

Vermont Clean Transportation Incentive Programs

PRESENTATION FOR HOUSE TRANSPORTATION COMMITTEE, FEBRUARY 10, 2022

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VERMONT AGENCY OF TRANSPORTATION

Governor's Proposed FY2023 ARPA Budget

PRIORITIZING SAFE AND HEALTHY COMMUNITIES

Strong and Vibrant
Communities

Incentives to Foster Electric Vehicle Adoption

\$22 million total to foster EV
adoption

Climate Change Mitigation Package

- **PEV Incentives:** Vermonters would be eligible for an incentive up to \$4,000 for a plug-in electric vehicle sold/leased as new with a base manufacturer's suggested retail price (MSRP) of up to **\$45,000**. Continues and expands the public-private partnership with **Drive Electric Vermont (\$2,000,000)** to provide technical assistance and EV promotional efforts in support of the expansion of the EV market in Vermont, as well as securing administrative services for the EV Incentive programs (vehicles, bikes, motorcycles; snowmobiles & ATVs). **(\$14,000,000)**
- **MileageSmart:** Vermonters would be eligible for an incentive up to \$5,000 for highly efficient used vehicles including hybrids and plug in electric vehicles. **(\$3,000,000)**
- **Replace Your Ride Program:** In exchange for scraping a registered and inspected older high-polluting vehicles, eligible Vermonters would receive an incentive of up to \$3,000 towards one or more of the following clean-transportation options: a new or used Electric Vehicle (or Plug-in Hybrid); electric Bicycle or Motorcycle; vouchers for public transit, shared-mobility options, or private ride hailing (options could include public transit passes, membership in CarShare VT or bike-share programs, vouchers for ride hailing options or other new mobility programs) **(\$3,000,000)**
- **eRecreation:** Provides **\$1,000,000** for continuation of incentives for **eBikes** and provides new funding of **\$1,000,000** for electric snowmobiles and ATVs, in support of "greening" Vermont's recreation economy.

Incentive Program for New PEVs

6,585 PEVs registered in VT
3,332 AEVs; 3,253 PHEVs

- 150% YoY increase in new registrations from 2020-2021
- Incentives account for 37% of all PEV sales during the program
- \$2 million issued for over 700 incentives in CY2021
- 69% YoY increase in incentives issued; 78% growth in all-electric incentivized

PEV Incentives

Sec. 3. VEHICLE INCENTIVE PROGRAMS

(a) Incentive Program for New PEVs. The Agency is authorized to spend up to **\$12,000,000.00** as appropriated in the fiscal year 2023 budget on the Incentive Program for New PEVs established in 2019 Acts and Resolves No. 16 59, Sec. 34, as amended.

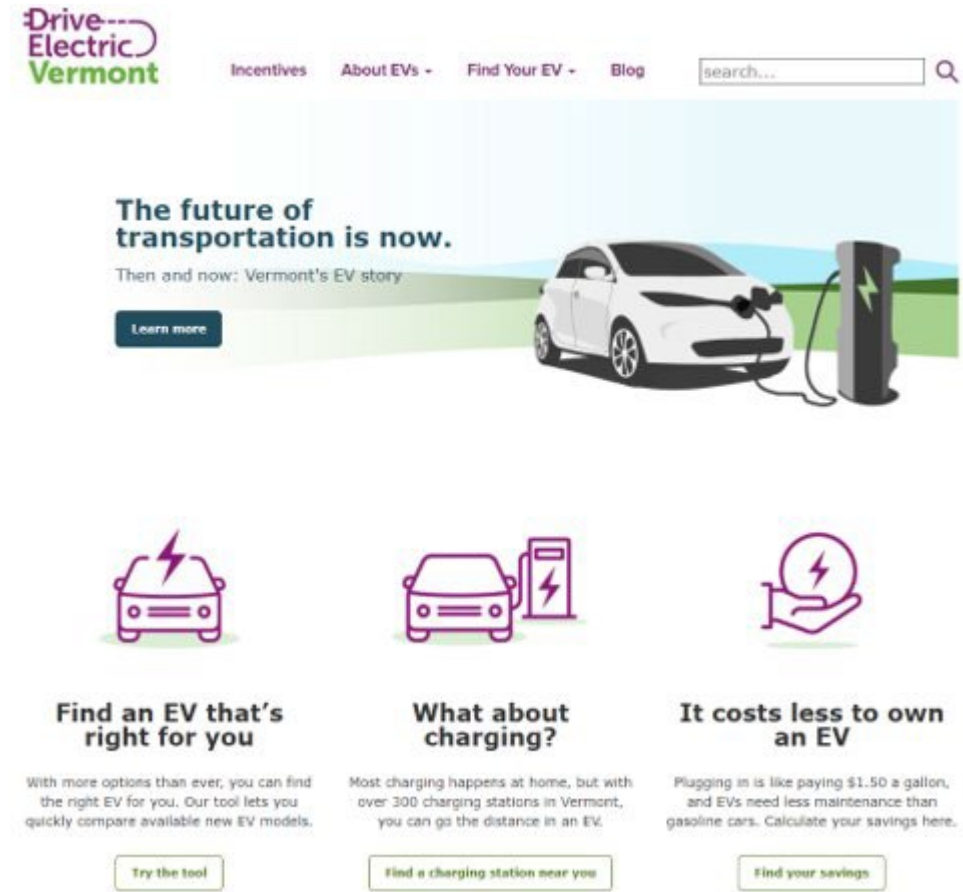
(b) Partnership with Drive Electric Vermont. The Agency is authorized to spend up to **\$2,000,000.00** as appropriated in the fiscal year 2023 budget on the Agency's existing partnership with Drive Electric Vermont

