Vehicle Electrification in Vermont

PRESENTATION FOR HOUSE TRANSPORTATION COMMITTEE, JANUARY 17, 2023

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

Climate Action Plan

Initial plan finalized in December 2021

EV Adoption Goals:

- **27,000** PEVs by **2025** (17% of sales)
- **126,000** PEVs by **2030** (68% of sales)
- Reduce GHG emissions below 2005 GHG emissions in Vermont by no less than 26% below 2005 GHG emission levels by January 1, 2025;
- by no less than 40% below 1990 GHG emission levels by January 1, 2030;
- and no less than 80% below 1990 GHG emission levels by January 1, 2050.



Vermont Climate Council DECEMBER 2021



https://climatechange.vermont.gov/

CAP – Pathway 1 – Light Duty Electrification Strategies

1) Technology Forcing ZEV Regulation (100% by 2035)

2) EV Purchase Incentives

- a) New & used EVs and electric bicycles, designed for equity
- b) Expand to fleets
- c) Continue MileageSmart and Replace Your Ride
- d) Vehicle Efficiency Purchase and Use Tax Adjustment
- **3)** EV Charging Investment
 - a) Continue support for DCFC and Level 2
 - b) Public, workplace and multifamily priorities
 - c) Direct the PUC to consider EV charging rates
- 4) Transportation Climate Initiative (TCI)
- 5) EV and VMT reduction Outreach and Education

Electrify **27,000** vehicles by 2025

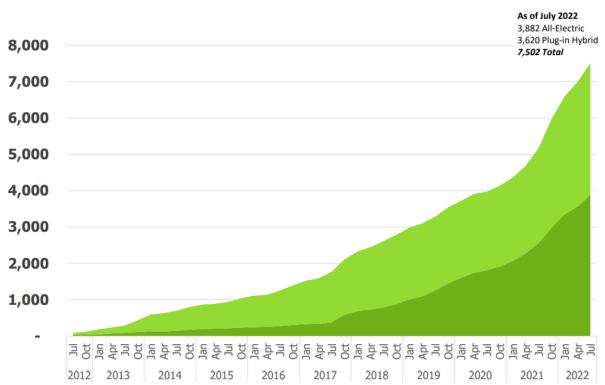
126,000 by 2030



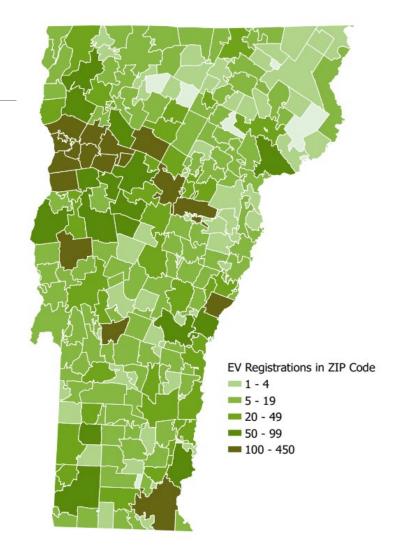
As of July 2022

EV Adoption in Vermont

Vermont Electric Vehicle Registrations



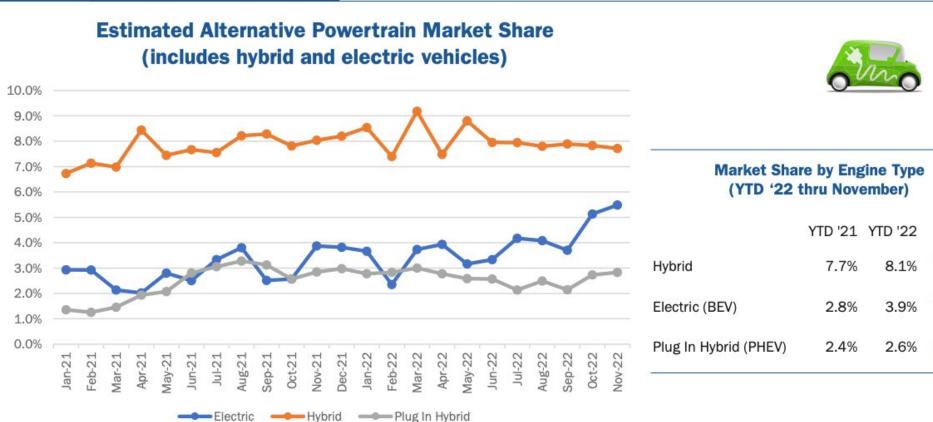
All-Electric Vehicles Plug-in Hybrid Electric Vehicles





