

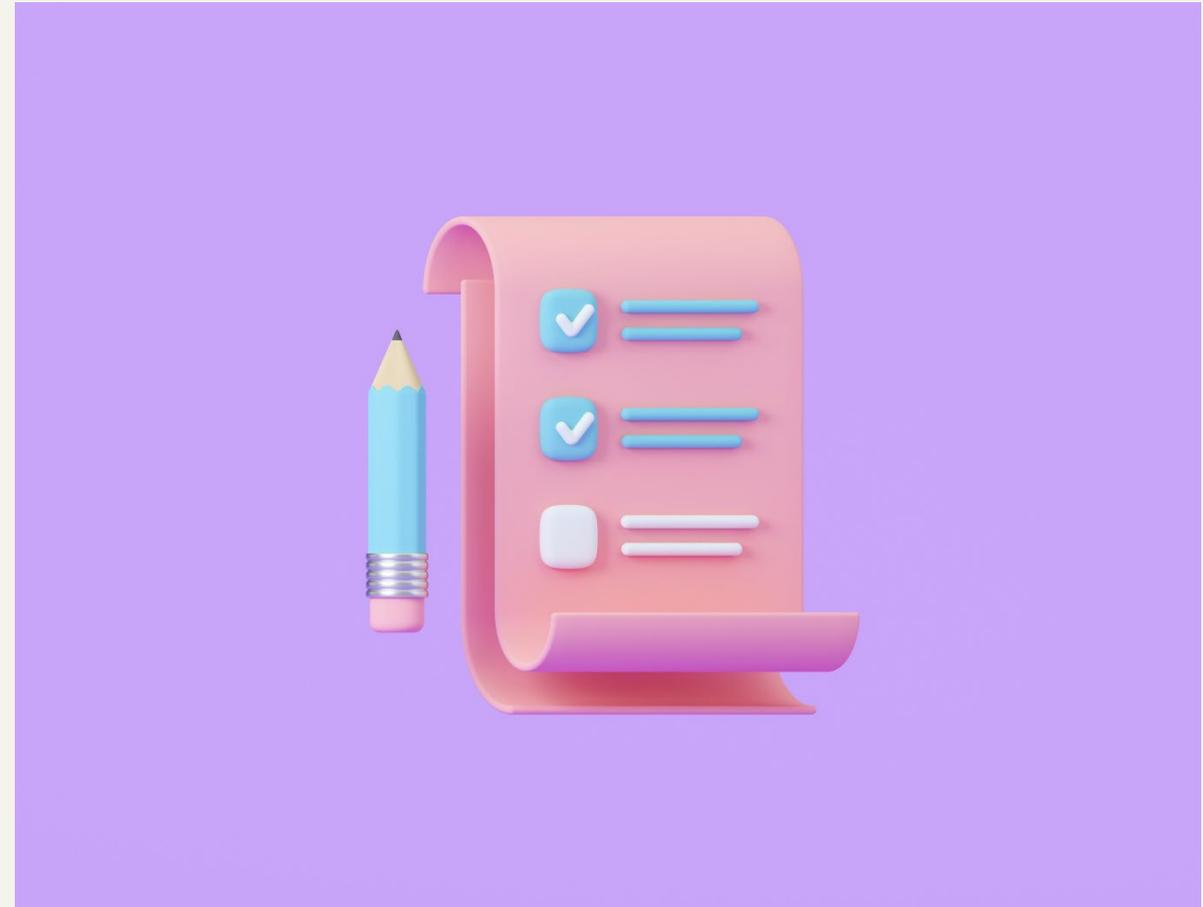


Agenda item C, informational item: EV Rebates 2026 Rulemaking Update Oregon Clean Vehicle and ZERO Fleet Rebate Programs

Rachel Sakata, Dalton Sheppard and Erica Timm
March 12, 2026
EQC Meeting, DEQ Headquarters, Portland, Oregon

Agenda

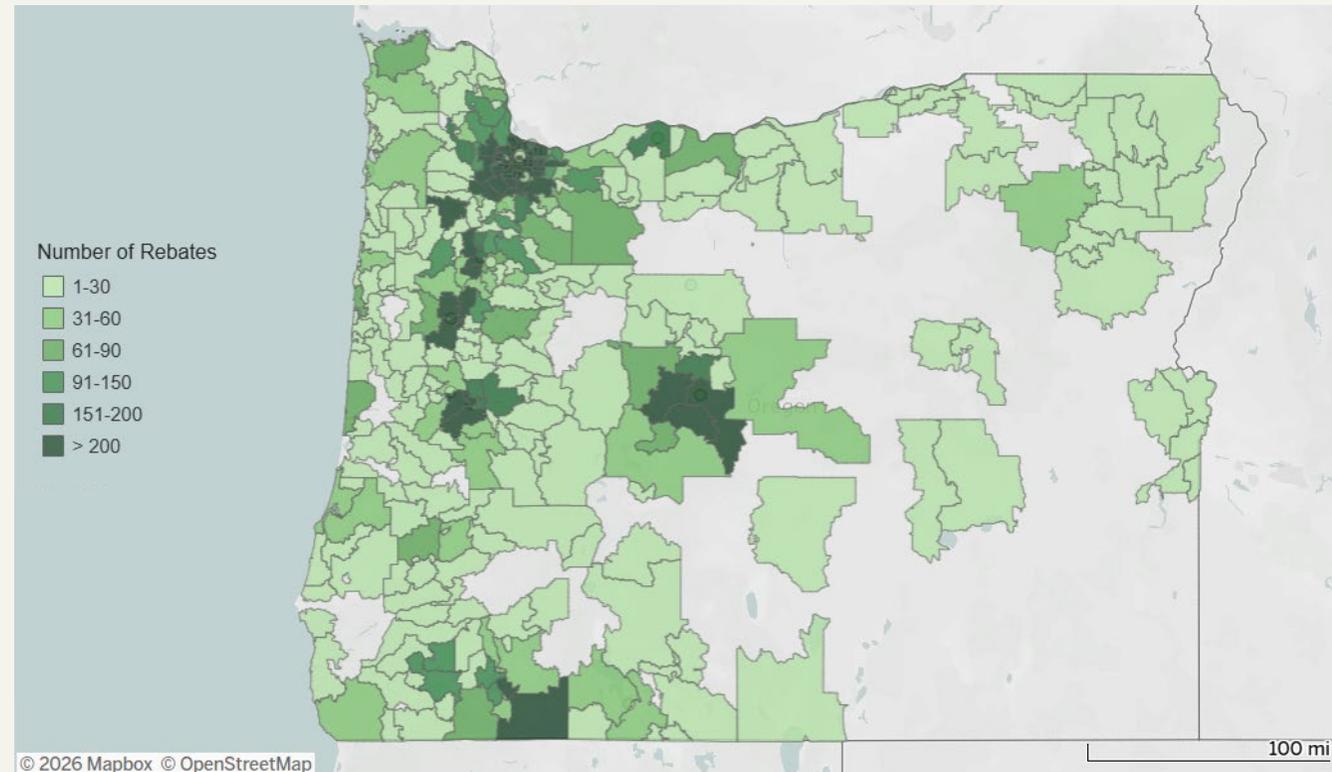
- Oregon Clean Vehicle Rebate Program
 - Background
 - Rule changes
- Zero-Emissions Rebates for Oregon Fleets
 - Background
 - Rule changes
- Next steps
- Questions



