



Meeting Minutes

March 12, 2026, CHEAPR Board Meeting via ZOOM || [View Recording](#) (Passcode: 8!SC@\$KD)

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| Present: | Board Members: Air Management Bureau Chief Tracy Babbidge on behalf of Deputy Commissioner EQ Emma Cimino and Commissioner Katie Dykes, Kevin Moss (Green Bank, Eric Sandstrom, Kate Rozen, Rebecca Andreucci (DOT) CSE Staff: Andrew Chesser and Sara Stockman CT DEEP Staff: Paul Farrell, Paul Kritzler, Walter Barozi, Wade Packer and Nicole Foertsch |
| Not in Attendance: | Bryan Cafferelli (DCP), Julia Dumaine/Jason Small (PURA), Paul Wessel, Jody Ellant and Bradley Hoffman |
| Next meeting: | June 11, 2026 |
| Prepared by: | Nicole Foertsch, DEEP |

The March 12th, 2026, meeting of the CHEAPR Program Board was held and recorded online via Zoom. The purpose of the meeting was to discuss EV sales and market data from the fourth quarter of 2025 and provide an update on in-state EV registrations and CHEAPR data through the beginning of 2026. The conversation around CHEAPR included budget updates, rebate redemption numbers through the end of 2025 and into the new year, and a look at possible contract and legislation changes coming ahead. Additional program implementations of items in Public Act 22-25 were also reviewed.

Call to Order and Announcements

- **Opening Remarks:** The meeting was called to order at 3:05 p.m. by Bureau Chief Tracy Babbidge, who welcomed attendees, reviewed the agenda, and conducted roll call.
- **Attendance:** Attendance was taken. Present were Tracy Babbidge (representing DEEP Deputy Commissioner Emma Cimino and Commissioner Dykes), Kevin Moss, Eric Sandstrom, Kate Rozen, and Rebecca Andreucci.
- **Minutes Approval:** Minutes from the [September 11, 2025](#) and [December 11, 2025](#) meetings were presented for approval. A quorum was not met, so no votes were taken. Minutes will be distributed via email following the meeting for electronic approval and are also available on the [CHEAPR Board webpage](#).

Staff Reports

- **Data Update:** DEEP staff presented EV market data for Q4 2025 at the national, state, and program levels. Following the expiration of federal EV tax credits on September 30, 2025, national EV sales declined as expected, with just under 230,000 light-duty EVs sold in Q4 (down 43% from Q4 2024, [Atlas Public Policy](#)). Connecticut’s EV market share fell to 6.3% in Q4 from 13% in Q3. Tesla remained the top-selling manufacturer in the state, followed by the Honda Prologue, Toyota RAV4, and Ford Mustang Mach-E (source: [Atlas Public Policy](#), [Atlas’ EV Market Dashboard](#)).
 - **CHEAPR Stat Highlight:** DEEP staff reviewed a comparative graph of monthly rebate redemptions from the last three years. Redemption rates have declined since the federal tax credit expiration. Early 2026 trends mirror early 2025, beginning with 414 rebates in



January and dropping to 220 in February. Seasonal declines are typical, and staff will continue monitoring as the market stabilizes.

- **Connecticut EV Registrations:** CT DMV data through December 31, 2025 show 73,156 EVs registered in Connecticut, a 21% year-over-year increase. EVs represent 3.17% of all light-duty vehicles in the state. Approximately 64% are BEVs and 34% PHEVs. Tesla leads with 34% of all EVs, followed by Toyota (~9%) and Jeep (~8%). At least 50 towns saw 25% growth in EV registrations. Additional data and town-level breakdowns are available on DEEP's [EV Registration Factsheet](#).
- **Budget Update:** CHEAPR issued 5,774 incentives in 2025, spending \$11.6 million, a decrease of about \$2.5 million and 855 rebates from 2024. As of February 28, 2026, the program has spent approximately \$1.8 million across 634 rebates. Spending is significantly lower than in early 2025, and the program budget remains stable. Funding is currently constrained by the expiration of the Mobile Sources contract, but existing contracted funding is sufficient to meet expected program needs.
- **CHEAPR 2025 - A Review:** DEEP staff summarized 2025 program performance. Of the 5,774 rebates issued, 84% were Standard, 13% Rebate+ New, and 3% Rebate+ Used. BEVs accounted for 84% of rebates and leases accounted for 58%. Tesla Model Y and Model 3 variants were the most rebated vehicles (3,750 total). Rebate+ utilization increased 30% overall and 77% for Rebate+ Used. Staff estimates that EJ residency criteria support approximately 78–81% of Rebate+ applications. Incentive adjustments throughout 2025 saved the program an estimated \$1.2 million compared to previous levels, and about \$6.3 million compared to the 2024 incentive structure.
 - Kate Rozen asked for clarification on the dealer incentive referenced on slide 15 and suggested further analysis to determine whether the incentive structure results in higher application rates for PHEVs versus BEVs, or for Standard versus Rebate+ incentives.
 - DEEP staff explained that, in addition to funds provided to support the customer's purchase or lease of an eligible EV, a small administrative incentive is provided to participating dealerships. This incentive has been part of the program since its inception to encourage dealer participation, compensate them for managing the CHEAPR application process, and offset the upfront cost they assume when applying the rebate at the point of sale. Similar dealer incentives exist in other state programs, though many have reduced or eliminated them over time. CHEAPR has also significantly reduced dealer incentive amounts throughout the program's history. The specific amount varies based on the rebate type and incentive level. Additional detail is available in Section 4.2 of the CHEAPR Implementation Manual.
- **Master Contract Update:**
 - DEEP is collaborating with the Department of Administrative Services (DAS) to issue a new Master Contract for Mobile Source Programs, as the previous contract expired on December 31, 2025. The new contract will cover vehicle incentive programs, LEV/ZEV initiatives, fuels and fueling infrastructure, and other related activities. It is expected to be finalized in Q1 2026.

