Electric Vehicle Rebate Rules - 2021

Rule Advisory Committee Meeting #2

Jan. 20, 2022

Program Status

- As of Jan. 5, 2022, DEQ has awarded:
  - 16,477 rebates
  - $41 million over the lifetime of the program (beginning in 2018)
  - 12% of total rebates were Charge Ahead

Rebate funding projections

DEQ projects the program may be oversubscribed in 2022

	2021	2022
Program funds available	$20.1 million	$12.8 million
Program funds expended	$18.1 million	$20 million *estimated*
Total	**$2.0 million**	**($7.3 million)**

Assumptions based on:

- existing rebate participation
- increased Charge Ahead Rebate amount of $5000

Rebate amounts

As of Jan. 1, 2022:

Rebate type	Amount authorized under Oregon Statute	Current rebate amount
Charge Ahead	$2500 - $5000	$5000
Standard (EV with battery capacity 10kWh or more)	$1500 - $2500	$2500
Standard (EV with battery capacity less than 10 kWh)	$750 - $1500	$1500
Standard (motorcycle)	$375 - $750	$750

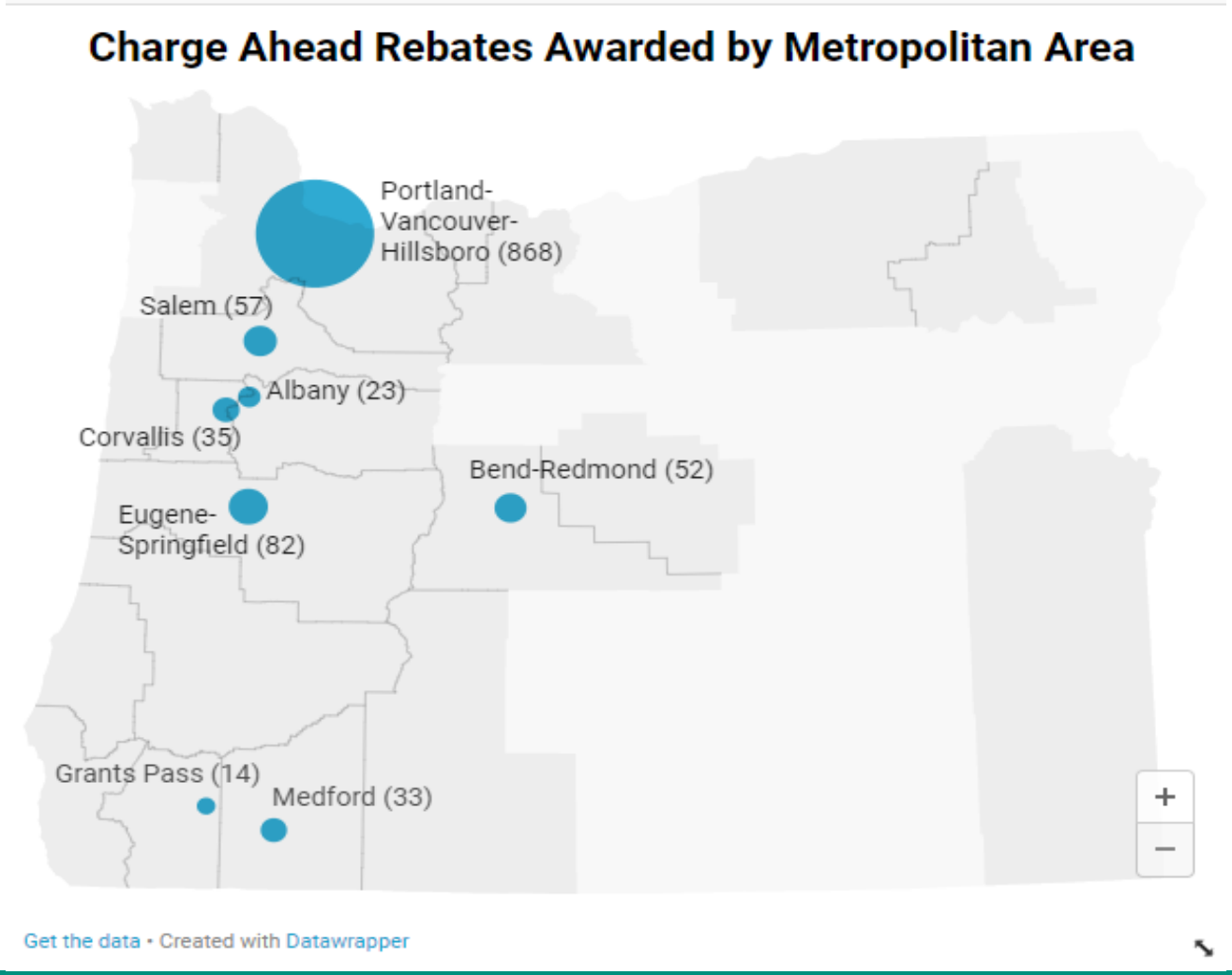
OCVRP application review and evaluation

- DEQ reviewed approved Charge Ahead Rebate applicant information & applicant survey data
  - This assessment is a representation of the data – full analysis still underway

- Approved Charge Ahead Rebate application information:
  - Provides income, geographic, and vehicle information,
