



**CONNECTICUT HYDROGEN AND ELECTRIC
AUTOMOBILE PURCHASE REBATE (CHEAPR)
PROGRAM**

**IMPLEMENTATION MANUAL
October 2018**



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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*¹ (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 incentive program is currently made possible through a combined funding commitment by [Avangrid](#), as part of a broader commitment to energy efficiency, renewable generation, storage, alternative transportation, electric vehicles and other clean technologies set forth in a Settlement Agreement between Iberdrola USA Inc and UIL Holdings Corporation and DEEP through several Supplemental Environmental Projects. The program was initially created and funded through a similar commitment from [Eversource](#), 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 dealer², they are qualified to receive the rebate directly or transfer the rebate to their dealership. The CHEAPR program is able to process rebate applications for individual consumers who purchase or lease an eligible vehicle directly from an original equipment manufacturer (OEM) that does not have licensed franchised new automobile dealers in Connecticut (e.g., Tesla).

Eligible EVs include plug-in hybrid electric vehicles (PHEVs), battery electric vehicles (BEVs) and fuel cell electric vehicles (FCEVs). An auto dealer representative must apply online at <https://dealers.evconnecticut.com/> with the consumer no later than 10 calendar days after the purchase or lease date of an eligible vehicle. 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 upload it to the [CHEAPR dealership application portal](#) no later than 20 days after the purchase or lease of an eligible vehicle.

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 at any time such as, but not limited to, eligible vehicles, rebate amounts, vehicle price caps, and vehicle purchaser or lessee requirements.

¹ While the CHEAPR program is titled as a *rebate*, the program is intended to provide an *incentive* for (a) the purchase of a plug-in or hydrogen powered vehicle over an internal combustion engine powered vehicle; and (b) the purchase of an electric or plug-in electric vehicle with the greatest all electric range. The purchase or lease of an eligible vehicle, does not entitle a buyer or lessee to an incentive payment and no express property right is created by this program.

² See Section J, *Purchase or Lease of Eligible Vehicles from Tesla*, of this document for the only exception to this requirement.

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.

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).
- Before October 15, 2018: The vehicle purchased must have had a base MSRP not exceeding \$60,000 for eligible PHEV, BEV, and FCEV models.
- On or after October 15, 2018: The vehicle purchased must have a base MSRP not exceeding \$50,000 for eligible PHEV and BEV models or \$60,000 for eligible FCEV models.

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

For eligible vehicles purchased on and after October 15, 2018, eligible incentive amounts include the following:

- \$5,000 for all fuel cell electric vehicles (FCEVs)
- \$2,000 for battery electric vehicles (BEVs) with an EPA rated electric range of 200 miles or greater
- \$1,500 for BEVs with an EPA rated electric range of 120 – 199 miles
- \$1,000 for plug-in hybrid electric vehicles (PHEVs) with an EPA rated electric range of 45 miles or greater.
- \$500 for PHEVs with an EPA rated electric range of 44 or fewer miles and BEVs with an EPA rated electric range of 119 or fewer miles

For eligible vehicles purchased from August 15, 2017 through October 14, 2018, eligible vehicle incentive amounts included the following:

- \$5,000 for all fuel cell electric vehicles (FCEVs)
- \$3,000 for battery electric vehicles (BEVs) with an EPA rated electric range of 175 miles or greater
- \$2,000 for plug-in hybrid electric vehicles (PHEVs) with an EPA rated electric range of 40 miles or greater and BEVs with an EPA rated electric range of 100 – 174 miles
- \$500 for PHEVs with an EPA rated electric range of 39 or fewer miles and BEVs with an EPA rated electric range of 99 or fewer miles

For eligible vehicles purchased from July 1, 2016 through August 14, 2017, eligible vehicle incentive amounts included the following:

- \$5,000 for all FCEVs
- \$3,000 for PHEVs with greater than 18 kWh electrochemical energy storage or BEVs with greater than 25 kWh electrochemical energy storage
- \$1,500 for PHEVs with 10 - 18 kWh electrochemical energy storage or BEVs with 20 - 25 kWh electrochemical energy storage
- \$750 for PHEVs with less than 10 kWh electrochemical energy storage or BEVs with less than 20 kWh electrochemical energy storage

For eligible vehicles purchased from May 19, 2015 through June 30, 2016, eligible vehicle rebate amounts included 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 incentive payment, the dealer must be a licensed Connecticut franchised new automobile dealership³. 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 to receive the dealer incentive. See Section F, *Application Process*, and Section H, *Dealer Incentive Eligibility and Process*, for more details.

