

# Air Quality

## Zero Emission and Electric Vehicle Rebate Program



May 11, 2018  
EQC meeting

# Background

- House Bill 2017 (2017) directed DEQ to implement a zero emission electric vehicle rebate program in Oregon
- House Bill 4059 (2018) revised the existing statute to clarify and streamline requirements



# Rebate program funding and pending litigation

- Funding for the program is generated via a “privilege tax” imposed on car dealers
  - Privilege tax applied to any new motor vehicles sold beginning Jan. 1, 2018
- \$12 million annually is dedicated to the rebate program
- AAA Oregon/Idaho and Trucking Association filed a lawsuit challenging the rebate funding mechanism
- Oregon Supreme Court heard oral arguments March 14, 2018



# Oregon's zero emission and electric vehicle rebate program – standard rebates

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



- \$750 for electric motorcycle (in 2019)



- \$750 for neighborhood electric vehicle (in 2019)





# Oregon's zero emission and electric vehicle rebate program – 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



# Public comment

- Public comment period January 29-March 14, 2018
  - Two public hearings (Portland, Medford)
  - Outreach via Facebook, Twitter, GovDelivery, coordinated with stakeholders to reach out to various affected communities
- Received 100 public comments



# Public comment – Key issues

- Charge Ahead rebates – PHEV not eligible for rebates
  - Oregon statute only allows new or used BEVs as eligible cars





# Public comment – Key issues



- Require “fair and responsible” labor standards that manufacturers must meet in order for their vehicles to qualify for the Oregon electric vehicle rebate



# Public comment – Other key topics



- Effective date of rebate
- Clarified definitions
- Shortened the window with which to submit additional documentation from 30 to 14 days

# Next Steps

- Summer 2018
  - DEQ will hire a contractor to help implement the program
  - Anticipated Oregon Supreme Court decision on funding mechanism
- Fall 2018 – Begin issuing rebates (lawsuit dependent)



# Requested EQC Action

- Adopt the proposed zero emission and electric vehicle rebate rules as seen in pages 54 through 59 of the staff report for this item