To ensure uninterrupted CHEAPR operations during this transition, DEEP and CSE are extending the current Statement of Work (SOW) through June 2026 while DAS conducts its RFP and evaluation process. DEEP anticipates having the new



contract in place by the end of May, after which a new SOW will be issued to qualified vendors capable of administering CHEAPR. Vendors will submit proposals for review, and DEEP will select and finalize the next SOW accordingly. Once established, DEEP will work with the selected vendor to implement any legislative updates and advance upcoming program elements, including the next rounds of eBikes and fleet incentives.

Update on Public Act 22-25

- **eBikes:** Consistent with updates provided at previous meetings, planning for the third round of the eBike Incentive Program is underway, with an anticipated launch in mid-2026. With the Master Contract being posted soon with a program administrator to be selected in that process, DEEP is looking to have a launch possibly three to four months after the contract is finalized. Having a launch later in the year would allow sufficient time to implement new legislative requirements under [P.A. 25-65](#), which designate persons with disabilities as a priority group and exempt them from the MSRP cap for eligible bikes. DEEP is coordinating with DMV and DAS to determine appropriate documentation and processes for incorporating this group into the program. The proposed budget, incentive levels, program structure, and timeline remain aligned with prior discussions.
- **Legislative Updates:** There are a few proposals currently being discussed in preparation for the 2026 legislative session that have potential impacts on CHEAPR if they get passed. First is in [HB 5135: An Act Concerning Minor Revisions to Department of Energy and Environmental Protection Related Statutes](#) where Section 3 would allow the creation of a new level of incentive for residents of environmental justice (EJ) areas who are not low – moderate income. This would still allow EJ area residents to be prioritized over those only eligible for the Standard rebate. This bill has already been jointly favored by the Environmental Committee and is waiting to be debated on the House floor. Second is in [SB 416: An Act Concerning Transportation System Modernization](#) where Section 1 proposes changes to Rebate+ Used. Changes would be that eligible vehicles for used EVs rebated through the program would expand to include models up to 7 years old (instead of the current 3-year limit), and instead of the \$50K MSRP cap of when the EV was new, Rebate+ Used would use the “selling price” at the “point of sale” of up to \$35K. The latter aligns somewhat with the old federal program where they used a selling price of \$25K. At the moment, DEEP is working with the Transportation Committee to work on specific language in the bill before it moves on to gain any approval.

Board Roundtable

- Kate Rozen highlighted that the third round of eBikes has been in a holding pattern for a while now. This puts a burden on eBike retailers that participate in the program because they need to know how much they should have in stock and when. Kate urged that if anything with the eBike Program, we should aim to be consistent in timing year to year so that everyone involved knows what to expect.
 - Tracy Babbidge responded saying that DEEP will definitely look into any opportunities that come up where we can squeeze in an ideal timeframe to launch this round successfully. With the major changes that occurred in the last round and the fact that DEEP staff and CSE were working very intently on the CHEAPR budget this year to make it sustainable, it has taken a significant amount of focus and time. As we work diligently



