
Clean Transportation Incentive Programs Update

HOUSE COMMITTEE ON TRANSPORTATION, FEBRUARY 7, 2024

PATRICK Ó. MURPHY, SUSTAINABILITY + INNOVATIONS PROJECT MANAGER, AGENCY OF TRANSPORTATION

Clean Transportation Incentive Programs

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride (New or used PEVs, e-bikes, bikes, and shared mobility services)
- eBike Incentive Program
- Electrify Your Fleet Program

Modification of Incentive Programs in 2023

With existing and additional flexibility provided by the legislature in the 2023 Transportation Bill (Act 62), the Agency adjusted Vermont's vehicle incentive programs in the following ways:

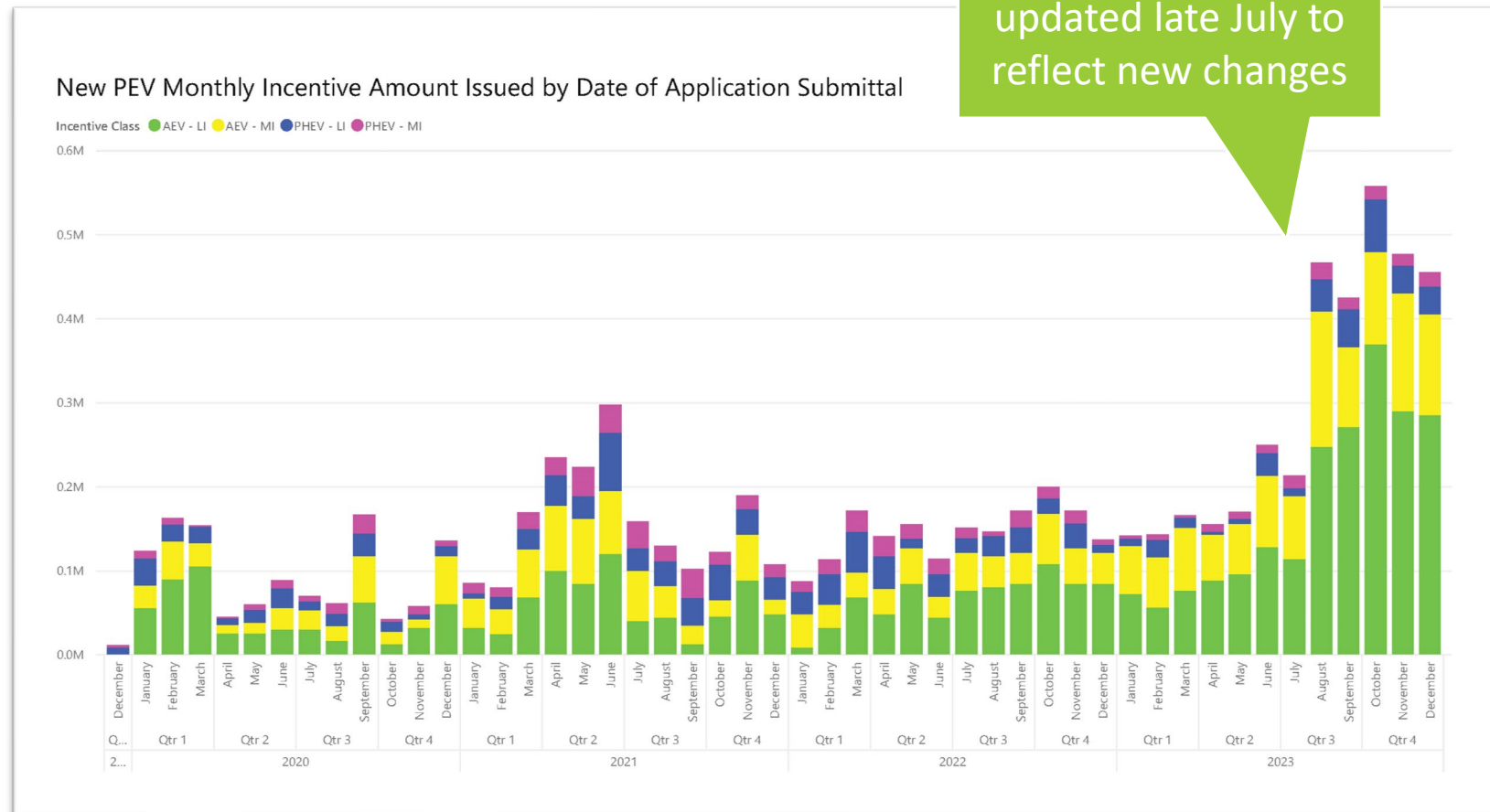
- Incentive Program for New PEVs:
 - Increased income thresholds for Households
 - Increased incentive amount for AEVs to \$5,000 for households with lower incomes
 - Increased base MSRP cap of eligible vehicles to \$52,500
- MileageSmart:
 - Created price cap of \$40,000 for used vehicles
 - Worked with Capstone on more affordability for households with lower incomes regardless of vehicle price
- Replace Your Ride:
 - Increased incentive amounts to \$5,000 for households with low incomes and added incentive for moderate income households
- eBike Incentive Program
 - Relaunched program using voucher system exclusively for households with low incomes
 - Increased incentives for e-cargo bikes and adaptive e-bikes
- Electrify Your Fleet Program
 - Designed and launched new grant program this fall providing up to \$2,500 to replace or avoid gas fleet vehicles with cleaner options