Background: Oregon Clean Vehicle Rebate Program

- Established by 2017 Legislature to accelerate adoption of electric vehicles in Oregon
- Provides rebates for the purchase or lease of a light-duty zero-emissions vehicles
- Advances state EV goal of 25% of registered vehicles being EVs by 2030

2018 – 2025: OCVRP Rebates by Zip Code

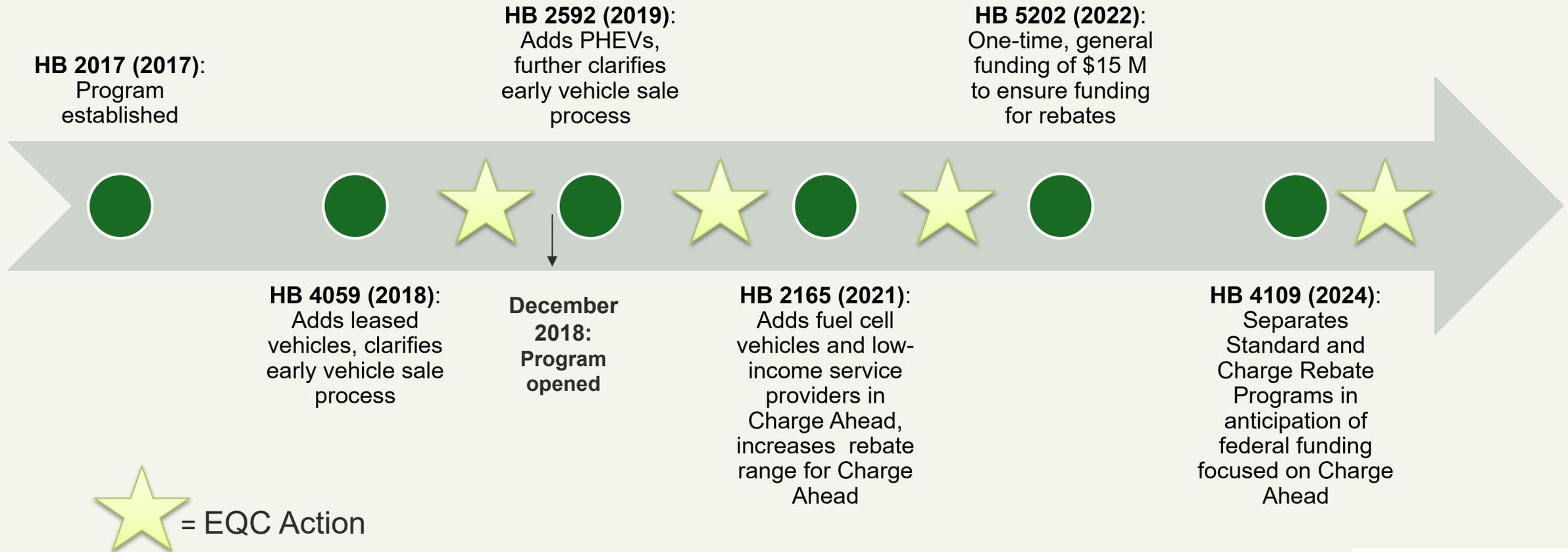


Oregon Clean Vehicle Rebate Types

- Standard Rebates:
 - \$750 - \$2,500
 - Available to all Oregon residents and businesses
 - New zero-emission vehicles only
- Charge Ahead Rebates:
 - \$5,000 - \$7,500
 - Income-based rebate
 - New and used zero-emissions vehicles