  - Does not include demographic data (age, race, ethnicity, gender, education)

- Survey data information (~40% participation rate):
  - Provides demographic data

Charge Ahead Rebates – Geographic Distribution



Charge Ahead Rebates – demographic information (survey data)

Racial identity of rebate applicants

Racial Identity - Percent of All Applicants w/in Rebate Type										
	Black or African American	East Asian	Middle Eastern or North African	Native American or Alaska Native	Native Hawaiian or other Pacific Islander	South Asian	Southeast Asian	White or Caucasian	Hispanic or Latinx	Other
Charge Ahead	0.96%	4.55%	0.84%	1.80%	0.72%	1.20%	4.31%	82.63%	5.01%	2.99%
Standard	1.17%	5.08%	0.77%	0.99%	0.45%	3.60%	3.75%	82.12%	3.18%	2.08%

Gender identity of rebate applicants

	Female	Male	Non-binary / third gender
Charge Ahead	30.90%	67.81%	1.30%
Standard	27.22%	72.54%	0.24%
Total	27.83%	71.75%	0.41%

Charge Ahead Rebates – New vs Used EVs

Charge Ahead Applicants - Vehicle Overview

	New	Used	Total
Lease	9%	0%	**9%**
Purchase	31%	60%	**91%**
Total	**40%**	**60%**	

Own or Rent Home – survey results

- Majority of rebate recipients are homeowners

Housing Status	
Own	79%
Rent	18%
Neither Rent or Own	3%

- Ownership by rebate type

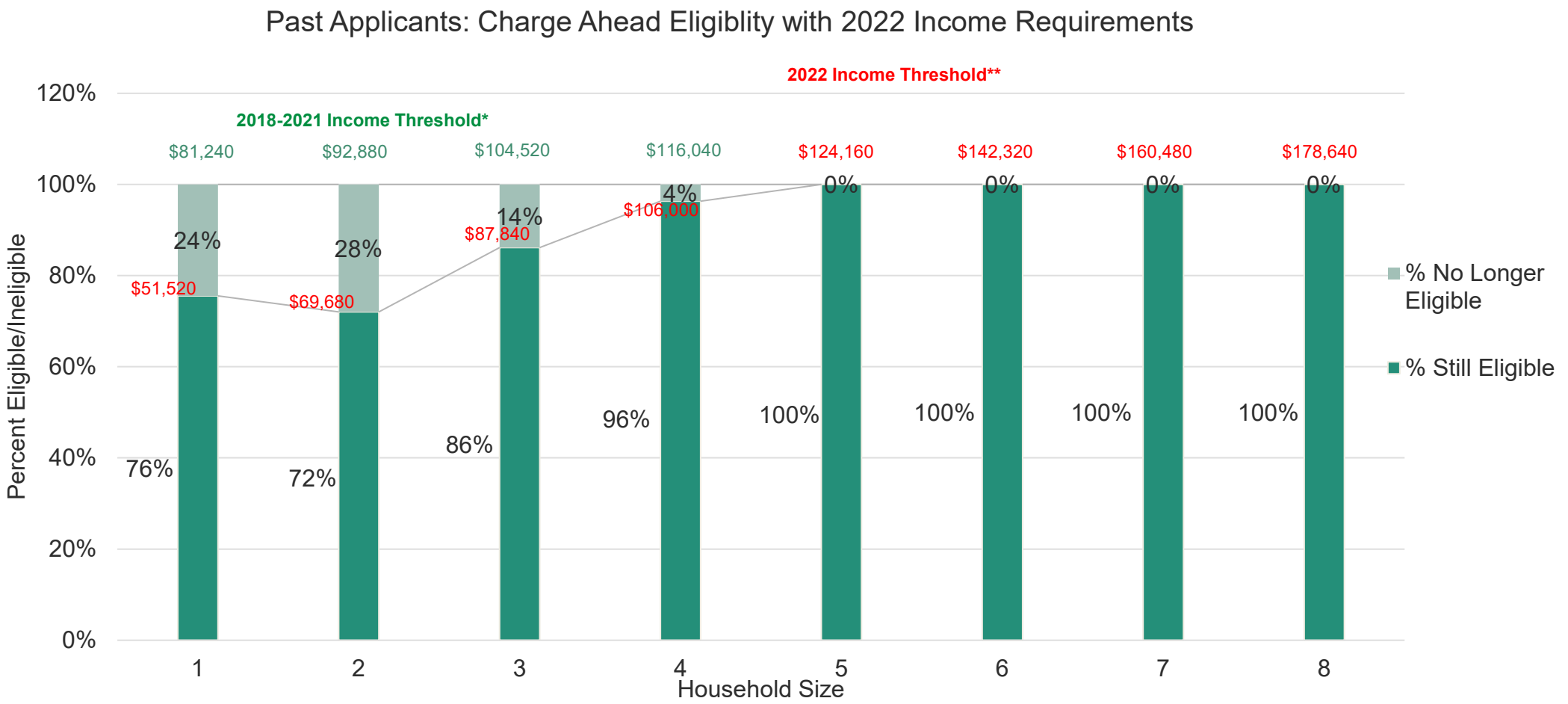
Rebate Type	Own	Rent	Neither Own or Rent
Standard Rebate	85%	13%	2%
Charge Ahead	53%	39%	8%

