

Frequently Asked Questions (FAQs)

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BACKGROUND INFORMATION

1. Who can I contact if I have questions?

Please contact the Program Administrator, Center for Sustainable Energy[®] (CSE), at 855-704-6350 or <u>cheapr@energycenter.org</u> for all program inquiries. Program staff are available from 8 am-5 pm ET to answer your questions, with 24-hour voicemail access.

2. What is the Connecticut Electric Bicycle (eBike) Incentive Program?

The Connecticut (CT) Electric Bicycle (eBike) Incentive Program offers point of sale incentives of up to \$1,500 for Connecticut residents who purchase new eligible bicycles (eBike). CT eBike Incentive Program consists of two incentives, the Standard Voucher and Voucher+.

All Connecticut residents aged 18 years and older are eligible for the Standard Voucher. Connecticut residents who reside in an <u>Environmental Justice</u> (EJ) community or <u>Distressed</u> <u>Municipality</u>, participate in a <u>state or federal income qualifying program</u>, or have an income less than <u>300% of the Federal Poverty Level</u> (FPL) are eligible for Voucher+.

ELIGIBLE EBIKES INFORMATION

3. How can an OEM / Manufacturer get a new eligible eBike added to the eligible eBike list?

If you are an eBike manufacturer and would like to request the addition of an eBike that meets the eligibility requirements listed below, please complete the <u>eBike Eligibility Application</u> and email it to the Program Administrator at <u>cheapr@energycenter.org</u>. An eBike must be approved and added to the Eligible eBike List prior to receiving an incentive.

4. What are the requirements for an eligible eBike?

To be eligible, eBikes must meet the following requirements:

- a. Manufacturer's Suggested Retail Price (MSRP)¹ less than \$3,000
- b. 1 year warranty for frame and components
- c. Active UL 2849² or EN 15194³ for battery and electrical components

APPLICANT INFORMATION

5. The eBike I want to purchase is not listed on the Eligible eBike list. Can I still receive a point-of-sale incentive?

No. As a point-of-sale program, eBikes must be on the eligible eBike list prior to the time of purchase to receive an incentive.

¹ Manufacturer's Suggested Retail Price (MSRP) – The recommended sale price that is determined by the eBike's manufacturer. This price does not include additional upgrades that the consumer elects to add-on, or warranties additional to the standard warranty.

² https://www.ul.com/services/e-bikes-certification-testing-ul-2849

³ https://www.en-standard.eu/ilnas-en-15194-cycles-electrically-power-assisted-cycles-epac-bicycles

6. How many CT eBike vouchers may an individual receive?

Each applicant is allowed one (1) incentive for the lifetime of the program. The Standard Voucher and Voucher+ are considered one combined voucher. An Applicant may not stack more than one voucher for one eBike (e.g., multiple members of a household may not combine vouchers towards the purchase of one shared eBike).

7. Is the CT eBike incentive taxable income?

The CT eBike incentive may be considered taxable income by the U.S. Internal Revenue Service and the Connecticut Department of Revenue Services. It shall be the sole responsibility of the recipient, individually, to seek professional advice and determine the tax consequences of the CT eBike incentive.

8. How do I apply for a CT eBike voucher?

An Applicant must receive an approved prequalification Standard Voucher or Voucher+ prior to purchasing an eligible eBike. To apply for a prequalification Standard Voucher and/or Voucher+ an Applicant must complete and submit an online <u>Prequalification Voucher application</u> (<u>www.DriveCHEAPR.org/ebikes-apply</u>). The Program Administrator will review and approve voucher applications.4 The Program Administrator may request that an Applicant provide additional or clarifying information to confirm eligibility. The Program Administrator will contact Applicants at the email address provided and Applicants shall have fourteen (14) calendar days to provide the requested additional information. If the information is not provided within fourteen (14) calendar days of the request, the Program Administrator will cancel the application.

Please note: Retailers are not required to participate in the CT eBike program. Retailer participation in the CT eBike Program is voluntary. Before the purchase of a new Eligible eBike, you should confirm the retailer is listed on the participating retailer list.

9. When can I apply for a CT eBike incentive?

The online Prequalification Voucher will open on Wednesday, June 28th, 2023, at 9:00 AM EDT. The application will remain open for an initial application period of ten (10) calendar days. If program funds remain after this initial period, applications will be taken on a rolling basis.