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Incentive Program for New PEVs

Program Guidelines updated late July to reflect new changes



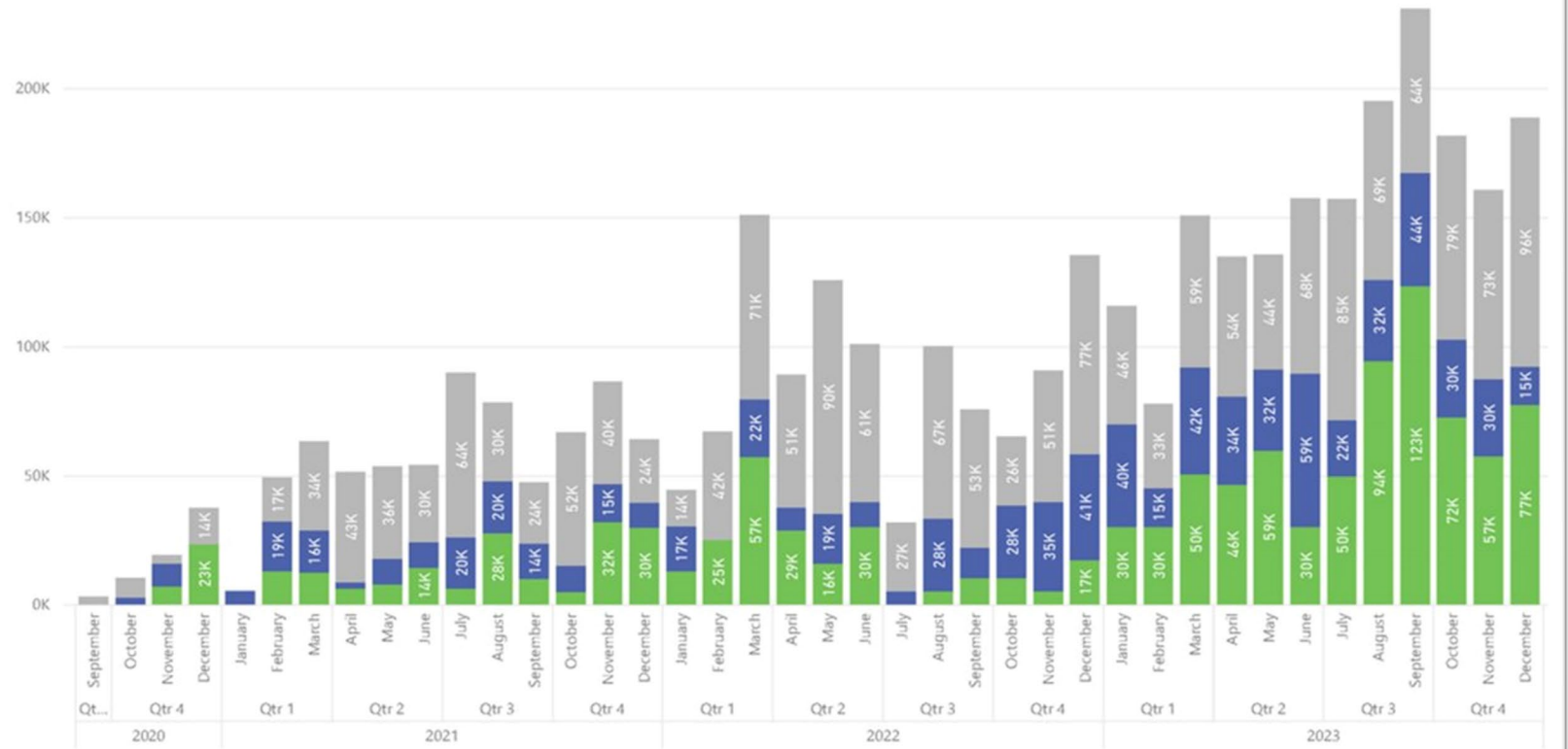
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MileageSmart Monthly Incentive Amount Issued