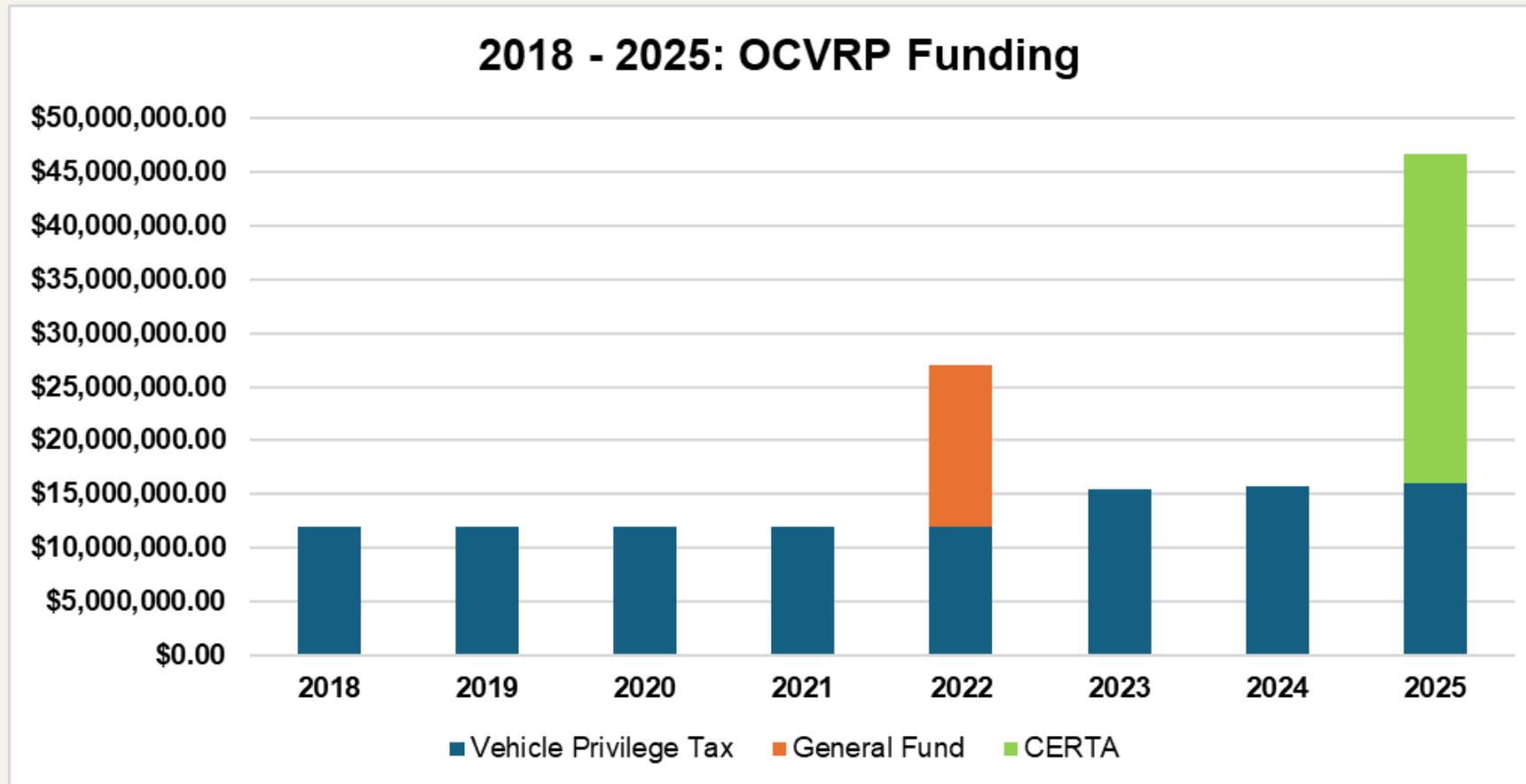


OCVRRP: Legislative and rulemaking timeline



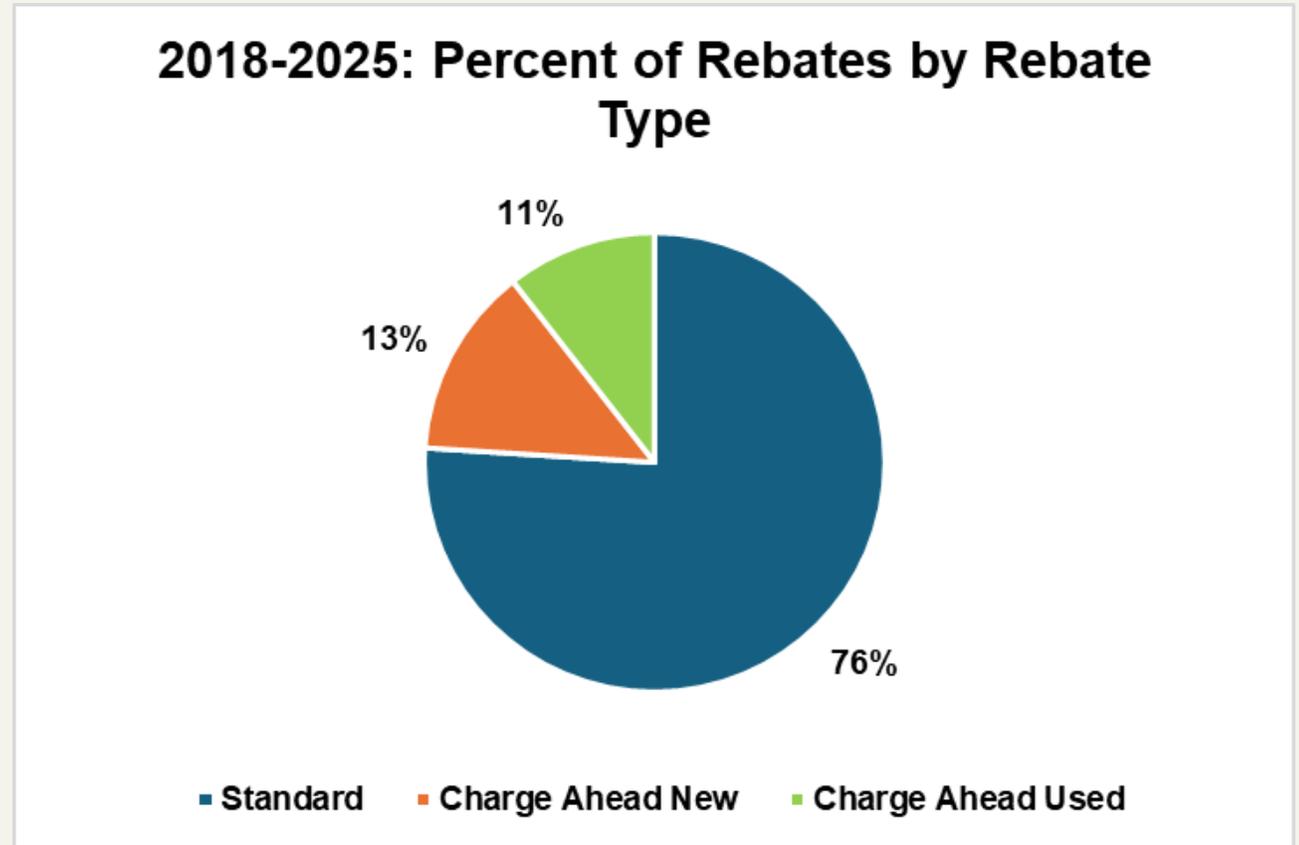
Oregon Clean Vehicle Rebate Program: Funding