Vehicles rebated under the program

- Top 3 used vehicles purchased:
  - Nissan Leaf
  - Chevy Bolt
  - Fiat 500e
- Top 3 new vehicles purchased:
  - Tesla Model 3
  - Nissan Leaf
  - Chevy Bolt

Make & Model	Qty	Percent	Make & Model	Qty	Percent
Tesla Model 3	1903	21.37%	Chevrolet Bolt EUV	40	0.45%
Tesla Model Y	1641	18.43%	Mitsubishi Outlander PHEV	39	0.44%
Nissan LEAF	893	10.03%	Arcimoto FUV	32	0.36%
Toyota RAV4 Prime	613	6.89%	Hyundai Santa Fe PHEV	32	0.36%
Chevrolet Bolt	612	6.87%	Kia Soul EV	31	0.35%
Toyota Prius Prime	436	4.90%	BMW i3 REx	24	0.27%
Kia Niro Electric	325	3.65%	Honda Clarity Electric	20	0.22%
Hyundai Kona Electric	269	3.02%	Ford Fusion Energi	18	0.20%
Chrysler Pacifica Hybrid	242	2.72%	Kia Sorrento PHEV	16	0.18%
Volkswagen ID.4	232	2.61%	Ford C-Max Energy	11	0.12%
Volkswagen e-Golf	186	2.09%	Ford Focus Electric	10	0.11%
Ford Mustang Mach-E	160	1.80%	MINI Cooper SE Countryman ALL4 PHEV	8	0.09%
Subaru Crosstrek Hybrid PHEV	140	1.57%	BMW 330e	7	0.08%
Jeep Wrangler 4xe	138	1.55%	BMW i3s	7	0.08%
Honda Clarity PHEV	132	1.48%	Ford Escape PHEV	7	0.08%
Hyundai Ioniq PHEV	115	1.29%	Hyundai Tucson PHEV	6	0.07%
Fiat 500e	88	0.99%	Polestar Polestar 2	6	0.07%
Kia Niro PHEV	78	0.88%	Hyundai Sonata PHEV	4	0.04%
Hyundai Ioniq Electric	77	0.86%	Zero SR/F	4	0.04%
Chevrolet Spark EV	73	0.82%	Audi A3 Sportback e-tron	3	0.03%
Chevrolet Volt	67	0.75%	Energica Eva	3	0.03%
MINI Cooper SE Hardtop 2 Door	47	0.53%	Kia Optima PHEV	3	0.03%
BMW i3	45	0.51%	Mercedes- Benz B250e	3	0.03%
BMW X3 xDrive30e	43	0.48%			

Charge Ahead Rebate eligibility – new income requirements



* 2018-2021 income thresholds are representative of the Portland, Corvallis, and Eugene MSAs.
** 2022 income thresholds apply statewide