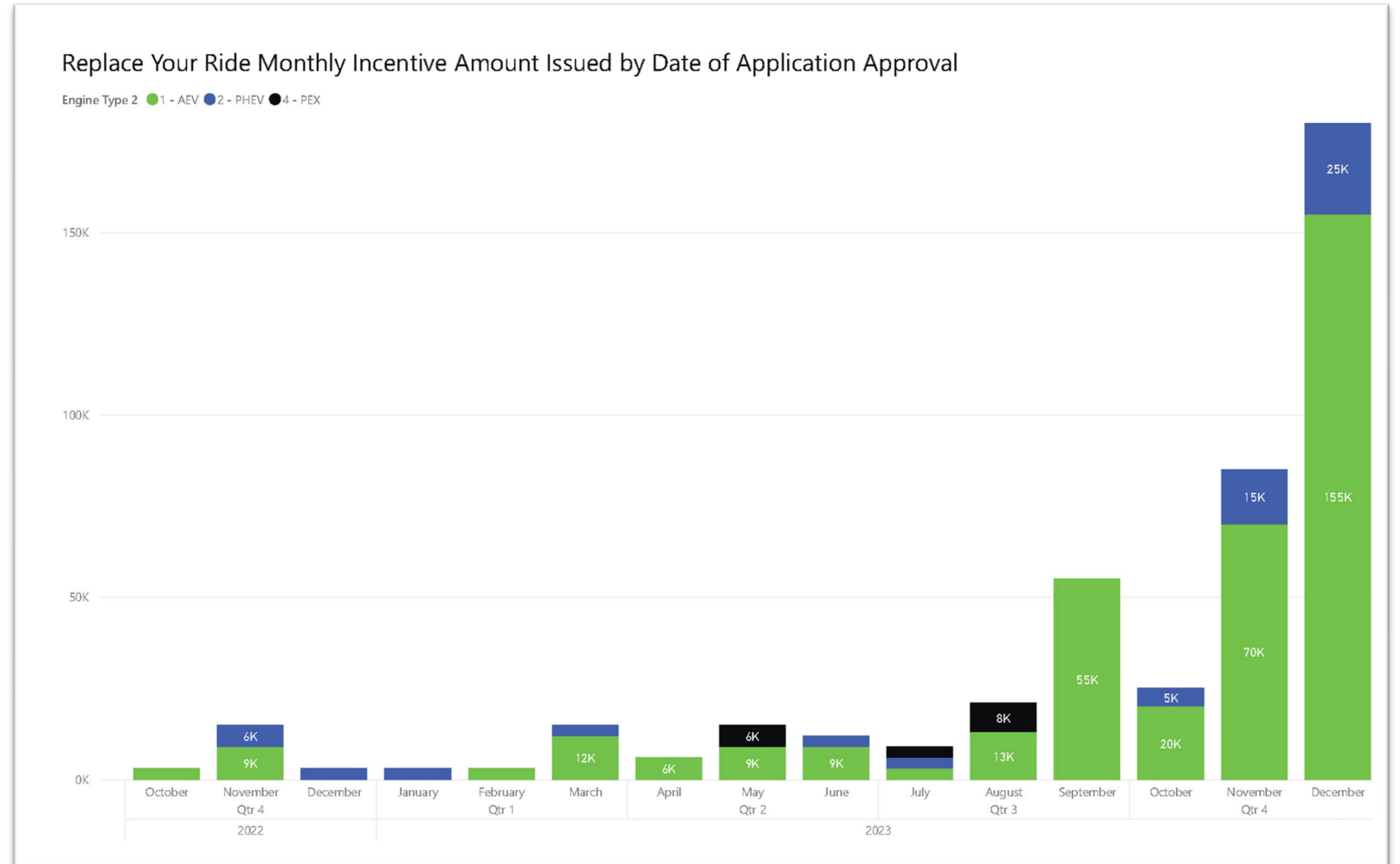
Engine Type 2 ● 1 - AEV ● 2 - PHEV ● 3 - Hybrid



