

To: House Transportation Committee  
From: Neil Schickner  
Date: Feb 28, 2020

Re: EV & PHEV registration surcharge

## Study on Replacing Motor Fuel Tax Revenues Not Collected from Plug-In Electric Vehicles Conducted pursuant to Section 28 of Act 12 of 2013 (Dec 2013):

Collecting Transportation Fund revenue from electric vehicles via an additional registration fee was well-described in the Section 39 study (Nov 2012):

...an annual fee of \$146 levied on EV users at the time of annual registration would replace lost revenue while also ensuring that these users contribute approximately the same amount to system maintenance as the average driver in the state.”\

Based on updated data, we have calculated the gas tax lost due to the electric-mode operation of both all-electric and plug-in hybrid vehicles. For all-electric vehicles, this amount is \$120; for plug-in hybrid vehicles this amount is \$71. The calculation of these values is based upon:

- the fuel economy of average new light-duty vehicles (CAFE-rated 34.2 MPG, de-rated by 20% for real-world driving conditions);
- average vehicle miles traveled in Vermont (about 12,400 miles/year);
- the gas tax rate of 31.26 cents/gallon (not including the one cent petroleum clean-up fee); and
- a factor that accounts for the miles driven on electricity based on the electric range of the vehicle.

Evs and PHEVs registered in Vermont as of Jan 7, 2020

Evs	1,451 x \$120 = \$174,120
PHEVs	<u>2,667 x \$71 = \$160,957</u>
Total annual revenue	= \$335,077