EV Adoption in Vermont

HYBRID AND ELECTRIC VEHICLES

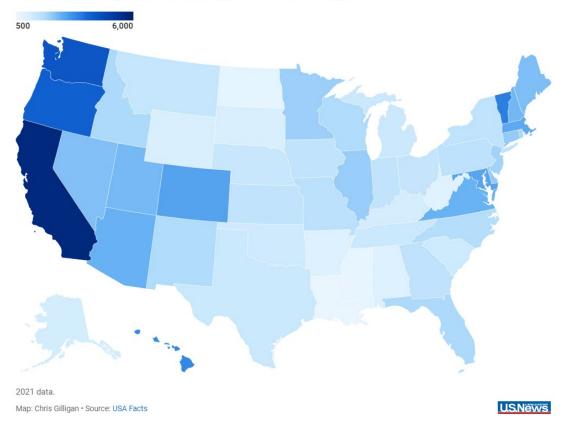




VERMONT ELECTRIC VEHICLE & INFRASTRUCTURE PROGRAMS

EV Adoption in Vermont

- Vermont ranked 4th in nation for EV adoption
- 6.5% of sales for 2022 YTD, climbing to over 8%
- <u>Inflation Reduction Act</u> modifies federal tax credit to include automakers who had hit prior cap; introduces new used PEV tax credit up to 30% or \$4,000; restarts EV charger tax credit up to \$1,000; creates point-of-sale option for 2024
- Advanced Clean Cars II rules have some flexibility to allow for early compliance and lower vehicles cost credits
- Local utilities continue to offer stackable rebates



Electric and Hybrid Vehicles per 100,000 People

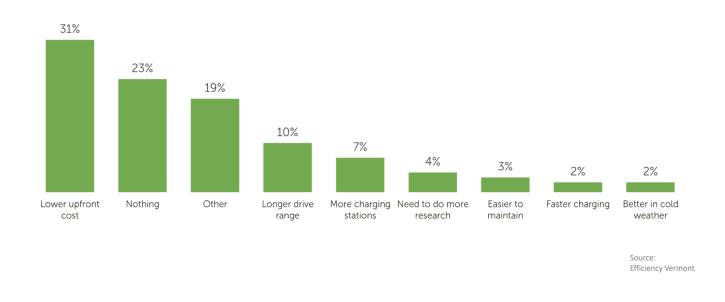


EV Adoption in Vermont

Continued Challenges:

- High prices of electric vehicles— 52% of US consumers think EV prices are too high
- Vehicle availability—lingering impacts of microchip and other supply chain issues
- •Lack of clarity on vehicle eligibility based on the sourcing of critical minerals and battery components

What would make a VTer more likely to buy an EV?



Webinar: Are Vermonters Ready To Drive Electric? | Efficiency Vermont



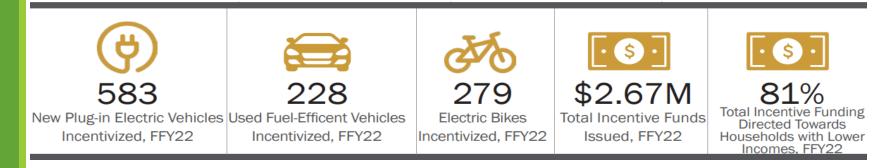
- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- eBike Incentive Program
- Drive Electric Vermont partnership

Vermont Investments in Electrification

Over **\$36 million** authorized in SFY2023 for vehicle incentives and electric vehicle charging infrastructure

- Incentives for New PEVs, \$12 million
- MileageSmart, \$3 million
- Replace Your Ride, \$3 million
- eBike Incentive Program, \$50k
- Drive Electric Vermont, \$2 million
- Corridor fast-charging, \$6.25 million
- Community charging, \$10 million





- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- eBike Incentive Program
- Drive Electric Vermont partnership

Incentive Program Administration

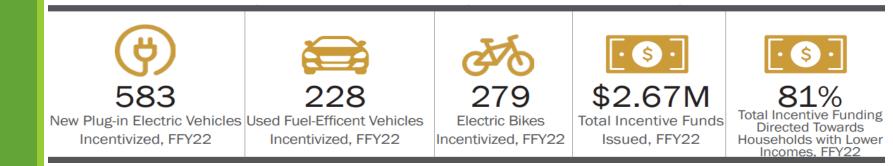


Center for Sustainable Energy tapped to streamline administration of incentive programs:

- Incentives for New PEVs transitioned from Drive Electric Vermont and utilities
- MileageSmart continued to be administered by Capstone Community Action
- Replace Your Ride launched in two phases this fall



• **eBike Incentive Program** launched this summer, first in the nation



 Incentive Program for New Plug-in Electric Vehicles (PEVs)

- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- eBike Incentive Program
- Drive Electric Vermont partnership

