

Air Quality

Zero Emission and Electric Vehicle Rebate Program

March 22, 2018

EQC Informational Item

Overview

- Background
- Rulemaking
- Timeline



Background - types of zero emission and electric vehicles

- Plug-in hybrid electric vehicle (PHEV) – both electric motor and fuel



Chevrolet Volt

- Electric motorcycle



- Battery electric vehicle (BEV) – only electric motor



Nissan Leaf

- Neighborhood electric vehicle – low speed vehicle (less than 25 mph)



Background

- House Bill 2017 directed DEQ to implement a zero emission electric vehicle rebate program in Oregon



Zero Emission and Electric Vehicle Rebate Program Funding

- Funding for the program is generated via a “privilege tax” imposed on car dealers
 - Privilege tax applied to any new motor vehicles sold beginning January 1, 2018
- \$12 million annually is dedicated to the rebate program



Oregon's Proposed Zero Emission and Electric Vehicle Program

- Provides rebates towards the purchase or lease of a zero emission or electric vehicle
- Rebate program has two elements:
 - Standard rebates
 - Charge Ahead rebates (for low and moderate income households only)



Proposed Standard Rebates

- Rebates offered for purchase or lease of new zero emission vehicle
 - \$2500 if battery capacity > 10kWh (e.g. BEV)
 - \$1500 if battery capacity <10kWh (e.g. PHEV)
 - \$750 for electric motorcycles
 - \$750 for neighborhood electric vehicles



Proposed Charge Ahead Rebates

- Rebates of \$2500 offered for purchase or lease of new or used zero emission vehicle (ZEV)
 - Be a low or moderate income household
- Can be combined with standard rebate
 - Potential savings up to \$5K when purchasing new ZEV
- HB 4059 (2018 Legislative session) made additional changes removing original requirements of:
 - Residing in area with poor air quality from transportation related emissions
 - Scrapping an internal combustion engine car at least 20 years old



Other proposed requirements

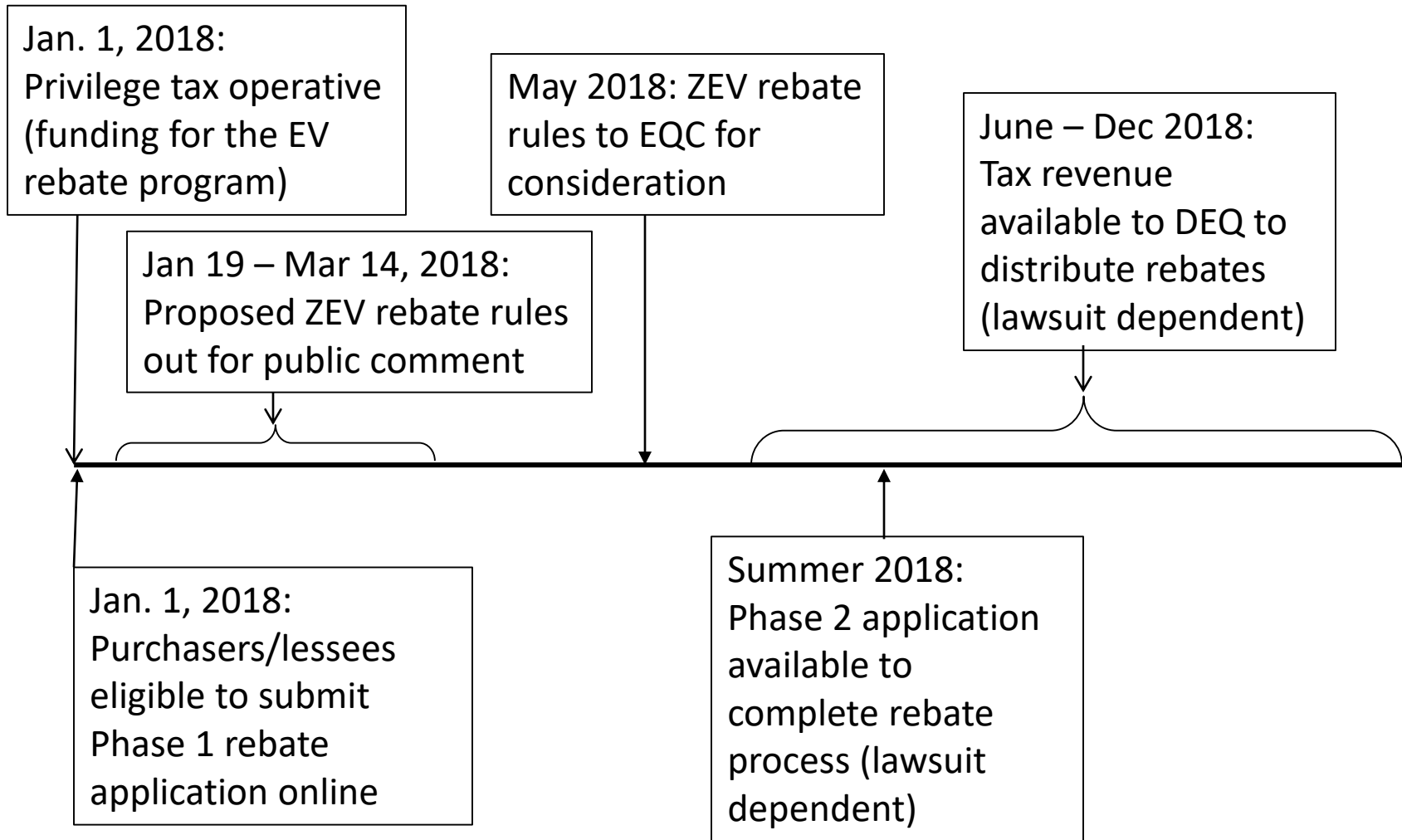
- Rebate vehicle eligibility requirements:
 - Must be purchased or leased on or after January 1, 2018
 - Base MSRP < \$50,000



Pending litigation

- AAA Oregon/Idaho and Trucking Association filed a lawsuit challenging the rebate funding mechanism
 - Rebates are funded through a privilege tax on auto dealers
- Case is currently before the Oregon Supreme Court
 - Oral arguments heard March 14, 2018

Program Development & Rulemaking Timeline



Additional Information

ZEV program information:

<http://www.oregon.gov/deq/air/programs/Pages/ZEV-Rebate.aspx>

Phase 1 rebate application:

<http://www.oregon.gov/deq/air/programs/Pages/Electric-Vehicle-Rebate.aspx>

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