



CONNECTICUT HYDROGEN AND ELECTRIC AUTOMOBILE PURCHASE REBATE (CHEAPR) PROGRAM

IMPLEMENTATION MANUAL July 2016



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Introduction

As part of Governor Malloy's efforts to provide cleaner, cheaper and more reliable transportation energy and to support our clean air goals, EVConnecticut is excited to announce the *Connecticut Hydrogen and Electric Automobile Purchase Rebate* (CHEAPR) program. This incentive pilot program will increase the number of clean vehicles on our roads by offering Connecticut drivers up to \$5,000 towards the purchase or lease of a new, eligible electric vehicle!

The CHEAPR rebate program is made possible through a funding commitment by Eversource Energy, formerly Northeast Utilities, as part of a broader commitment to energy efficiency and related initiatives set forth in a Settlement Agreement related to the NU-NSTAR merger.

Program Overview

CHEAPR enables the purchaser or lessee of an [eligible electric vehicle](#) (EV) to receive a rebate of up to \$5,000 contingent upon [availability of funds](#). After a Connecticut resident purchases or leases an eligible EV from a licensed Connecticut franchised new automobile dealer, they are qualified to transfer the rebate to their dealership or receive the rebate directly. Eligible EVs include plug-in hybrid electric vehicles, battery electric vehicles and fuel cell electric vehicles. Consumers must apply online at www.EVConnecticut.com with their auto dealer representative within three calendar days of vehicle purchase or lease. In most cases, the rebate process will be completed on the day of purchase or lease. Dealers must collect required supporting documentation from consumers and provide it to the CHEAPR Program Administrator¹ within 15 days of completing the online application.

Vehicle purchaser and lessee rebate requirements are determined by the Connecticut Department of Energy and Environmental Protection (DEEP), who in its sole discretion reserves the right to make changes such as, but not limited to, eligible vehicles, rebate amounts, vehicle price caps, and vehicle purchaser or lessee requirements.

A. Vehicle Eligibility

DEEP maintains the [CHEAPR Eligible Vehicle List](#). DEEP will update this list periodically as vehicle models are approved. If a vehicle meets the eligibility requirements set forth in this section, DEEP will calculate the rebate amount and add the vehicle to the CHEAPR Eligible Vehicle List. Vehicle makes and models will be listed on the CHEAPR Eligible Vehicle List and on the Dealer Application within one business day after DEEP approves the vehicles as eligible for CHEAPR.

¹ The Center for Sustainable Energy is the Program Administrator for the CHEAPR program.

To be eligible for a CHEAPR rebate, a vehicle must be on the [CHEAPR Eligible Vehicle List](#) and be purchased or leased on or after the program start date of May 19, 2015. All vehicle models purchased or leased after the program start date but before being added to the CHEAPR Eligible Vehicle List are not rebate eligible.

Vehicles must meet the following criteria to be eligible for a rebate:

- Be new (with the exception of the Used Vehicle Provision detailed below), constructed of new parts, never have been the subject of a retail sale, and never registered with the Connecticut Department of Motor Vehicles (DMV) or with the appropriate agency or authority in any other jurisdiction.
 - **Used Vehicle Provision**

Vehicles used as dealership floor models and test drive vehicles are eligible for the rebate if the vehicles have not been registered previously with the DMV or in any other state. Rebate applications for floor model, test drive, unwind and rollback vehicles will be assessed on a case-by-case basis.

A “rollback” occurs when a buyer purchases or leases a vehicle then returns it shortly after purchase, or when a buyer’s financing is disapproved. An “unwind” occurs when registration is completed, but the sale was not consummated and the buyer never took delivery. Vehicles determined by the Program Administrator to be unrebated rollback or unwind vehicles will be eligible to receive a rebate. Additional documentation from the dealership may be required.
- Be highway capable (e.g., comply with all federal safety requirements necessary for legal operation on limited access highways in Connecticut)
- Have a base MSRP not exceeding \$60,000

The following vehicles are not eligible at this time:

- Aftermarket plug-in hybrid electric and battery electric vehicle conversions
- Electric scooters, all-terrain vehicles (ATVs), neighborhood or low speed electric vehicles
- Electric motorcycles

B. Rebate Amounts

On and after July 1, 2016, eligible vehicle rebate amounts include the following:

- \$5,000 rebate for all fuel cell electric vehicles
- \$3,000 rebate for plug-in hybrid electric vehicles (PHEVs) with greater than 18 kWh electrochemical energy storage or battery electric vehicles (BEVs) with greater than 25 kWh electrochemical energy storage
- \$1,500 rebate for PHEVs with 10 - 18 kWh electrochemical energy storage or BEVs with 20 - 25 kWh electrochemical energy storage
- \$750 rebate for PHEVs with less than 10 kWh electrochemical energy storage or BEVs with less than 20 kWh electrochemical energy storage

From May 19, 2015 through June 30, 2016, eligible vehicle rebate amounts include the following:

- \$3,000 rebate for electric vehicles with greater than 18 kWh electrochemical energy storage (e.g., battery or plug-in hybrid) and all fuel cell electric vehicles
- \$1,500 rebate for electric vehicles with 7-18 kWh electrochemical energy storage
- \$750 rebate for electric vehicles with less than 7 kWh electrochemical energy storage

C. Maximum Rebates per Entity

Individual applicants are eligible to receive only one CHEAPR rebate. Non-individual applicants, including businesses, non-profit organizations, and state and municipal governments, are limited to two CHEAPR rebates.

Table 1 summarizes the maximum number of rebates per entity.

Table 1: Maximum Number of Rebates per Entity

Applicant Type	Maximum Number of Rebates
Individual	1
Business	2
Non-profit organization	2
Local government entity	2
State government entity	2

a. Taxpayer Identification Number Requirements

For the purposes of CHEAPR, vehicles under common ownership or fiduciary control of a fleet – including, but not limited to, entities sharing a common Taxpayer Identification Number (TIN) – are considered part of a single fleet even if they are part of different

subsidiaries, divisions, or other organizational structure of a company, government agency, or other entity. All entities, other than individuals, are required to disclose their TIN at the time of rebate application.

b. Unique Identifier for Individuals

- i. All individuals are required to disclose their Connecticut driver's license number at the time of rebate application and to provide a legible copy of their Connecticut driver's license as part of the supporting documentation. DEEP or its designee may seek financial reimbursement and/or civil and criminal penalties from a vehicle purchaser/lessee for non-disclosure or inaccurate disclosure of their Connecticut driver's license number.
- ii. Individuals who do not have a Connecticut driver's license will be required to provide a legible copy of an alternate unique identifier as approved by the Program Administrator and one of these alternate forms of proof of residency: a utility or cable bill dated within the last three months; a copy of the current DMV registration of another vehicle in the name of the purchaser or lessee; a signed, dated, and notarized residential rental agreement; or other valid form of Connecticut residency as approved by DEEP.

D. Dealer Duties and Requirements

To qualify for the CHEAPR program and the dealer incentive payments for each approved rebate, the dealer must be a licensed Connecticut franchised new automobile dealership. Proof of licensure will be required to complete a CHEAPR application. The dealer must complete the Dealer Application process to reserve the rebate and ensure that the vehicle purchaser or lessee accepts the CHEAPR program terms and conditions.

Dealers must submit all required supporting documents via email within 15 calendar days of the vehicle purchase or lease date.

E. Vehicle Purchaser or Lessee Duties and Requirements

The vehicle purchaser or lessee is responsible for providing all required documentation to their dealership representative. Eligible vehicle purchasers or lessees may transfer the rebate to the dealership or accept the rebate directly. CHEAPR does not provide an option to assign a rebate to any entity other than the dealership from which the vehicle was purchased or leased.

To receive a CHEAPR rebate, a vehicle purchaser or lessee must:

- a. Be an individual, business, non-profit organization or government entity that is based in Connecticut or has a Connecticut-based affiliate at the time the rebated vehicle is purchased or leased.
- b. Purchase or lease the eligible vehicle in Connecticut and must be a Connecticut resident at the time of vehicle purchase or lease. All businesses must be licensed to operate in Connecticut.
 - Active duty military members stationed in Connecticut but with permanent residency in another state are eligible to apply and may use military orders as proof of residency.
- c. Purchase or lease a new eligible vehicle as specified in Section A of this Implementation Manual.
- d. Submit a CHEAPR application with a dealership representative within 3 calendar days of the vehicle purchase or lease date, after executing and signing a purchase or lease agreement. The vehicle purchase or lease date must be on or after the CHEAPR program start date of May 19, 2015.
- e. Submit a CHEAPR application prior to exhaustion of available rebate funds.
- f. Complete the CHEAPR consumer survey at time of vehicle purchase or lease.
- g. Not make or allow any modifications to the vehicle's emissions control systems, hardware, software calibrations, or hybrid system.
- h. Retain ownership of the vehicle for a minimum of 24 consecutive months immediately after the vehicle purchase or lease date.
 - Lease terms of at least 24 months are required for program eligibility.
- i. Register the new vehicle with the DMV for a minimum of 24 consecutive months for use in Connecticut.