Incentive Program for New PEVs

Up to **\$4000** for a new all-electric vehicle

Program Guidelines

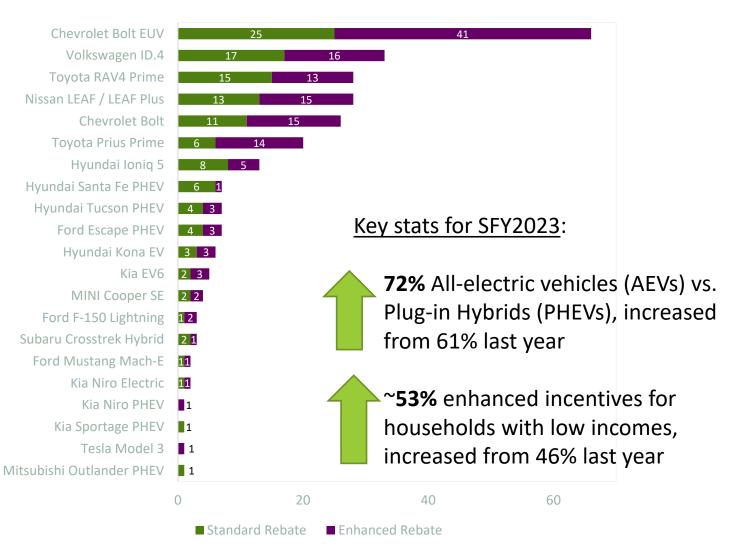
		State Incentive Amount		
Tax Filing Status	Adjusted Gross Income (AGI) Limits for Enhanced and Standard Incentives	Plug-in Hybrid Electric Vehicle	All- Electric Vehicle	
Individual filing as	\$50,000 or less	\$3,000	\$4,000	
single or head of household	\$50,001 up to \$100,000	\$1,500	\$2,500	
Married filing jointly	\$75,000 or less	\$3,000	\$4,000	
	\$75,001 up to \$125,000	\$1,500	\$2,500	
Married filing	\$50,000 or less	\$3,000	\$4,000	
separately	\$50,001 up to \$100,000	\$1,500	\$2,500	
Individual filing as	\$75,000 or less	\$3,000	\$4,000	
qualifying widower	\$75,001 up to \$125,000	\$1,500	\$2,500	

Over **\$10 million** remaining out of nearly \$15 million in incentive funds

VERMONT ELECTRIC VEHICLE & INFRASTRUCTURE PROGRAMS

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- eBike Incentive Program
- Drive Electric Vermont partnership

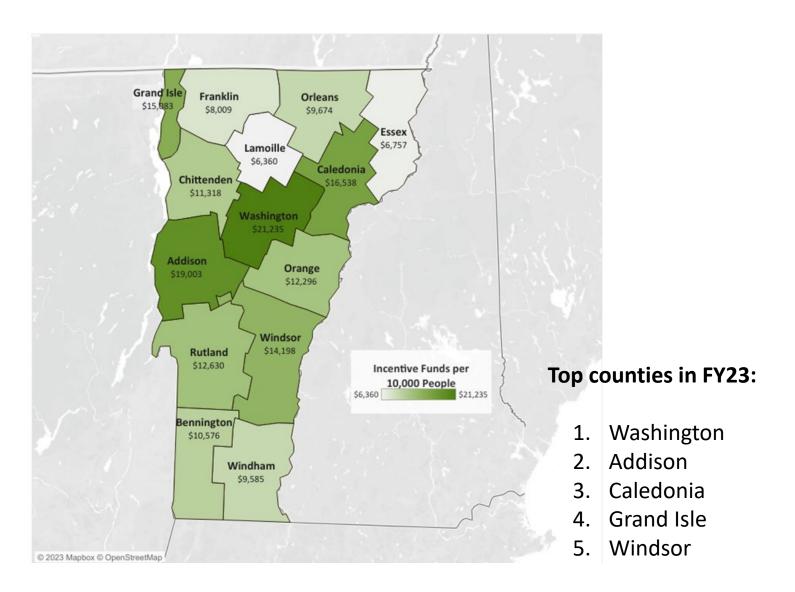
Incentive Program for New PEVs



VERMONT ELECTRIC VEHICLE & INFRASTRUCTURE PROGRAMS

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- eBike Incentive Program
- Drive Electric Vermont partnership

Incentive Program for New PEVs



- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- eBike Incentive Program
- Drive Electric Vermont partnership

Incentive Program for New PEVs

Key Considerations:

- Vehicle MSRP cap
- Income guidelines
- Incentive amounts
- PHEV minimum standards

Program	Price Cap	
CHEAPR (Connecticut)	\$50,000 MSRP	
MOR-EV (Massachusetts)	\$50,000 (PHEV); \$55,000 (BEV & FCEV) Purchase Price	
Charge Up New Jersey	\$55,000 MSRP	
Drive Clean (New York)	\$42,000 base model MSRP; MSRP >\$42,000 eligible for reduced rebate (\$500)	
Vermont New PEV	\$40,000 (PHEV); \$45,000 (BEV) base model MSRP	

Center for Sustainable Energy to complete Incentive Program Optimization Study by February to provide recommendations for all three programs (New, Used, Replace Your Ride)

Program/State	2022 population	Approved applications (July '22 – Nov. '22)	Approved applications per 1,000 residents
CHEAPR (CT)	3,626,205	583	0.16
MOR-EV (MA)	6,981,974	1,267	0.18
Charge Up New Jersey (NJ)	9,261,699	1,293	0.14
Drive Clean (NY)	19,677,151	12,518	0.64
Vermont New PEV (VT	647,064	264	0.41

