hopefully raise incentive levels back to where they were. And regarding the eBike Incentive Program, the changes being made to CHEAPR will not have any major impacts on the upcoming third round. If anything, the timing of the launch could be impacted due to staffing efforts being focused on the incentive level changes. Funding for the next round of the eBike Program will be coming from sources outside of CHEAPR.
- ***Outreach and Communication Efforts:*** DEEP staff will continue to gather information to help make best sense of what the future of the EV market and CHEAPR will be. DEEP plans to work with [Atlas](#) and utilize their knowledge and research on the EV market and trends. DEEP also plans to keep in touch with CARA to ensure dealers involved with the CHEAPR program have all the information and support they need as well as gathering information from them about what they're seeing with EV sales. Another contact DEEP plans on utilizing is connections with the California Air Resources Board (CARB) to get their guidance as California leads the way in the US EV market. With outreach, DEEP plans to meet with CARA representatives so they know of all the CHEAPR changes and engaging with them about how we can help this transition. Changes and updates are being made constantly across pages on the [CHEAPR website](#) to communicate these updates and make them clear to the public. DEEP is also getting the message out through multiple means such as utilizing time in the upcoming CEEJAC Air and Transportation subcommittee meeting on July 30, 2025, as well as [press releases](#) through the DEEP Communications office.

Board Roundtable

- Kate Rozen thanked staff for their efforts on preparing for this pivot in the program that came up faster than expected. She wondered if while talking with automobile dealers around the state, are they supportive of switching to a program model that focuses more on helping people who are income qualified and if DEEP thinks there might be any barriers with switching the program to supporting those who need more financial support versus helping the general public.
 - Paul Farrell answered that DEEP would take on more of the work and outreach efforts of communicating about the program if CHEAPR switched to an income eligible approach. DEEP would be communicating what the qualifications would be and that would fall on the shoulders of the agency more than the dealers. Tracy Babbidge also added that if a change like that were to happen to CHEAPR, DEEP would look at other state programs that follow a similar model and learn what their approach is. There is also the potential to get other parts of DEEP, such as the community hubs being created, involved as well as other state entities to help implement that change and administer it in the proper way.



- Eric Sandstrom shares that he thinks coming October 1st, he doesn't believe OEMs will be reducing their prices on EVs to help make up for sales tax loss or tariff prices. From his communications as an auto dealer in Fairfield County with General Motors (GM), they don't have any intention to stop building EVs, but they will be expecting a lot less demand of them from the public. For instance, GM is repurposing an EV plant of theirs in the US into one that builds gas-powered Escalades and Silverados. He emphasized that's why CHEAPR is important to have in Connecticut because it helps drive the demand for EVs. Eric has concerns of the Standard rebate dropping to \$500 because in his experience, that's the bare minimum that might make a customer think about making the switch to an EV. Having a larger amount reduced from the price of an EV, such as the combination of the Federal EV Tax Credit and the CHEAPR incentive, makes people think that certain costs that might have been considered 'extra' before could now be covered like home charger installation. Eric has seen that once people get an EV, they tend to stick with that path. He says that he doesn't think the market will change that drastically and eventually CT can successfully reach certain mile markers of EV registration goals, but we need things like CHEAPR to help to drive that.
- Kevin Moss explained how he is feeling pulled in different directions about what the next steps for CHEAPR should be because we can predict what things might look like in the EV world until September 30th but after that, the world is seemingly unpredictable. Therefore, he wonders if DEEP staff has thought about setting certain changes now that last through September 30th and possibly a few weeks beyond that to act as a buffering point, and then coming back and seeing if we can make changes again after the Federal EV Credits are gone and there is some time to sense how things are going.
 - Tracy responded by saying obviously this is a situation we need to monitor continuously as all these changes happen but DEEP is definitely open to many different things such as a scenario like that where we can reassess and make changes again to align with a post-federal tax credit world. DEEP needs to do what it can to preserve CHEAPR because its essentiality is going to become very important after September 30th.
 - Kevin also asked about the creation of the Community+ pathway that was discussed at the previous board meeting in June and asked if that can be fast tracked and implemented since there is a large part of the population that can fit those qualifications and receive an elevated rebate amount when it's possibly not a necessity for them. Implementing that sooner rather than later could help things from a budget standpoint.
 - Paul Farrell answered that from an implementation perspective, creating a whole new pathway requires a significant amount of work on the platform as well as communication and messaging efforts to both the public and stakeholders involved in the program who would be impacted by the change accompanied by assuring income-qualified people who believe this change would impact them when it wouldn't. Also at this time, there is not perfect data available on this either to tell how many people would be impacted by this, such as how many people are electing to use the EJ community pathway to prove eligibility because it's an easier route than proving whether they are income qualified. DEEP is working on that pivot but at a slower pace to ensure that necessary data is available first. Tracy added that another method DEEP has thought about is prioritizing income eligible applications first so there are multiple ideas about how to make a change in the program like that.



- Kate Rozen asked if the program makes any kind of distinction between people who purchase an EV versus those who lease an EV because from her experience of leasing EVs, lessees are eligible for incentives every time new leasing terms are agreed upon.
 - Eric responded first saying even when someone is leasing an EV, the restrictions within CHEAPR still apply to them which is that someone can only receive a second rebate three years after receiving their first one. Paul F also explained that CHEAPR has a limit where every driver's license number can only receive a maximum of two rebates throughout the lifetime of the program.
 - Kate added that that is still potentially four rebates per household which is a large amount. She stated that there are a lot of restrictions on the eBike program for people to receive a voucher such as income, location and prioritizing income qualified applicants first, but we do not push the same level of scrutiny on applicants within the EV program.
 - Eric replied saying from a retailer's perspective, the overall goal of the CHEAPR program was to promote EV sales and trying to get drivers to prioritize zero emissions over traditional gas-powered cars. Being located next to Bridgeport, a very small percentage of all his applications to CHEAPR have qualified for the income pathway.

Public Comments

- None reported

Adjournment

The meeting was closed by Tracy Babbidge at 1:25.

The next Board Meeting will be held on September 11, 2025.



Attachment A: Attendee Report

1.	Ann Munley - CARA
2.	Craig Peters
3.	Emma Cimino – CT DEEP
4.	Eric Sandstrom – Board
5.	Jody Ellant - Board
6.	Julia Dumaine - Board
7.	Kate Rozen - Board
8.	Kevin Moss - Board
9.	Kristin Salimeno – CT DEEP
10.	Nicole Foertsch – CT DEEP
11.	Paul Farrell – CT DEEP
12.	Paul Kritzler – CT DEEP
13.	Pierce Cheney - CSE
14.	Sara Stockman - CSE
15.	Sarah Pfeiffer - CSE
16.	Tracy Babbidge – CT DEEP
17.	Wade Packer – CT DEEP
18.	Walter Barozi – CT DEEP