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 Manual.
- d. Submit an online dealer application with a dealership representative no later than 10 calendar days after 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.
 - If a vehicle for which an incentive payment was issued is sold, returned or traded in prior to expiration of the minimum ownership period, the buyer or lessee shall reimburse the CHEAPR program a prorated portion of the incentive payment (by month). If the vehicle is destroyed (i.e., 'totaled') or transferred due to the death of the buyer or lessee prior to expiration of the minimum ownership period, then no such payment will be required.

³ See Section J, *Purchase or Lease of Eligible Vehicles from Tesla*, of this document for the only exception to this requirement.

- i. Register the new vehicle with the DMV for a minimum of 24 consecutive months for use in Connecticut.

F. Application Process

Dealers must apply for CHEAPR on behalf of consumers at <https://dealers.evconnecticut.com/> no later than 10 calendar days after the purchase or lease date of an eligible vehicle. Dealers must upload all supporting documents to <https://dealers.evconnecticut.com/>. The dealer shall upload all supporting documents no later than 20 calendar days after the purchase or lease of an eligible vehicle. If the dealership representative does not have the capability to submit supporting documents via the website, they should contact the Program Administrator for a paper application 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 no later than 10 calendar days after the date of purchase or lease and **applications submitted prior to the date of purchase or lease will not be accepted**. The eligible vehicle must also be registered in Connecticut before an online application is submitted. For purchases, the date of purchase is the day that the purchase agreement is signed.⁴ For leases, the date of lease is the date upon which the lease of the vehicle commences as specified in a signed lease agreement.

Available rebate funds will be reserved by the Program Administrator following submission of an online dealer application. Applications submitted more than 10 calendar days after the

⁴ For purchasers or lessees of eligible Tesla vehicles, see Section J, *Purchase or Lease of Eligible Vehicles from Tesla* for more information.

purchase or lease of an eligible vehicle are ineligible to receive the rebate and will be cancelled. Signed and scanned supporting documents must be uploaded to the website during the application process no later than 20 calendar days after the date of purchase or lease of an eligible vehicle. 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.

Failure of a dealer to advise a consumer of the CHEAPR program or the provision of false or incorrect information from a dealer to a consumer is not appealable to CHEAPR.

H. Dealer Incentive Eligibility and Process

On and after August 15, 2017, Connecticut franchised new automobile dealers are eligible to receive a dealer incentive of \$150 for each [eligible vehicle](#) they sell or lease that receives a CHEAPR incentive. From May 19, 2015 through August 14, 2017, Connecticut franchised new automobile dealers were eligible to receive a dealer incentive of \$300 for each [eligible vehicle](#) they sold or leased that receives a CHEAPR incentive.

To be eligible to receive a dealer incentive, dealerships must apply for the rebate on behalf of the consumer. Dealers must provide the following information during the vehicle rebate application process to receive the dealer incentive:

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

Dealerships or manufacturer owned or operated distribution locations that only sell BEVs are not eligible for a dealer incentive.

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 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.

J. Purchase or Lease of an Eligible Vehicle from Tesla or other OEM

The CHEAPR program is able to process rebate applications from individual consumers who purchase or lease an eligible vehicle directly from an original equipment manufacturer (OEM) that does not have licensed franchised new automobile dealers in Connecticut (e.g., Tesla). If such vehicles become authorized for sale or lease within Connecticut, applicants will be required to purchase or lease such vehicles from retail locations within the state.

Tesla consumers and customers of other OEMs are subject to all terms, conditions and limitations set forth in this Implementation Manual, including, without limitation, the vehicle purchaser or lessee duties and requirements set out in Section E., above. The first date on the registration of an eligible vehicle from Tesla or other OEM is considered the date of purchase/lease.

Furthermore, all time limitations set out in this Implementation Manual will be strictly enforced regardless of whether any Tesla or other OEM vehicle purchaser or lessee received actual notice prior to or after vehicle purchase or lease.