VERMONT ELECTRIC VEHICLE & INFRASTRUCTURE PROGRAMS

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- eBike Incentive Program
- Drive Electric Vermont partnership

mileagesmart ••••

Program Summary

- For Vermonters at or below 80% of State Area Median Income
 - For <u>used vehicles</u> rated by EPA at **40 MPG** or higher
 - Incentives up to 25% of vehicle cost, capped at **\$5,000**

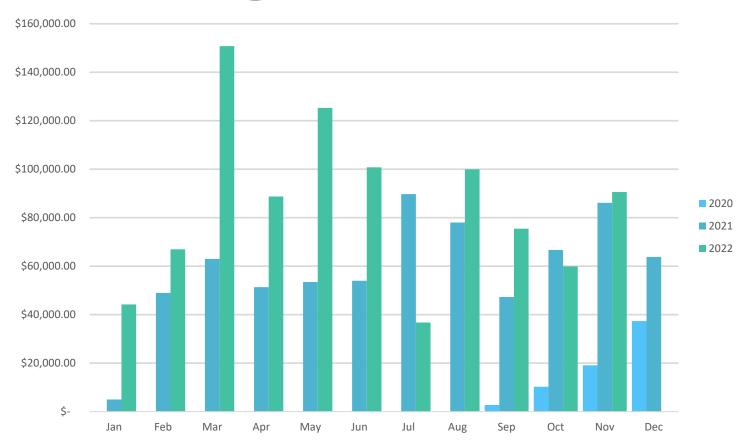


~\$3.1 million in incentive funds remaining (Out of \$5,200,000 total since 2020)

\$3 million authorized for SFY2023 in Act 184 Up to 15% of incentives issued allowed for program administration

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- <u>MileageSmart (Used</u> <u>EVs/PHEVs/hybrids)</u>
- Replace Your Ride
- eBike Incentive Program
- Drive Electric Vermont partnership

mileagesmart ••••



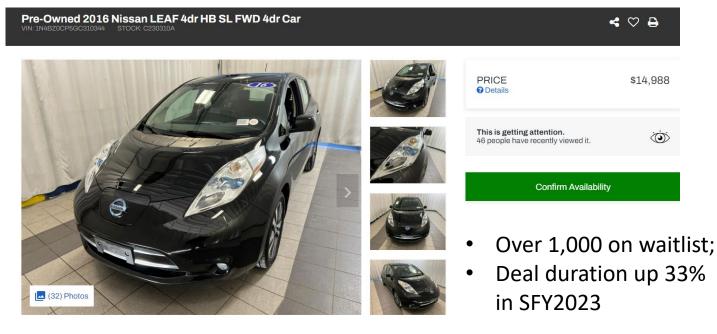
- More than \$1 million invested in 403 used vehicle incentives historically;
 82 issued in SFY2023 YTD
- Over **40%** of funding toward purchases of used PEVs

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- <u>MileageSmart (Used</u> <u>EVs/PHEVs/hybrids)</u>
- Replace Your Ride
- eBike Incentive Program
- Drive Electric Vermont partnership

mileagesmart ••••

Key Considerations:

- Vehicle MSRP cap
- Income Guidelines
- Incentive Amounts (AEVs, PHEVs, conventional hybrids)
- Limited vehicle supply—ideas to increase supply in short-term



- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- <u>Replace Your Ride</u>
- eBike Incentive Program
- Drive Electric Vermont partnership

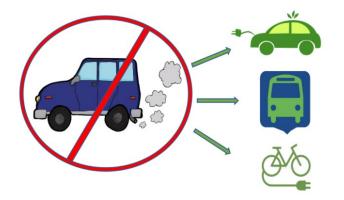
Replace Your Ride

Program Summary

Center for Sustainable Energy launched program in September 2022

\$3,000 voucher for Vermonters to replace 10+ year-old less efficient vehicles with cleaner transportation options (PEVs, bikes, e-bikes, e-motorcycles, shared mobility)

\$3,000,000 authorized for SFY2023 in Act 184



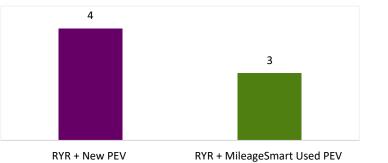
Participants must qualify for either MileageSmart or lower income bracket for New PEV Incentives

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- <u>Replace Your Ride</u>
- eBike Incentive Program
- Drive Electric Vermont partnership

Replace Your Ride

Key Considerations:

- Income Guidelines
- Incentive Amounts
- Eligible Vehicles
- Participating vendors



Replaced Vehicle			Incentivized Vehicle		
Make/Model	Model Year	Odometer (miles)	Vehicle Type	Make/Model	Model Year
Chevrolet Cruze	2011	57,840	Used PHEV	Chevrolet Volt	2017
Nissan VRS	2008	92,793	Used PHEV	Kia Optima	2017
Mazda MZ3	2008	138,061	Used BEV	Kia Niro	2020
Subaru Legacy	2005	215,162	New BEV	Nissan Leaf	2023
Volvo V70	2006	204,990	New BEV	Chevrolet Bolt	2023
Honda Civic	2008	195,671	New BEV	Nissan Leaf	2023
Honda Pilot	2008	201,884	New BEV	Nissan Leaf	2023