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- **Replace Your Ride (New or used PEVs, e-bikes, bikes, and shared mobility services)**
- eBike Incentive Program
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Replace Your Ride



Clean Transportation Incentive Programs

*Status as of February 2024

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New Plug-In Electric Vehicle (PEV) Incentive Program

\$17.1 million authorized
\$5.3 million remaining



MileageSmart (Used High Efficiency Vehicle Incentive)

\$5.2 million authorized
\$507,000 remaining



Replace Your Ride

\$4.5 million authorized
\$655,000 repurposed
\$2.45 million remaining



eBike Incentive Program

\$250,000 Authorized
\$ 31,100 remaining



Electrify Your Fleet

\$500,000 authorized
\$342,000 remaining

Clean Transportation Incentive Programs

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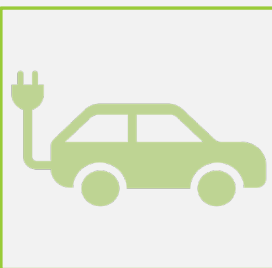
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Recent Monthly Incentive Spends



New Plug-In Electric Vehicle (PEV) Incentive Program

\$500-600k



MileageSmart (Used High Efficiency Vehicle Incentive)

\$200 – 250k



Replace Your Ride

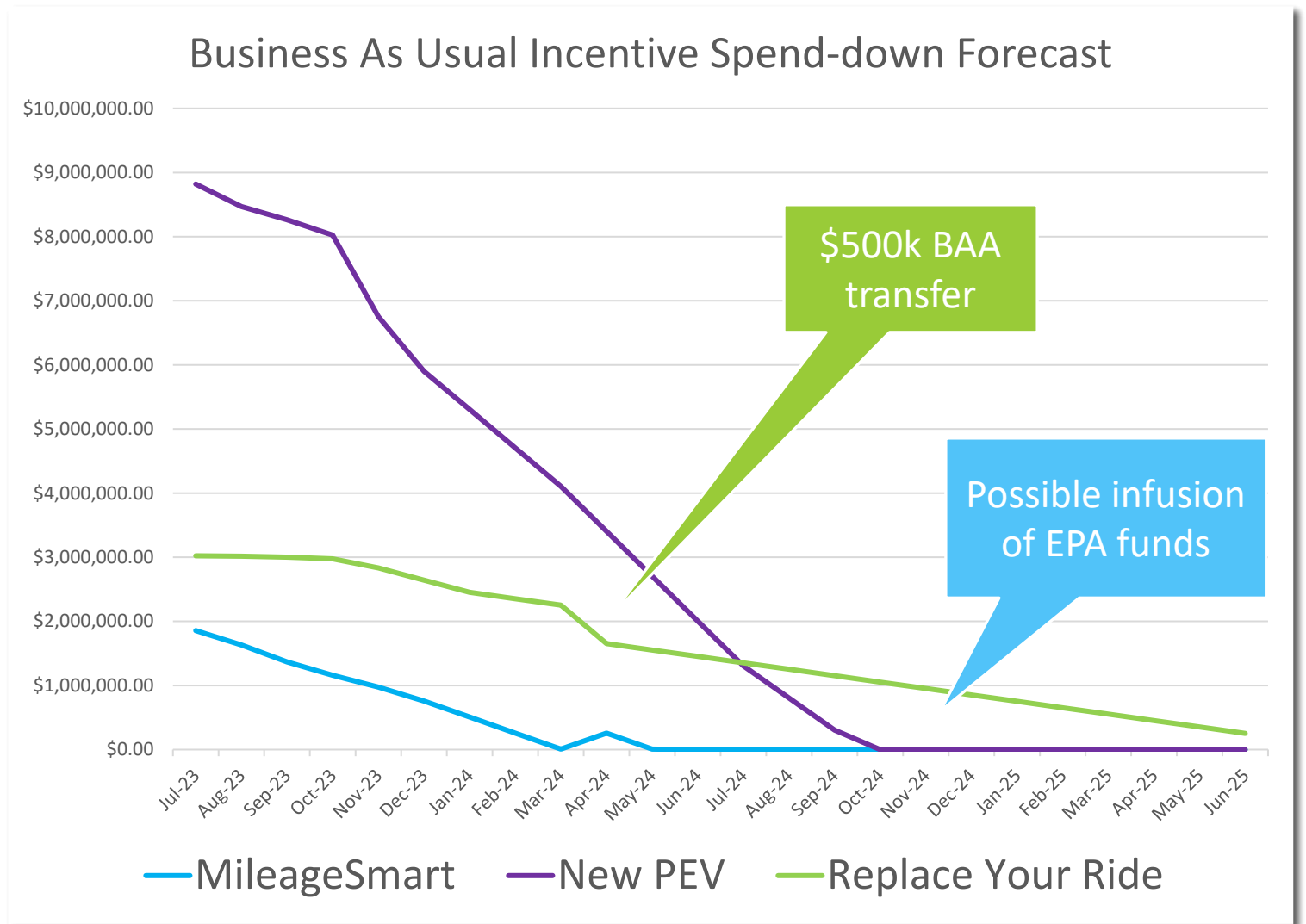
\$190k

Clean Transportation Incentive Programs