Rebate amounts – options for consideration

Goal: Maximize available funding and increase number of EV purchases, particularly for Charge Ahead Rebates

1) Adjust Standard Rebate amounts

Decrease rebate amount for Standard rebates while maintaining the maximum amount for Charge Ahead rebates ($5000)

- Offer the lower range allowed under statute
  - Battery capacity < 10 kWh = $750
  - Battery capacity > 10 kWh = $1500
- Base the rate on driving range and battery capacity
  - Battery capacity > 10 kWh + high driving range = $2500
  - Battery capacity > 10kWh + low driving range = $1500

Rebate amounts – options for consideration (continued)

2) Revert rebates to 2021 amounts
   - Keep the rebate amounts at 2021 levels (Standard = $750-$2500; Charge Ahead rebate = $2500)

3) Limit the number of rebates per household or entity

Rebate amounts – options for consideration (continued)

Option #1:

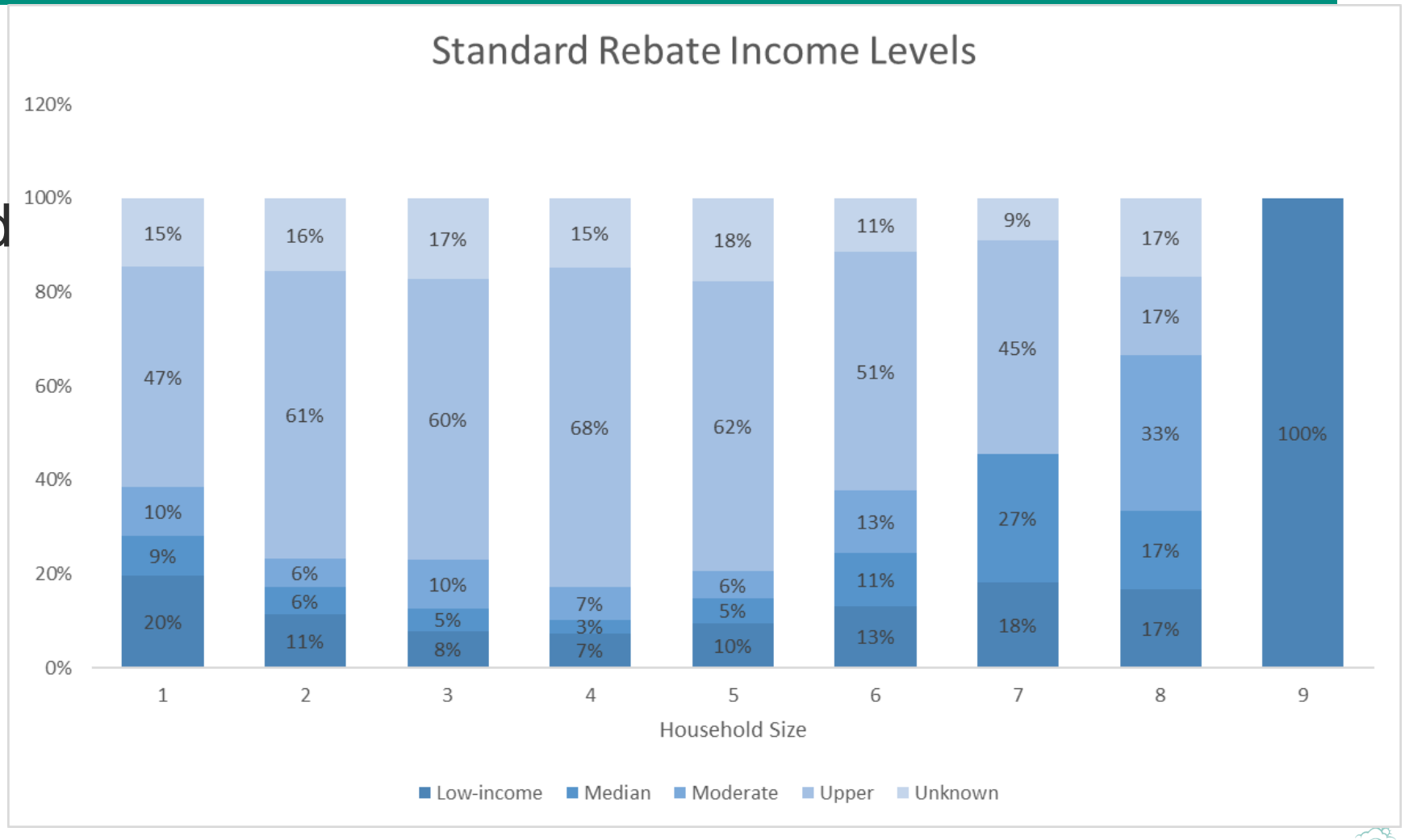
Decrease Standard Rebate amount while maintaining the maximum amount for Charge Ahead rebates ($5000)

