

# Air Quality

## Zero Emission and Electric Vehicle Rebate Program – Temporary rules



Sept. 27, 2019  
EQC Action Item

# Background

- House Bill 2017 (2017) directed DEQ to implement a zero emission electric vehicle rebate program in Oregon
  - EQC adopted rules in May 2018
- House Bill 4059 (2018) clarified rebate requirements
  - EQC adopted rules in January 2019
- House Bill 2592 (2019) made additional revisions to increase access to rebates



# Rebate program funding

- Funding for the program is generated via a “privilege tax” imposed on car dealers
- Receive \$12 million annually
- Program implementation delayed due to lawsuit regarding “privilege tax”
  - Oregon Supreme Court ruled in favor of funding in August 2018



# Standard rebates

- Rebates offered for purchase or lease of new zero emission or electric vehicle
  - Must have base MSRP less than \$50,000
- \$2500 if battery capacity > 10kWh (e.g., battery electric vehicle - BEV)
- \$1500 if battery capacity < 10kWh (e.g., plug-in hybrid electric vehicle - PHEV)



Nissan Leaf



Chrysler Pacifica PHEV

- \$750 for electric motorcycle
- \$750 for neighborhood electric vehicle



# Charge Ahead rebates

- Rebates of \$2500 offered for purchase or lease of new or used battery electric vehicle
  - Be a low or moderate income household
- Can be combined with standard rebate
  - Potential savings up to \$5K when purchasing new battery electric vehicle





# Proposed temporary rule changes

## Charge Ahead Rebate Program

- Allow plug-in hybrid electric vehicles to qualify for the Charge Ahead rebate
- Request information that the person has not previously owned or leased the vehicle for which it is now requesting a Charge Ahead rebate
- Definition of “household” for income verification purposes



# Proposed temporary rule change



## Vehicle Ownership Provision

- If car is sold or has lease terminated prior to 24 months, the rebate recipient must reimburse DEQ for a prorated amount
  - Based on the number of months the recipient owned or leased the vehicle
  - DEQ may waive the reimbursement requirement

# Proposed temporary rule change

Additional 6-month window for certain program participants to apply for a rebate

- Allows people who purchased or leased an eligible vehicle between Jan. 1, 2018, and Aug. 2, 2018, to apply for and receive a rebate.
  - Application must be submitted between Sept. 29, 2019, through March 30, 2020.
- If DEQ has already received an application no need to reapply

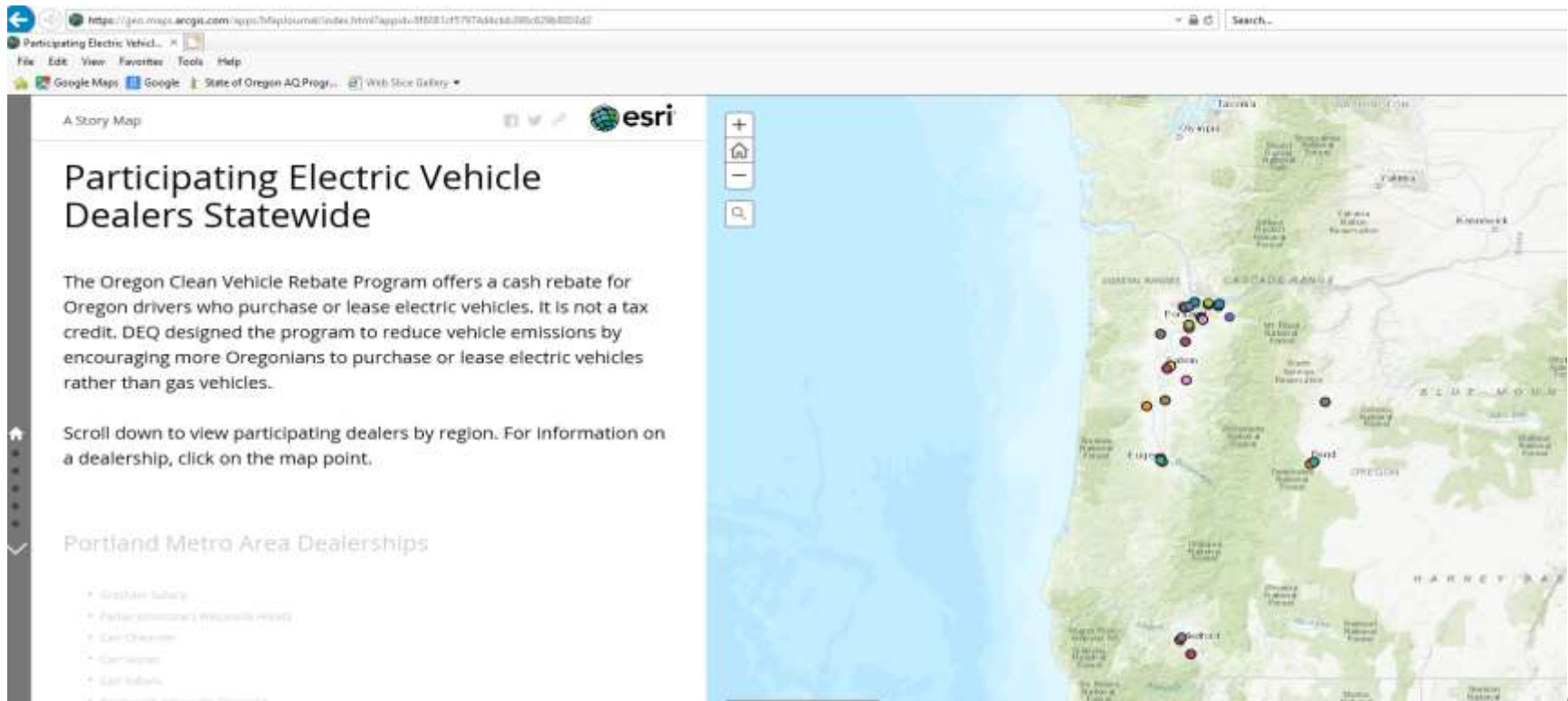




# Proposed temporary rule change

## Application Review Process

- Allows DEQ to process dealer applications on a priority basis
  - Rules currently require DEQ to process applications on a first-come, first-serve basis



# Rebate Amounts

- Rebates must be set annually by DEQ

Type of rebate	Amount allowed by statute	Current rebate amount
<b>Standard rebate</b>		
• Plug-in hybrid or battery electric vehicle with battery capacity less than 10kWh	\$750 - \$1500	<b>\$1500</b>
• Plug-in hybrid or battery electric vehicle with battery capacity more than 10kWh	\$1500 - \$2500	<b>\$2500</b>
• Electric motorcycle	\$375 - \$750	<b>\$750</b>
• Neighborhood electric vehicle	\$375 - \$750	<b>\$750</b>
<b>Charge Ahead rebate</b>	\$1250 - \$2500	<b>\$2500</b>

DEQ recommends keeping rebate amount the same

# Advisory Committee

- Advisory Committee meeting – Sept. 10, 2019
  - Review of rebate amounts and rule language
  - Definition of household



# Requested EQC Action

- DEQ recommends that the Environmental Quality Commission make the determinations as stated on page two of the staff report for this item and approve the temporary rules as seen in Attachment A for this item