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Current spend-down trends assuming \$500k transfer per Budget Adjustment:

- MileageSmart expended before end of SFY2024 (June 2024)
- New PEV expended by November 2024
- Replace Your Ride expended by July 2025 (probably earlier)



Clean Transportation Incentive Programs

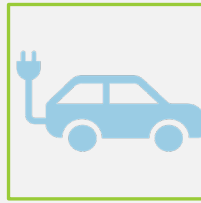
Estimated CO2 reductions

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
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New All-Electric Vehicles

\$868 / MT of CO2 reduced
2,006 Incentives Issued



New Plug-in Hybrids

\$944 /MT of CO2 reduced
868 incentives issued



Used All-Electric Vehicles

\$1,120 / MT of CO2 reduced
240 incentives issued



Used Plug-in Hybrids

\$ 1,644 / MT of CO2 reduced
169 incentives issued



Used Conventional Hybrids

\$3,183 / MT of CO2 reduced
428 incentives issued

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Possible Program Modifications (for discussion)

MileageSmart:

- Reduce amount for conventional hybrids
- Phase out convention hybrids altogether
- Lower income guidelines to align with 3SquaresVT eligibility

New PEV:

- Eliminate incentive for PHEVs
- Eliminate incentives for households with moderate incomes

Replace Your Ride:

- Eliminate incentives for households with moderate incomes
- Re-envision program structure