VERMONT ELECTRIC VEHICLE & INFRASTRUCTURE PROGRAMS

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- <u>eBike Incentive Program</u>
- Drive Electric Vermont partnership

Incentive Program for Electric Bicycles

Program Summary

Vermont launched first statewide e-bike incentive program in the nation, July 2022

\$105,000 total authorized in SFY2022 and SFY2023 (Acts 55 & 184)

- Program mirrored Incentive Program for New PEVs with two pathways:
 - 1. Point of Sale rebate at participating Vermont retail shops
 - 2. Consumer direct rebate post purchase to allow purchases online
- Incentive could be stacked on existing utility incentives (such as those offered by GMP, BED, Stowe Electric, etc)



- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- <u>eBike Incentive Program</u>
- Drive Electric Vermont partnership

Incentive Program for Electric Bicycles

Table 1. Incentive Amounts by Tax Filing Status, Adjusted Gross Income, and eBike Cost

Enhanced Rebate Eligibility and Incentive Amount					
	State Incentive Amount				
Adjusted Gross Income	New eBike Cost: less than \$800.00*	New eBike Cost: greater than \$800.00*			
 \$50,000 or less for an Individual filing as single or head of household \$50,000 or less for a Married couple filing separately \$75,000 or less for a Married couple filing jointly \$75,000 or less for an Individual filing as a qualifying widower 	50% of sale price	\$400			
Standard Rebate Eligibi	lity and Incentive Amount	t			
	State Incentive Amount				
Adjusted Gross Income	New eBike Cost: less than \$833.33*	New eBike Cost: greater than \$833.33*			
 \$50,001 to \$100,000 for an Individual filing as single or head of household \$50,001 to \$100,000 for a Married couple filing separately \$75,001 to \$125,000 for a Married couple filing jointly \$75,001 up to \$125,000 for an Individual filing as qualifying widower 	30% of sale price	\$250			

*The Purchase Price does not include sales tax.

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- <u>eBike Incentive Program</u>
- Drive Electric Vermont partnership

Incentive Program for Electric Bicycles

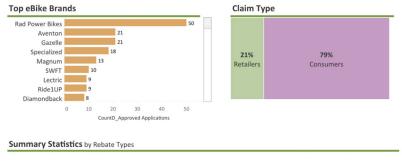
Key Stats:

- 279 incentives issued
- \$330 average incentive
- 70% of funding for enhanced incentives to households with lower incomes
- 21% purchases at local shops; 79% online

Center for Sustainable Energy to finish survey of participants this month

Drive	State of Vermont Incentive Program for eBikes				
Vermont	Incentives	Map	Not	es]
Approved Date All values	Rebate Type All	eBike Brand All	eBike Price All	Clain All	n Type
Total Approved Applications	Average Rebate Issued		Reserved / Appr filtered dates)	oved	Funds Remaining (not filterable)
279	\$330	:	\$92,018		\$482

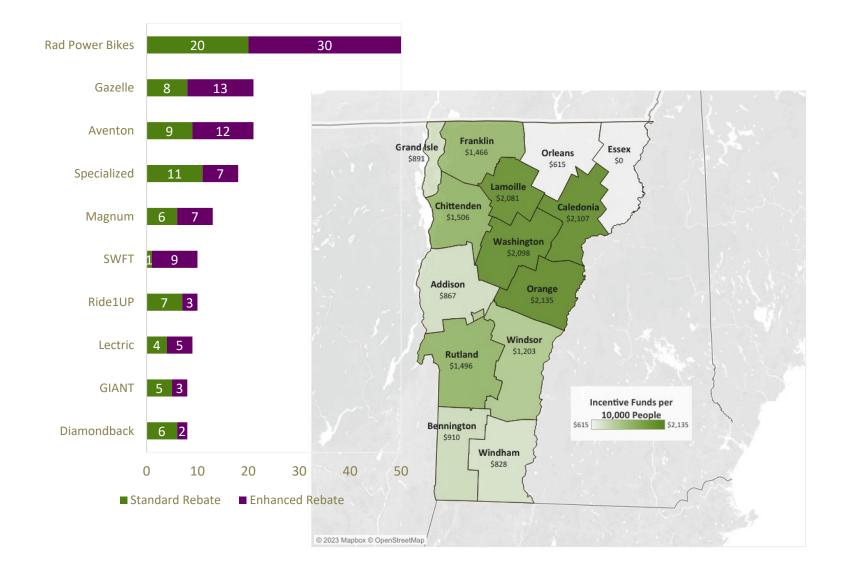




	Number of Approved Applications	Total Funding Reserved & Issued
Enhanced Rebates	155	\$61,294
Standard Rebates	124	\$30,724
Total	279	\$92,018
	Dashboard updated monthly Last update occurre	d November 17, 2022