10. If the address on my Driver's License is out-of-date and I now reside in an

Environmental Justice (EJ) Community or Distressed Municipality, is there a way to upload additional documentation?

Yes. There is an additional document slot labeled "Optional: Additional Alternative Proof of CT Residency" where an Applicant can upload a utility bill or another acceptable form of proof of residency in an EJ or Distressed Municipality.

11. How will I know if my application was submitted or approved?

You will receive an email from the application platform from <u>noreply@alchmer.com</u> that confirms receipt of your CT eBike application. You should ensure you are able to receive emails from <u>noreply@alchmer.com</u>. You can also expect to receive additional emails notifying you when

⁴ Please reference the eBike Implementation Manual <u>Section 5.2 Prioritization of Voucher+ Applicants</u>

your application is approved. During the initial 10-day open application period from June 28, 2023, to July 8, 2023, you will not receive any communications from the Program Administrator. The Program Administrator will begin sending approval notifications, or requests for additional information, on July 10th, 2023.

12. What if the voucher exceeds the price of the eligible eBike including sales tax?

The voucher is capped at the price of the eligible eBike including sales tax.

13. How are CT eBike funds allocated?

Funds are limited, and all funds are allocated on a first-come, first-served basis except for the first ten (10) days of the program opening. As such, the voucher application shall remain open to all Applicants for an initial open application period of ten (10) calendar days, commencing on the day the Program opens to applications (June 28, 2023). During this 10-day period, if total voucher applications exceed the available incentive funds, the Program Administrator will first review all Voucher+ applications in the order they were received. If funding remains after all Voucher+ applications have been reviewed, the Program Administrator will then review Standard Voucher applications in the order they were received.

If total voucher applications received in the first ten (10) calendar days of program opening do not exceed the available incentive funds, the Program will remain open to new voucher applications and the Program Administrator will review voucher applications in the order in which they were received.

14. What are the requirements of the applicant?

Applicants must be a Connecticut resident at the time of submitting their voucher application. A legible copy of a valid Connecticut driver's license or Connecticut Non-Driver ID card is required as Proof of Residency. If an Applicant does not have a valid Connecticut driver's license or non-Driver ID card, a recent utility bill (within three (3) months of the date of voucher application submittal) with the Applicant's name and address will be required. During the voucher redemption process, an Applicant's name on the sales receipt must match the name on the Proof of Residency. As described in the Program Terms and Conditions, Applicants must self-certify that their purchase of an Eligible eBike is primarily for transportation purposes, and not solely for recreation.

To qualify for a Voucher+, an Applicant must meet the eligibility criteria for the Standard Voucher, and must meet one (1) of the following criteria:

- a. Reside in an <u>Environmental Justice</u> (EJ) community or <u>Distressed</u> <u>Municipality</u>, OR
- b. Currently participate in a state or federal income qualifying program, OR
- c. Have a household income less than <u>300% of the Federal Poverty Level</u> (FPL).

15. How long is the prequalification voucher valid for?

An Applicant will have ninety (90) calendar days from the date of voucher issuance to redeem the voucher at a Participating eBike Retailer. Vouchers not redeemed within ninety (90) calendar days will be cancelled and the funds will be returned to the Program.

16. Where can I redeem my prequalification voucher?

You can only redeem your voucher towards the purchase of an Eligible eBike at a <u>Participating</u> <u>eBike Retailer</u>. You must redeem your voucher within ninety (90) days of issuance.

17. What prevents a Participating eBike Retailer from inflating the price of an Eligible eBike?

All <u>Participating eBike Retailers</u> are required to accept the program <u>Terms and Conditions</u>, which includes an agreement to not increase the price of an Eligible eBike or fail to offer a discount available to the general public, or otherwise manipulate the price of the Eligible eBike in any way that would wholly or partially negate the value of the Program voucher. However, retailers are not required by the Program to honor any Sales/discounts that are offered by online retailers or manufacturers and are only required to honor Sales/discounts that are being offered at their physical store location. Violation of this provision could subject the Participating eBike Retailer to action under Connecticut's Unfair Trade Practices Act. We encourage consumers to be informed on prices and determine which locations offer the best prices for their needs.