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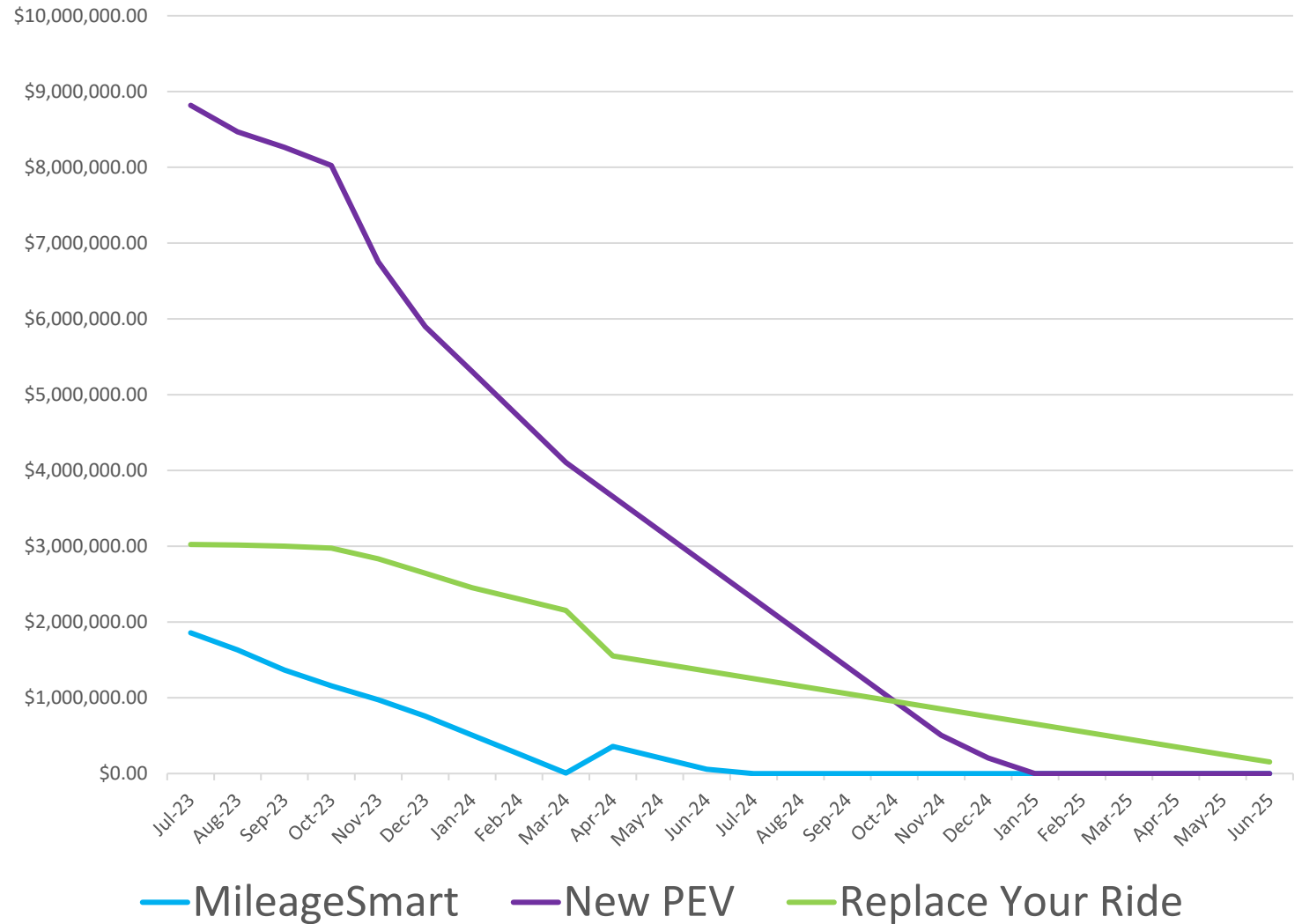
Clean Transportation Incentive Programs

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Projected spend-down trends assuming \$500k transfer per Budget Adjustment:

- MileageSmart expended by July/August 2024
- New PEV expended by January 2025
- Replace Your Ride expended by July 2025

Projected Spend-down with Selected Adjustments



Environmental Policy and Sustainability FY2025 Budget Continued

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EV Charging Funds

EPS SFY2025 Funds

NEVI = \$4,833,828

Local = \$1,177,537*

EPWP = \$40,201

State = \$40,970

Total = 6,092,536

*Local match expected to be met by private sector EV charging providers



National Electric Vehicle Infrastructure

- \$21.2 million
- NEVI Plan required annually to access funding
- Funds must be spent on EV charging on designated corridors



Funds Summary

- \$13.875 million (incl. ARPA) available from SFY2023 and SFY 2024
- \$631,662 in NEVI funds for Bradford project; local match provided by EVSE contractor



Plans for SFY2025

- Secure contracts to fully build out Alternative Fuel Corridors
- Apply for competitive grant funds to support municipalities and increase redundancy in DCFC network

DC Fast Charging Funds

Funding Sources for EV Charging	SFY2023		SFY2024	SFY2025*	SFY2026	Totals
	FFY22	FFY23	FFY24	FFY25	FFY26	
NEVI apportionment	\$3,140,247	\$4,518,851	\$4,518,882	\$4,518,886	\$4,518,895	\$21,215,761
ARPA	\$2,000,000	-	-	-	-	\$2,000,000
Transportation Bill Authorization	\$6,250,000		\$7,625,000	\$4,833,828*	-	\$18,708,828

*Governor's Recommend

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