F. Application Process

The purchaser or lessee and dealership representative must apply online at www.EVConnecticut.com and complete the online application form. Supporting documents must be scanned and sent via email to cheapr@energycenter.org. If the dealership representative does not have the capability to submit supporting documents via email, they should contact the Program Administrator at 855-704-6350.

Supporting documents include, at a minimum, the following:

- a. Proof of vehicle registration in Connecticut.
- b. A copy of the signed and executed sales or lease contract with an itemization of credits, discounts and incentives received, if applicable.
- c. Signed and completed [dealership ACH form](#).

- d. Proof of residency and unique identifier: A copy of the vehicle purchaser or lessee's current Connecticut driver's license.
 - i. Only required from purchasers or lessees applying under the "individual" applicant type.
 - ii. Individuals who do not have a Connecticut driver's license will be required to provide a legible copy of an alternate unique identifier as approved by the Program Administrator and one of these alternate forms of proof of residency: a utility or cable bill dated within the last three months; a copy of the current DMV registration of another vehicle in the name of the purchaser or lessee; a signed, dated, and notarized residential rental agreement; or other valid form of Connecticut residency as approved by DEEP.
 - iii. Active duty military members stationed in Connecticut but with permanent residency in another state may use military orders as proof of residency.
- e. Signed and completed rebate transfer form if the rebate is transferred to the dealership.
- f. Signed and completed [consumer ACH form](#) if the purchaser or lessee elects to retain the rebate.

CHEAPR rebate applications must be submitted within three calendar days of the date of purchase or lease. For purchases, the date of purchase is the day that the purchase agreement is signed. For leases, the date of lease is the date upon which the lease of the vehicle commences as specified in a signed lease agreement. In both cases (purchase or lease), the vehicle must be registered in Connecticut before an online application is made.

Available rebate funds will be reserved by the Program Administrator following submission of an online application. Signed and scanned supporting documents must be submitted by email to the Program Administrator within 15 calendar days. If they are not, the Program Administrator will remind the dealership by email and allow the dealership a grace period of 10 additional calendar days to submit the required documents. If all supporting documents are not received by the end of this grace period, the Program Administrator will cancel the rebate application and return the reserved amount to the [available CHEAPR program funds](#). In this case, appeals for reapplication will be reviewed on a case-by-case basis.

Rebates will be issued on a first-come, first-served basis based on receipt of complete applications prior to exhaustion of available rebate funds. A complete application means that the Program Administrator has received an online rebate application and all supporting documents. Rebates will be issued via ACH within 10 calendar days from application approval contingent on [availability of funds](#). Rebates will only be issued to the vehicle lessee, purchaser, or dealership.

G. Appeals Process

DEEP will consider appeals to the denial of a rebate application on a case-by-case basis. To request DEEP consider an appeal, contact cheapr@energycenter.org.

H. Dealer Incentive Process

Connecticut franchised new automobile dealers are eligible to receive a dealer incentive of \$300 for each [eligible vehicle](#) that they sell or lease that receives a CHEAPR rebate.

To receive a dealer incentive, dealerships must provide the following information during the vehicle rebate application process:

- Dealership name, license number, mailing address, phone number, and general email.
- One completed dealer ACH form is required per dealership.

The Program Administrator will issue dealer incentive payments for approved vehicle rebate applications via ACH on a weekly basis.

I. Consumer Survey

The CHEAPR application process requires completion of a consumer survey. The survey assesses the influence of rebates and other applicable incentives at the time of the purchase or lease decision. It also gathers data on average annual vehicle miles traveled (VMT) and general purchaser or lessee income.

Consumers are prompted to complete the survey at the end of the online application process. The survey link is available on the last page of the online application. It is also available in the confirmation email that is sent to the consumer and the dealership after they submit an online application. The survey must be completed in order to receive the CHEAPR vehicle rebate. Dealers are encouraged to guide consumers to complete the survey before they leave the dealership.

The Program Administrator implements tracking mechanisms that measure survey responses and provides emails encouraging applicants who have not taken the survey after submitting supporting documents to complete the survey. Email notifications are automatically sent to the consumer, dealer and Program Administrator when the survey is completed.