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- <u>eBike Incentive Program</u>
- Drive Electric Vermont partnership

Incentive Program for Electric Bicycles



VERMONT ELECTRIC VEHICLE & INFRASTRUCTURE PROGRAMS

- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- eBike Incentive Program
- <u>Drive Electric Vermont</u>
 <u>partnership</u>

Partnership with Drive Electric VT

\$2 million authorized in FY2023 for Transportation Electrification, in addition to continued support to Incentive Program for New PEVs

Drive Electric Vermont is a public-private partnership established in 2012 by Vermont Energy Investment Corporation (VEIC) and the State, working to advance transportation electrification through:

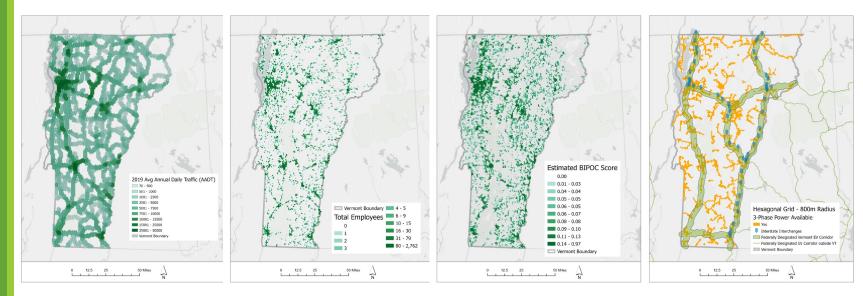
- Stakeholder coordination
- Policy engagement
- Consumer education & outreach
- Infrastructure development



- Incentive Program for New Plug-in Electric Vehicles (PEVs)
- MileageSmart (Used EVs/PHEVs/hybrids)
- Replace Your Ride
- eBike Incentive Program
- Drive Electric Vermont
 partnership

Partnership with Drive Electric VT

- VEIC supported VTrans in developing and submitting FHWA-approved National Electric Vehicle Infrastructure (NEVI) Plan to guide federal fast-charging investments along highway corridors
- Provided informational resources and technical assistance to residents, businesses, municipalities, nonprofits
- New priorities for 2023 and beyond include a leading-by-example Agency electrification plan, EV workforce development and diversity efforts, increased fleet support, deeper public engagement



Contact

Patrick Ó. Murphy

Sustainability & Innovations Project Manager Policy, Planning & Intermodal Development Division Vermont Agency of Transportation