- Annually: 45% of Vehicle Privilege Tax
- In 2025, one-time grant funding of approximately \$31 million



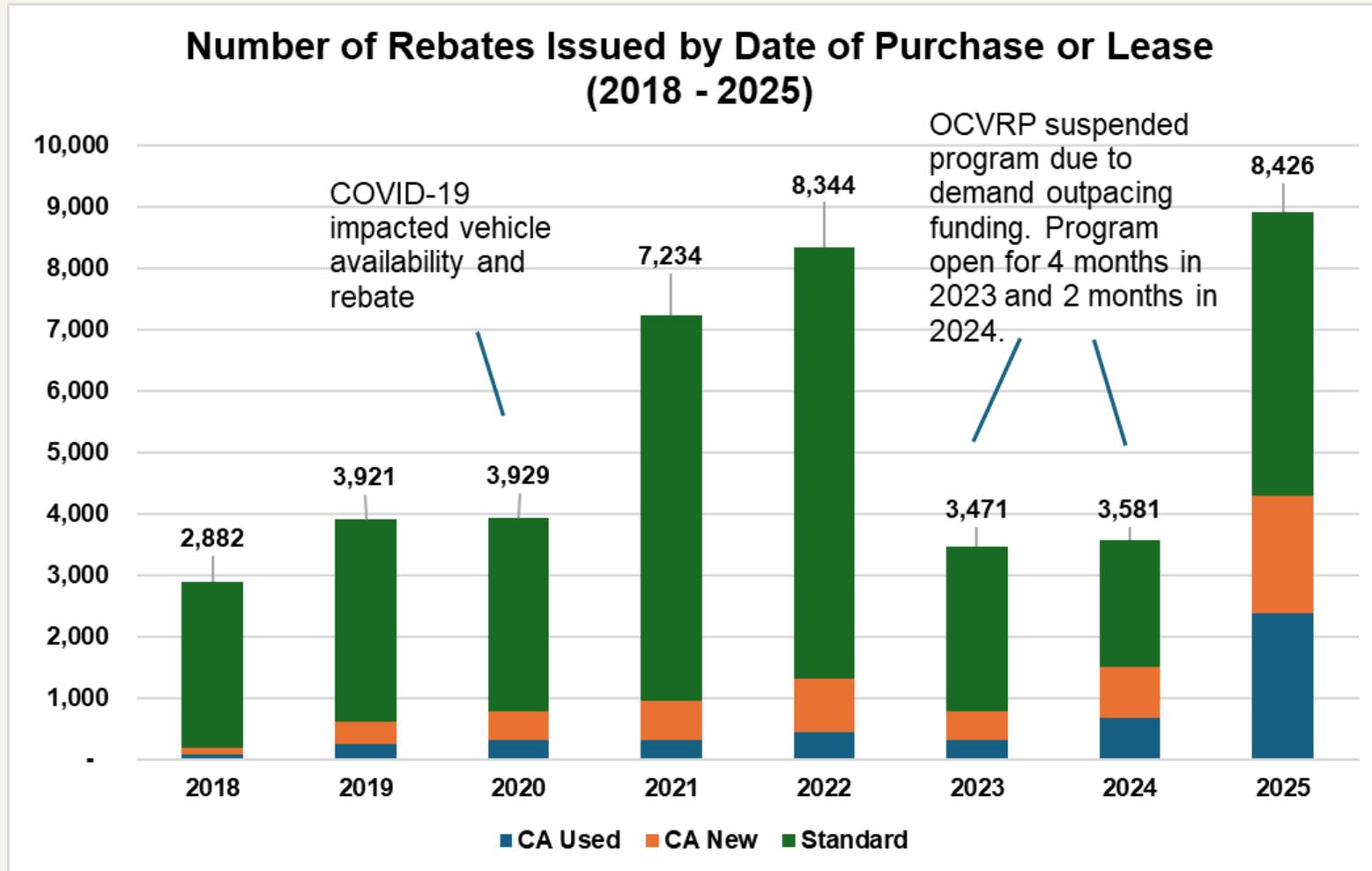
Oregon Clean Vehicle Rebate Program Statistics