If the voucher amount exceeds the purchase price of the Eligible eBike (including sales tax), the incentive paid to the Participating eBike Retailer will be capped at the purchase price of the Eligible eBike, including sales tax.

18. Is there a deadline to submit the online Voucher Redemption Form.

Participating eBike Retailers will have fifteen (15) calendar days from the transaction date to redeem a voucher through the online Voucher Redemption Form. The Participating eBike Retailer will receive a confirmation email, from the application platform, from noreply@alchmer.com that confirms receipt at the email address provided upon submitting their application. The Program Administrator will send requests for clarification or additional information required to confirm eligibility to the email address provided by the Participating eBike Retailer on the Participating eBike Retailer Enrollment Form.

19. If an eBike has an MSRP greater than \$3,000 but is marked down to below \$3,000, can it be deemed eligible for an incentive?

No. Eligibility is determined based on the MSRP of the eBike prior to any discounts or markdowns.

20. If I meet more than one of the Voucher+ criteria, can I apply to multiple criteria?No. The prequalification application only allows you to apply to one criterion. Please select the criteria for which you are most confident you qualify for.

21. What is the definition of a "household" for the purposes of determining if my household income is less than 300% of the Federal Poverty Level?

A "household" includes all individuals that live full time within the same house/unit. To meet the income verification requirement, income information must be provided for all household members aged 18 years or older. We do not require income information for household members under the age of 18, but they do still count towards the total number of household members.

22. If I applied for a voucher but have not heard back yet, can I purchase an Eligible eBike

and receive the incentive funds as reimbursement?

No. Any eBikes purchased prior to issuance of a voucher are not eligible to receive an incentive. An Applicant must receive a voucher prior to purchasing an Eligible eBike and must redeem their voucher at a Participating eBike Retailer at the time of purchase.

23. Can I redeem my voucher at an online eBike retailer?

No. Currently the program is limited to eBike retailers with a physical location in the State of Connecticut and are listed on the Participating eBike Retailer list.

RETAILER INFORMATION

24. How can my bike shop be added to the Enrolled Retailers List?

Before a bike shop can offer voucher redemption to applicants, you must submit a Participating eBike Retailer Enrollment Form and signed Terms & Conditions. Once this is approved, your bike shop will be added to the Enrolled Retailers List.

25. Where can I find the prequalification ID number that's necessary to start the Voucher Redemption application?

The prequalification ID number can be found on the prequalification voucher email that the consumer receives upon voucher approval.

26. What are the requirements of the Participating eBike Retailer?

To be eligible to redeem a voucher at the point-of-sale and enroll as a Participating eBike Retailer, an entity must meet the following conditions:

- a. Have a physical storefront ("brick and mortar") in the State of Connecticut.
- b. Be in good standing with the State of Connecticut and possess a current Certificate of Legal Existence with the Connecticut Secretary of State.
- c. Offer for sale at least one (1) Eligible eBike model; and
- d. Submit a completed <u>Participating eBike Retailer Enrollment Form</u> which indicates agreement with and acceptance of <u>Program Terms and Conditions</u>.
- Participating eBike Retailers must submit a Participating eBike Retailer Enrollment Form and must be approved by the Program Administrator prior to redeeming a voucher. Prospective Participating eBike Retailers must upload a completed enrollment form to this <u>secure upload link</u>. Participating in eBike Retailer Enrollment Forms may take up to five (5) business days to review.

The Program does not issue an IRS Form 1099 for incentive payments made to Participating eBike Retailers or Applicants that receive a voucher. It is the sole responsibility of the Participating eBike Retailers and/or Applicant to seek professional advice and determine any tax consequences of participation in the Program.

27. What if the voucher exceeds the price of the eligible eBike including sales tax?

The voucher is capped at the price of the eligible eBike including sales tax.

28. How should a Participating eBike Retailer apply sales tax when redeeming a voucher? The voucher is a rebate and therefore should be applied after Sales Tax. This determination has been confirmed to be in accordance with the Department of Revenue's guidance <u>PS 2007(5)</u> <u>Sales Tax Treatment of Coupons Scan Cards Cash Equivalents Promotional Items and Rebates</u>.