Drive Electric Vermont

- VTrans contracted with VEIC for multi-pronged vehicle electrification strategy (MUVES) activities, including:

- State of Vermont assistance with New PEV incentive program
- PEV stakeholder coordination
- Education and outreach activities
- Drive Electric Vermont website maintenance
- Statewide EV charging plan
- Business support
- Multifamily housing support
- Electric school bus deployment strategy

- FY2022 Appropriation: \$250k



Incentive Programs

MileageSmart: 200 incentives issued with over \$1 million spent serving households with incomes at or below 80% Area Median Income

Replace Your Ride: To be launched this Spring. \$3000 vouchers for scrapped older vehicles to be used on top of PEV or MileageSmart incentives

MileageSmart & Replace Your Ride

(c) MileageSmart. The Agency is authorized to spend up to **\$3,000,000.00** as appropriated in the fiscal year 2023 budget on MileageSmart as established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

(d) Replace Your Ride Program. The Agency is authorized to spend up to **\$3,000,000.00** as appropriated in the fiscal year 2023 budget on the Replace Your Ride Program established in 2021 Acts and Resolves No. 55, Sec. 27, as 7 amended.

Incentive Programs

E-bike Incentive Program to launch this Spring

\$200 e-bike incentives for Vermonters meeting any of the New PEV income guidelines

eRecreation (including e-bikes)

(e) eRecreation Incentive Program. The Agency is authorized to spend up to **\$2,000,000.00** as appropriated in the fiscal year 2023 budget on an eRecreation Incentive Program with up to \$1,000,000.00 of that \$2,000,000.00 available for incentives for the purchase of electric bicycles, as defined in 23 V.S.A. § 4(46), and with up to \$1,000,000.00 of that \$2,000,000.00 available for incentives for the purchase of all-terrain vehicles, as defined in 23 V.S.A. § 3501, and snowmobiles, as defined in 23 V.S.A. § 3201, that do not contain an internal combustion engine as manufactured and sold. Incentives shall be available to all Vermonters who self-certify as to having an income at 80 percent of the State median income.

Clean Transportation Incentive Programs Administration

- **VTrans issued a Notice of Funding Opportunity in September for a third-party administrator to manage Vermont's Clean Transportation Incentive Programs.**
- **Center for Sustainable Energy selected in November to manage the Incentive Program for New PEVs, the Electric Bicycle Incentive Program, and the Replace Your Ride Program**
 - CSE in partnership with VEIC to begin transition of New PEV Incentive administration from distribution utilities and Drive Electric Vermont this month
 - CSE to partner with VEIC on outreach, education and awareness—VEIC to develop informational materials, engage existing and new dealerships, and work with community-based organizations and other stakeholders to reach underserved Vermonters



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