- Issued approximately 42,000 rebates equaling \$137 million
- 2026 open periods:
 - Standard Rebate:
 - May 22 – Sept. 8, 2025
 - Charge Ahead Rebate:
 - May 22 – Dec. 4, 2025



OCVRP proposed rulemaking needs and goals

- Program participation exceeds available funding
- Rulemaking goal: Increase financial sustainability and provide additional clarity



OCVRRP proposed rulemaking overview

- Adjusting rebate amounts to stretch limited funds
- Limiting the number of rebates per individual to enable more people to participate
- Updating outdated references and clarifying program definitions and processes

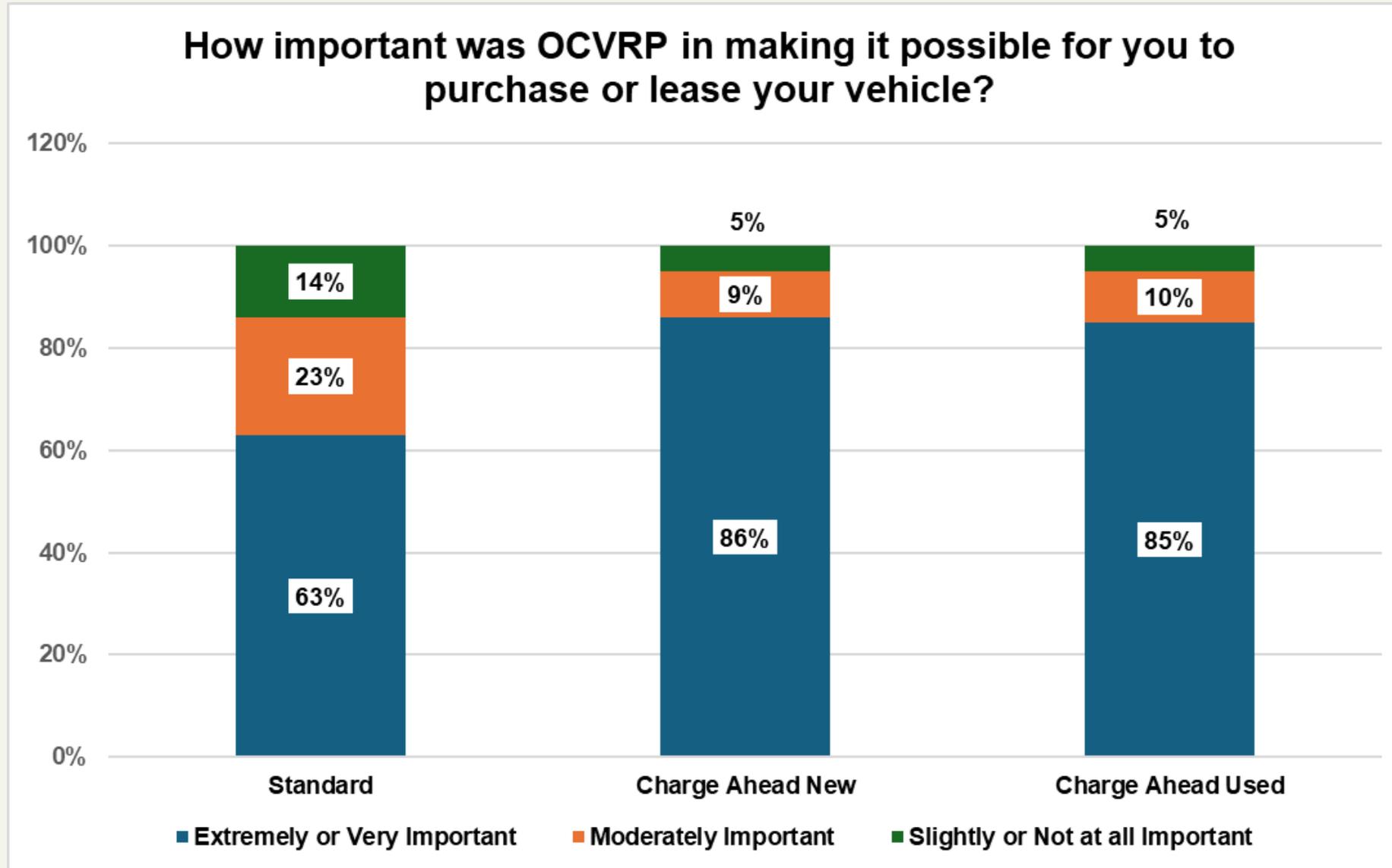


OCVRRP: Current rebate amounts

- Goal: Conserve funding
- Rebate amounts must remain within the Oregon Statutory Requirements

Rebate type	Oregon law requirement	Current rebate amount
Charge Ahead (new vehicles)	\$2,500 - \$7,500	\$7,500
Charge Ahead (used vehicles)	\$2,500 - \$5,000	\$5,000
Standard (battery capacity 10kWh+)	\$1,500 - \$2,500	BEV: \$2,500 PHEV: \$2,500
Standard (battery capacity less than 10kWh)	\$750 - \$1,500	\$1,500
Standard (motorcycle)	\$375 - \$750	\$750