Total number of rebates issued as of Dec. 31, 2021

Rebate Type	Quantity	Amount
Standard	15,041	$36,071,500
Charge Ahead	2,056	$5,140,000
Total	**17,097**	**$41,211,500**

Standard Rebates – applicant income

DEQ looked at the income levels of those who received Standard Rebates (based on post-applicant survey data)



Rebate amounts – Decrease the Standard Rebate amount

Option #2a: Decrease Standard rebate amount while maintaining the maximum amount for Charge Ahead rebates ($5000)

- Adjust Standard Rebate amount on driving range and battery capacity
  - Battery capacity > 10 kWh + high driving range = $2500
  - Battery capacity > 10kWh + low driving range = $1500

Make & Model	Electric Range	Existing Rebate Amount	Potential New Rebate Amount
Tesla Model 3	272-358	$2500	$2500
Tesla Model Y	303-326	$2500	$2500
Nissan LEAF	142 - 215-226	$2500	$2500
Toyota RAV4 Prime	42	$2500	$1500
Chevrolet Bolt	259	$2500	$2500
Toyota Prius Prime	25	$1500	$750
Kia Niro Electric	239	$2500	$2500
Hyundai Kona Electric	258	$2500	$2500
Chrysler Pacifica Hybrid	33	$2500	$1500
Volkswagen ID.4	250	$2500	$2500
Volkswagen e-Golf	130-180	$2500	$2500
Ford Mustang Mach-E	314	$2500	$2500
Subaru Crosstrek Hybrid PHEV	17	$1500	$750
Hyundai Ioniq PHEV	29	$1500	$750
Kia Niro PHEV	26	$1500	$750
Hyundai Ioniq Electric	124	$2500	$2500

Rebate amounts – Decrease the Standard Rebate amount

Option #2b: Decrease Standard Rebate amount while maintaining the maximum amount for Charge Ahead rebates ($5000)

- Decrease amounts by $500 for all Standard Rebates

Make & Model	Battery Range (above 10kWh)	Existing Rebate Amount	Potential New Rebate Amount
Tesla Model 3	Y	$2500	$2000
Tesla Model Y	Y	$2500	$2000
Nissan LEAF	Y	$2500	$2000
Toyota RAV4 Prime	Y	$2500	$2000
Chevrolet Bolt	Y	$2500	$2000
Toyota Prius Prime	N	$1500	$1000
Kia Niro Electric	Y	$2500	$2000
Hyundai Kona Electric	Y	$2500	$2000
Chrysler Pacifica Hybrid	Y	$2500	$2000
Volkswagen ID.4	Y	$2500	$2000
Volkswagen e-Golf	Y	$2500	$2000
Ford Mustang Mach-E	Y	$2500	$2000
Subaru Crosstrek Hybrid PHEV	N	$1500	$1000
Hyundai Ioniq PHEV	N	$1500	$1000
Kia Niro PHEV	N	$1500	$1000
Hyundai Ioniq Electric	Y	$2500	$2000

Rebate amounts – options for consideration (continued)

3) Revert rebates to 2021 amounts
   - Keep the rebate amounts at 2021 levels (Standard = $750-$2500; Charge Ahead rebate = $2500)

4) Limit the number of rebates per household or entity

Implementation

- Information from Charge Ahead Rebate applications helps us understand which communities are underrepresented
- Communications and outreach
  - Focused outreach to BIPOC, low- and moderate-income households
  - Outreach to rural areas of the state

- Question: What other elements should we consider for outreach, particularly as we prepare to issue an RFP to conduct this work?

Implementation – Increasing access

- Offer prequalification to Charge Ahead Rebate recipients
  - Allows Charge Ahead rebates to be applied at time of purchase/lease
- Other considerations?
  - Partner with banks to offer low-interest loans

Implementation

Revisit how we interpret MSRP caps for vehicles

- If there is no model (e.g. base model) available for sale under the $50,000 cap, then the entire model line should not be eligible

Next steps

- Public comment period – January – March 2022
- Rule adoption consideration at May 2022 Environmental Quality Commission meeting