- to get a new contract in place, we will look at ways to launch the third round efficiently, quickly and in an appropriate season where consumers are looking at purchasing bikes.
- Kate asked if there was any progress on updating the survey questions that go out to eBike participants after DEEP previously reached out and asked for any comments board members would like to give on the questions.
 - Paul Kritzler responded that working more on the survey questions that will go out to program participants in the next round will likely be part of the SOW for eBikes after the Master Contract is finalized in the coming months. Therefore, no changes have been made as of yet but DEEP definitely has any submitted commentary on file and we plan to put that to use when the time comes to improve the survey.
 - Kate also added that it would be a good show of faith to communicate these timelines and plans to current eBike retailers involved in the program. We could schedule and plan for a meeting for discussion later in the spring or early summer where we can gather feedback from retailers and give them insight to the current timeline of the program. This was discussed as a possibility at previous meetings and would be beneficial for everyone.
 - Tracy said DEEP would be happy to do that and appreciated the suggestion.
 - Kevin Moss said he agrees with what had been said earlier in the meeting regarding the current data around EV sales, so he believes that keeping things where they are for the next few months makes sense, especially since the budget is in a good place. He is also curious about possibly being able to align with utilities down the line since CHEAPR is trying to prioritize LMI residents and the home-charging programs from utilities have recently been doing the same. If rebate numbers have declined in the past few months, that must also mean the rebates from utilities have as well so possibly, we can work together to make people aware that they have incentive opportunities available on both the vehicle side and the charging side.
 - Tracy expressed that that is a great point and could possibly be a subject to focus on at the June board meeting.

Public Comments

- Barry Kresch said that this presentation today helped clarify some language that is listed in SB 416 and HB 5153, so he is thankful for the insight. Barry also asked if there is still room in the budget for the fleets program since the CHEAPR budget has been running high these past couple years even though it's currently more in line with expectations of where it should be. Lastly, Barry commented that Kevin's point is very pertinent about connecting CHEAPR with the utilities, but he also suggests messaging dealerships involved with EV sales and charging. He is hearing from consumers that they are receiving information from dealerships that is not up to date regarding the new restrictions implemented within the home-charging programs.
 - Tracy responded, saying that we received federal funding last year and are working with the Department of Energy (DOE) on receiving that. Those funds are earmarked for a fleet program, but we are getting mixed signals from DOE on receiving the funds that were promised. DEEP is continuing to press them on this as we had conditional approval but we never received the full award.
 - Paul Farrel added that since a fleet program is a statutory requirement, it will be in the new SOW that is made after the Master Contract is finalized so there will be a plan for it to happen but the funding could come from different places.
 - Paul Kritzler commented on the utility aspect saying that previously, we did talk to the utilities about communicating to CHEAPR recipients or recipients from the utilities



charging programs about the other opportunities available but the cross-communication between programs identified Personally Identifiable Information (PII) issues that would need to be resolved in terms and conditions documents. But as the utility programs are starting back up, we definitely plan on looking into coordinating with them.

- Jeremy Schulick, Deputy Director at the Clean Transportation Community of Southern Connecticut, asked about what DEEP's initial thoughts are to the proposed legislation seen in the bills mentioned in the presentation.
 - Tracy replied that regarding using the sale price on used vehicles instead of the Manufacturer's Suggested Retail Price (MSRP) cap, we want to explore deployment of more used EVs within the program and focus on affordability, but we also want to ensure that we are not incentivizing luxury vehicles.
 - Paul F. said that another issue that gave us pause was extending the model year's availability to seven years for used EVs. Extending the model year is a good idea but seven might not be an ideal number. Battery warranties on EVs generally last about eight years so if the acceptable model years within the program is expanded to seven, it is cutting it close to the warranty and possibly running into battery issues. An expansion to five years is something more ideal. Paul K. added that a change such as that can already be made within the program without legislation. If it is changed legislatively, then we are locked into that and would not have any flexibility anymore if we wanted to make a change like that in the future when the technology improves or California enacts stronger standards. Having an aspect like that not locked into legislation is better.
 - Paul F. added another point that any change to the used EV aspect of CHEAPR needs to be coupled with the EJ residency issue that DEEP raised in the bill. Currently, if the seven-year expansion passes but the separation of EJ residency within incentives does not, someone who resides in an EJ area but is not LMI-qualified would be able to purchase a used, luxury EV that was originally retailed for over \$100K and that is not what CHEAPR is looking to accomplish. Then the question does arise of what retail price does the line need to be drawn at.

Adjournment

The meeting was adjourned by Bureau Chief Tracy Babbidge at 4:01p.m.

The next Board Meeting will be held on June 11, 2026.



Attachment A: Attendee Report

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| 1. | Andrew Chesser |
| 2. | Barry Kresch |
| 3. | Bill Molina |
| 4. | Eric Sandstrom |
| 5. | Jeremy Schulick |
| 6. | Kate Rozen |
| 7. | Kevin Moss |
| 8. | Nicole Foertsch |
| 9. | Paul Aresta |
| 10. | Paul Farrell |
| 11. | Paul Kritzer |
| 12. | Rebecca Andreucci |
| 13. | Sara Stockman |
| 14. | Sarah Huang |
| 15. | Tracy Babbidge |
| 16. | Wade Packer |
| 17. | Walter Barozi |