OCVRP rebate amount considerations: Survey

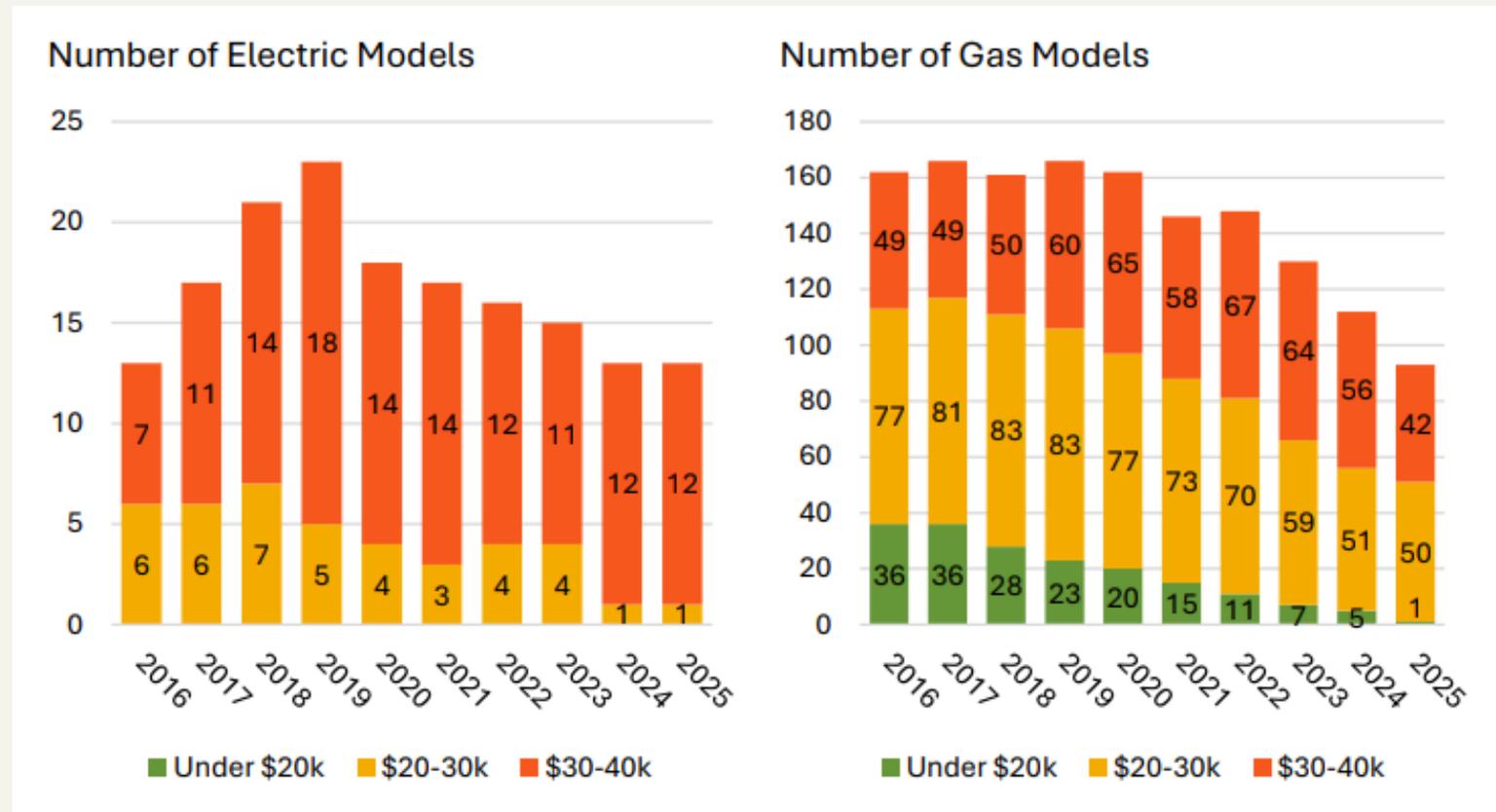


OCVRP rebate amount considerations: New vehicle market

New vehicle market

- Price parity for longer-range EVs closer to 2030
- Decreasing affordability for all new vehicles
- Decreasing affordable model diversity, especially for EVs

Number of Available Models under \$40,000 from 2016 to 2025



Source: Atlas Public Policy

OCVRP rebate amount considerations: Used vehicle market

Used vehicle market

- Used EV inventory increasing and selling more quickly
- Used EVs nearing price parity
- Affordability in Oregon is still in progress
- Incentives encourage used EV sales



Photo by Jim Witkowski on Unsplash

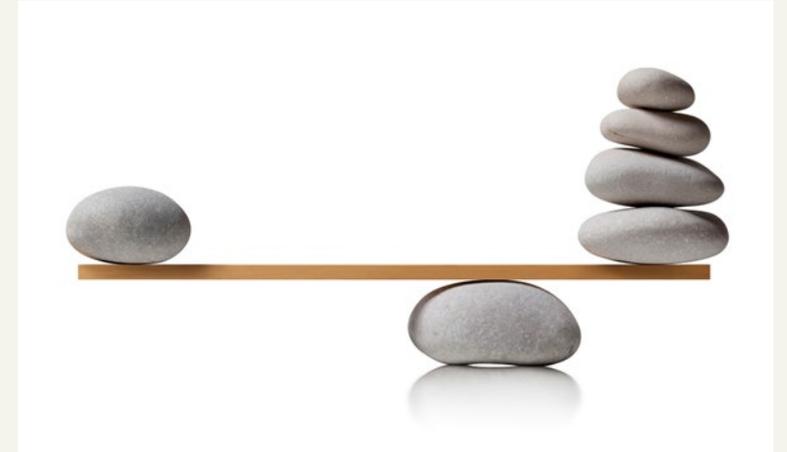
OCVRRP: Rebate adjustment proposal

- Focus rebate funding where it's needed most
- Prioritize vehicles that provide the greatest GHG reductions

Rebate type	Oregon law requirement	Current rebate amount	Proposed future rebate amount
Charge Ahead (new vehicles)	\$2,500 - \$7,500	\$7,500	\$7,500
Charge Ahead (used vehicles)	\$2,500 - \$5,000	\$5,000	\$4,000 or no more than 30% vehicle price
Standard (battery capacity 10kWh+)	\$1,500 - \$2,500	BEV: \$2,500 PHEV: \$2,500	BEV: \$2,000 PHEV: \$1,500
Standard (battery capacity less than 10kWh)	\$750 - \$1,500	\$1,500	\$750
Standard (motorcycle)	\$375 - \$750	\$750	\$375