802.595.6738 Patrick.Murphy@vermont.gov

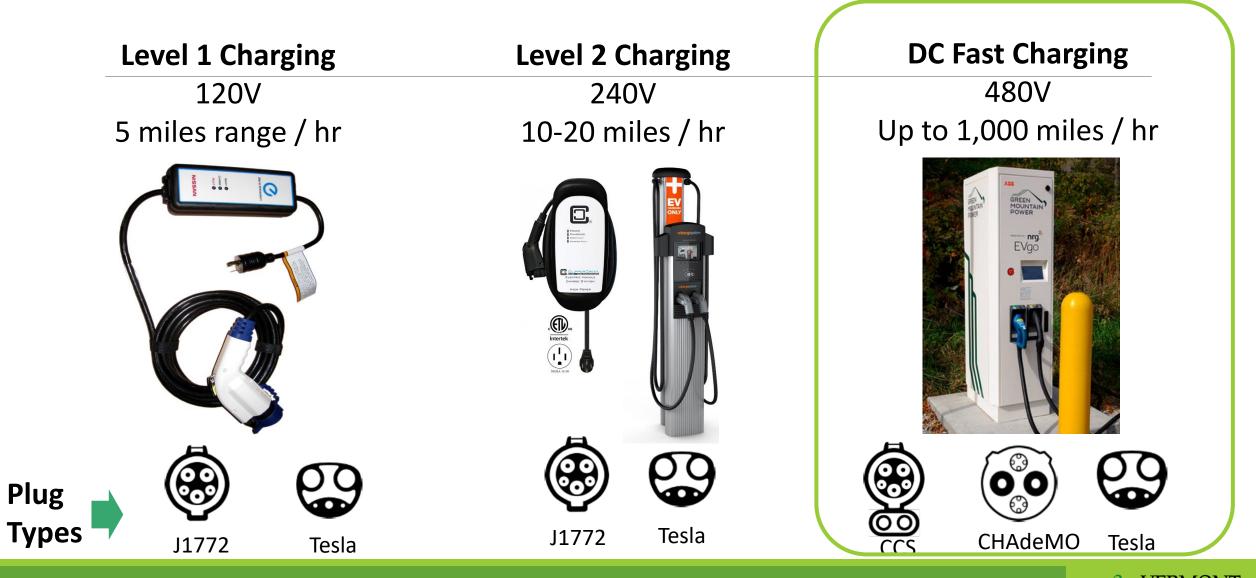


Electric Vehicle Infrastructure in Vermont

PRESENTATION FOR HOUSE TRANSPORTATION COMMITTEE, JANUARY 17, 2023

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

Charging Equipment

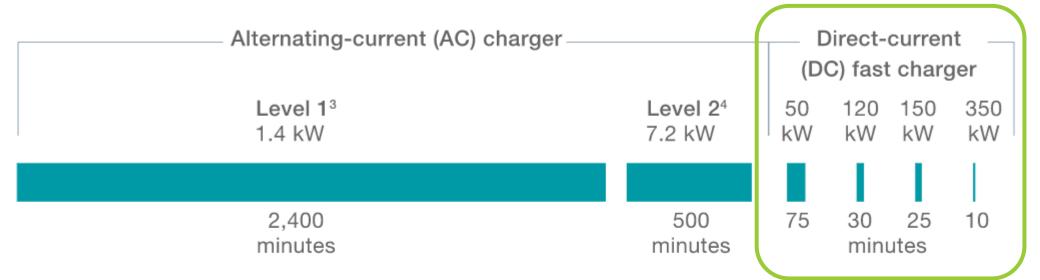


VERMONT ELECTRIC VEHICLE & INFRASTRUCTURE PROGRAMS



Charging Equipment

Time to "fill up" a 60-kWh electric-vehicle (EV)¹ battery using different chargers²



¹This assumes that the EV can charge at the higher kW direct-current fast-charging stations; most EVs today cannot charge faster than 100 kW.

²This assumes that the EV can charge at maximum speed during the entire charge. In reality, the charging speed varies. ³Level 1 equipment provides charging through a 120-volt AC plug; it generally refers to a household outlet.

⁴Level 2 equipment provides charging through a 240-volt AC plug and ranges from 16 to 40 amps. The most common is the 240-volt, 30-amp charger, which is 7.2 kW.

McKinsey&Company Mckinsey.com



Charging Equipment

Differences	Location	Charge Time	Price	Level	Driver
Community and	Interstate Travel	Travel 20 min	\$\$\$\$	Fast Charging	Parked
 Cost of infrastructure 	Entertainment/ Shopping/ Recreation	Public 0.5 – 3 hours	\$\$\$	L2/L3	Parked
 Cost of charging Charging speed 	Work/Transit Parking/Airport	Workplace 4 – 8 hours	\$\$	L1/L2	Parked
Trip purposesDwell times	At Home	Residential 8 – 10 hours	\$	L1/L2	Sleeping Parked



Charging Equipment – Capital Costs

	Level 1	Level 2	DC Fast Charging
Equipment Price	\$30 - 900	\$600 - 9,000	\$15,000 - 150,000+
Installation	\$200 - 450+	\$2,000 - 12,000+	\$10,000 - 100,000+
Total Capital Cost	\$230 - 1 <i>,</i> 350+	\$2,600 - 21,000+	\$25,000 - 250,000+



Charging Equipment – Operating Costs

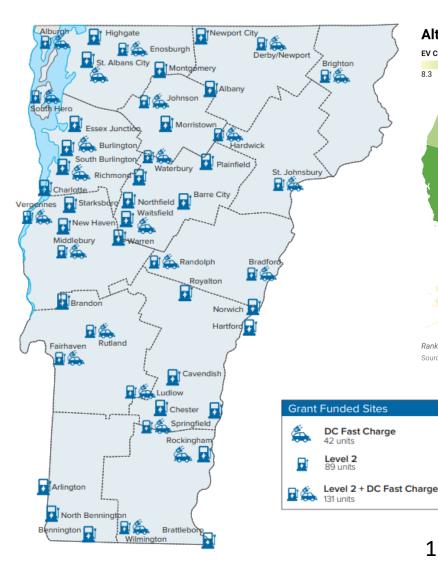
	Level 1	Level 2	DC Fast Charging
Energy	\$200 – 800+	\$200 – 2,500	\$500 - 15,000+
Networking (optional)	\$150 — 300	\$200 – 400	\$200 - 500+
Maintenance	\$200 - 400+	\$400 – 800	\$400 – 10,000+
Total Annual Cost	\$550 - 1 <i>,</i> 500+	\$800 – 3,700+	\$1,100 - 25,500+



Funding Timeline

- <u>2014</u>: DHCD and Dept of Environmental Conservation launch Electric Vehicle Supply Equipment (EVSE) Program with \$200k
- 2017: Volkswagen Settlement, \$2.8 million
- 2019: ~ \$1 million for 75 Level 2 + 5 DC Fast Chargers
- 2020: \$1.7 million to Blink for 11 locations
- <u>2021</u>: \$750k in capital funds to Norwich Technologies for 6 locations
- 2022: \$1 million to residential charging for multiunit housing

Public EVSE Investments in Vermont



Ranking based upon EV charger density per capita; a rank of 1 is the best, most-dense. Source: CoPilot • Created with Datawrapper

Vermont has highest number of public chargers per capita in U.S.

