

Oregon Clean Vehicle Rebate Program

Environmental Quality Commission Meeting
Item A: Rulemaking
May 19, 2022



Photo by Dylan VanWeelden

Electric Vehicle Landscape

- Governor's Executive Order 20-04
 - 250,000 registered electric vehicles by 2025
- Barriers to electric vehicle adoption
 - Vehicle availability
 - Infrastructure
 - Education and outreach
 - Vehicle cost



Oregon Clean Vehicle Rebate Program Background

- In 2017, the Oregon Legislature directed DEQ to implement a zero-emission electric vehicle rebate program
- DEQ receives \$12M annually, via a “privilege tax” imposed on car dealers
- Additional one-time allocation of \$15M in 2022



Photo by Dylan VanWeelden

Background

- Legislative changes to the Oregon Clean Vehicle Rebate Program (OCVVRP)
 - House Bill 4059 (2018)
 - House Bill 2592 (2019)
 - **House Bill 2165 (2021)**



Types of rebates

- Standard rebates
 - \$750-\$2,500 rebates
 - Anyone can purchase or lease a new electric vehicle or motorcycle
 - Vehicle must be below \$50,000 MSRP





Photo by: Electric Vehicle Association

Charge Ahead rebates

- Rebates of \$5,000 offered for purchase or lease of new or used electric vehicle
 - Must be a low- or moderate-income household to receive rebate
- Can be combined with Standard rebate
 - Potential savings up to \$7,500 when purchasing new electric vehicle

Program Status

- **As of May 11, 2022, DEQ has awarded:**
 - 20,255 rebates
 - \$48.9 million over the lifetime of the program (beginning in 2018)
 - 12% of total rebates were Charge Ahead



Photo by Dylan VanWeelden

Proposed rule change - Charge Ahead

- Make permanent the \$5,000 Charge Ahead Rebate amount
- Require at least 20% of rebate funds dedicated to Charge Ahead



Proposed rule changes – Charge Ahead

Charge Ahead Rebate Program

- Modifies who is eligible for the Charge Ahead Rebate
 - Simplifies income threshold determinations
 - Allow low-income service providers to apply for the Charge Ahead rebate



Photo: PGE

Proposed rule changes – Base MSRP

Clarifies definition of base Manufacturer's Suggested Retail Price (MSRP)

- Vehicle must be less than \$50,000 to qualify for rebate
- Vehicle base model must be currently available for sale

Proposed rule changes – Implementation



- Preserving Charge Ahead rebate funds
 - If funding is less than \$6 million, enact temporary rule to decrease Standard Rebate amounts
- Suspension of rebate program if funds are oversubscribed

Proposed rule changes



- Raises the manufacturer suggested retail price (MSRP) cap from \$50,000 to \$60,000 for fuel-celled vehicles
- Removes the program sunset date

Stakeholder involvement

- Advisory Committee meetings – November 2021 and January 2022
- Public comment period February 2022
 - Two public hearings
 - Outreach via Facebook, Twitter, GovDelivery, coordinated with stakeholders to reach out to various affected communities
- Received 41 public comments



Photo by: Forth

Public comment – Key issues



- Standard rebate amount
 - Lower the amount – due to concern about funds being oversubscribed in near future
 - Keep amount the same – provides the maximum amount available to incent EV purchases, especially for Charge Ahead applicants combining rebates

Public comment – Key issues



Credit: Getty Images/Maskot

- Reducing barriers to Charge Ahead program access
 - Prequalification for Charge Ahead
- Education and Outreach
 - Charge Ahead Education and Outreach RFP

Requested EQC Action

- DEQ recommends that the Environmental Quality Commission adopt the proposed rules in pages 35 through 47 of the staff report for this item as part of Chapter 340, Division 270 of the Oregon Administrative Rules.