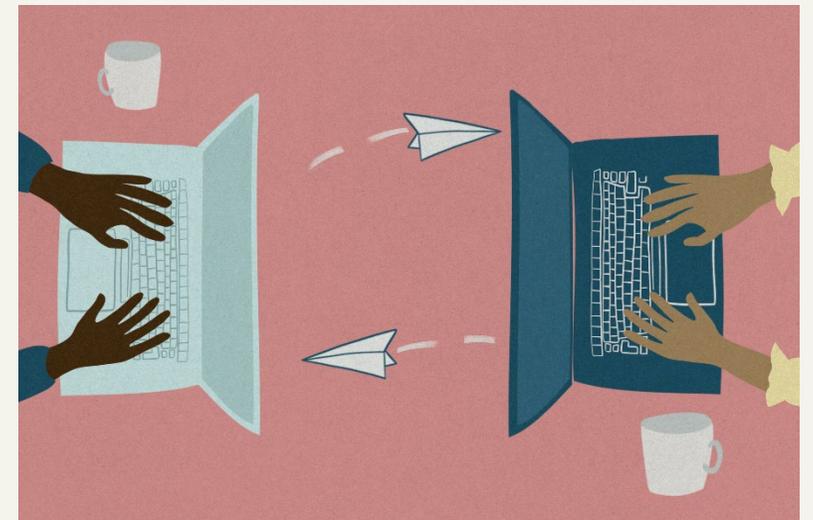
OCVSRP: Limiting individual rebates

- Goal: Financial sustainability
- Limit two per individual
- Since 2018:
 - 4.7% of individuals received multiple rebates
 - Vast majority receive two rebates
- Most EV drivers say their next vehicle will be an EV



OCVRP: Rule clarifications

- Update citations and processes
- Clarify definitions and requirements
- Enable appeals to be submitted by email

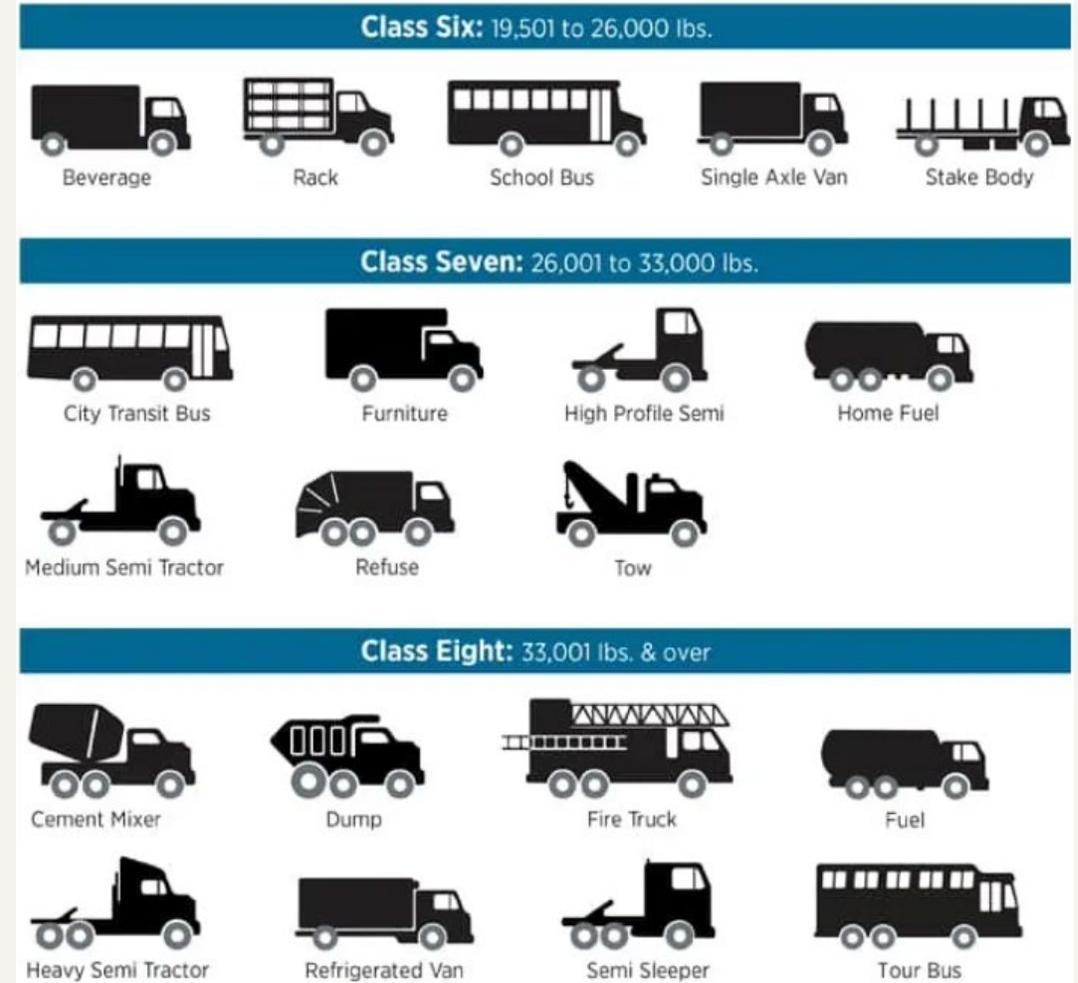
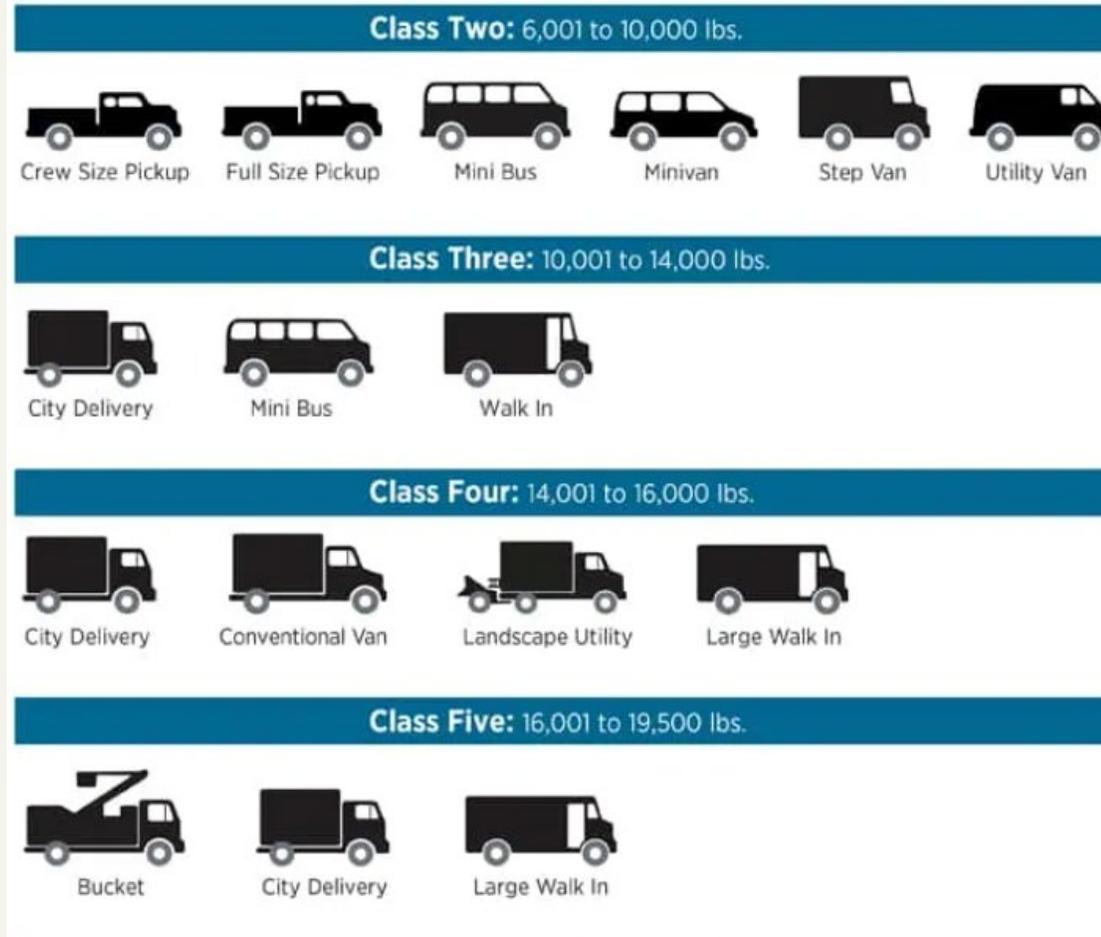


Background: ZERO Fleet

- Established by HB 3409 (2023) to accelerate transition to cleaner-emitting medium- and heavy-duty vehicles
- Provides rebates to Oregon businesses and fleets for the purchase or lease of a medium- or heavy-duty ZEVs
- Gross Vehicle Weight Rating Class 2b – 8
- \$17 million one-time allocation – state and federal funds



Types of Vehicles by Class



Source: U.S. Department of Energy

ZERO Fleets: Rebate amounts by GVWR class

GVWR Class	Rebate Amount
Class 2b (8,501 – 10,000lbs)	\$2,500
Class 3 (10,001 – 14,000lbs)	\$45,000
Class 4 (14,001 – 16,000lbs)	\$60,000
Class 5 (16,001 – 19,500lbs)	\$60,000
Class 6 (19,501 – 26,000lbs)	\$85,000
Class 7 (26,001 – 33,000lbs)	\$85,000
Class 8 (33,000+lbs)	\$120,000

ZERO Fleet updates

- Program opened Dec. 16, 2025
- Approximately \$10.1 million already reserved
- 128 vehicle rebates already reserved



ZERO Fleet proposed rulemaking need and overview

- Improve and further clarify ZERO Fleet Rebate Program rules
- Focus funding on vehicles with vocational use (freight, delivery, mass transport)
- Account for long build and delivery times
- Enhance transparency and protect funds
- Support affordability and choice



ZERO Fleets: Vehicle eligibility list



- Establish a list of approved eligible vehicles – includes:
 - Fleet vehicles
 - Vocational use only, e.g., freight, delivery, mass transportation

ZERO Fleet: Application review process

- Clarify review process for ZERO Fleet rebate applications:
 - Provides clearer eligibility guidance
 - Minimizes risk of duplicate claims
 - Ensures rebates support intended vehicle use



ZERO Fleet: Rebate extension

- Accounts for extended build and delivery time
- Allows an additional 6-month extension
 - Up to 24 months total



ZERO Fleet: Vouchers

- Introduce a voucher-style rebate, allowing applicants to reserve funding while they shop
- Funds will be reserved for selection process



Next steps

- Public comment closed Feb. 25, 2026
- DEQ is reviewing public comments
- May EQC meeting – present proposed rules for consideration



Thank you! Questions?



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