139.7 charging ports per 100,000 people

Annual EVSE Map

17 locations under contract and in progress with Blink Charging and Norwich Technologies

Minimum 2 DC Fast Chargers, with Level 2 charger for redundancy

New Station Locations

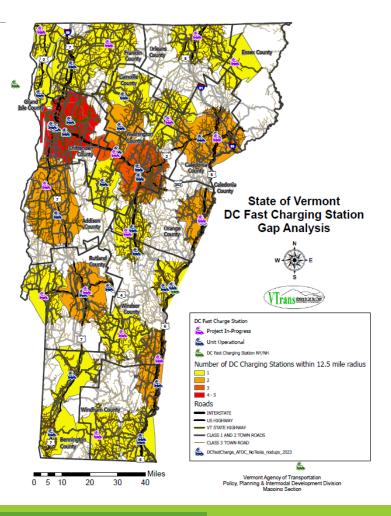
Waterbury, Bennington, Brattleboro, Royalton/Bethel, White River Junction, Killington, Hardwick, Hartford, Randolph, St. Johnsbury

Challenges:

- Limited state funding
- Slow rollout of federal
- Site host agreements
- Electrical upgrades
- Supply chain issues
- Rural business case

Private Investments:

- GMP/utilities
- Auto Dealerships
- Convenience stores/gas
- Community Attractions



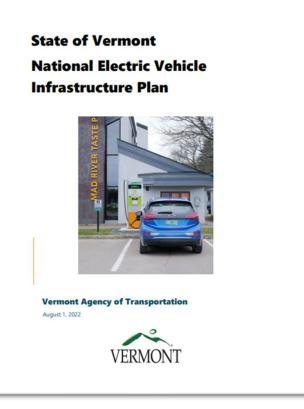


EV Charging Infrastructure

\$6.25 million in federal funds authorized in SFY2023 for fast charging along highway corridors

Coming up:

- Vermont National Electric Vehicle Infrastructure (NEVI) Plan approved in September 2022 by FHWA unlocks **\$21.2 million** over five years for corridor charging; annual plan update required
- Inflation Reduction Act (IRA) reinstates and expands EV charging tax credits to enable more projects throughout the state
- **Carbon Reduction Program** to allow more flexible investments on important, but non-designated corridors
- **NEVI "gap-filling" and competitive grants** to further build out corridors and communities alike





Timeline

<u>February – July 2022</u>: Guidance announced in February, Notice of Proposed Rulemaking in June; Outreach and plan development

<u>July 2022</u>: Vermont submitted EV Charging Plan to FHWA

<u>August 2022</u>: Proposed phaseout of existing waiver for EVSE from Buy America provisions of IIJA

September 2022: FHWA approval of plan

<u>Winter- Spring 2023</u>: Public Engagement Plan

Updated Plan Due Annually

NEVI Formula Program Guidance

 Priority given to EVSE along the interstates for corridor nominations, and investments to be made there first. (When fully "built out" as certified by FHWA, State may move onto other locations)

•New minimum requirements: 4 CCS ports of 150 kW each (600 kW total per site)

•50 mile distance from the next charging location, but now only 1 mile from interstate exit or state highway intersection (prior radius was 5 miles)

No guidance yet on the following:

- Minimum standards for equipment
- •Buy America requirements
- Waiver or buildout certification process
- 10% for Gap-filling grants
- •Competitive grant programs for Corridor and Community Charging

Alternative Fuel Corridors

FHWA Designation

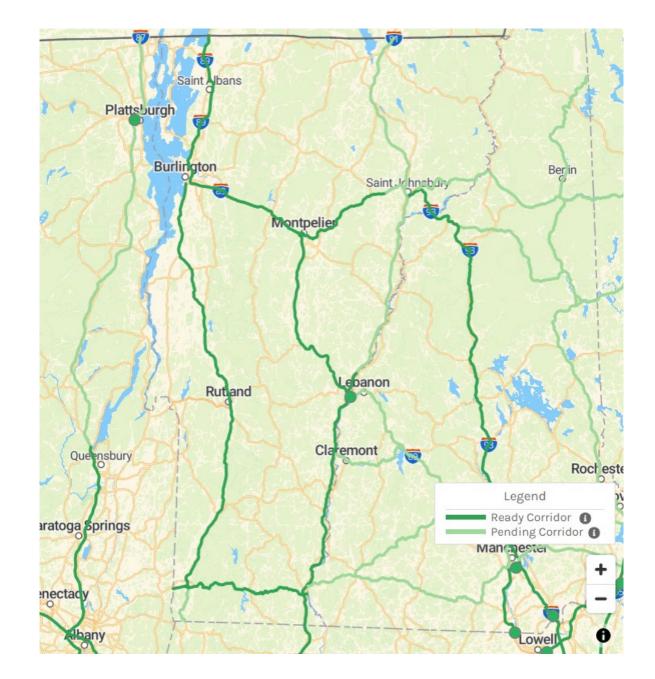
- Stations within 50 miles of the next on the highway system and within 1 mile of an exit, with few exceptions
- Site power capability should be no less than 600 kW (supporting at least 150 kW per port simultaneously across 4 ports).

VT Corridor-Ready:

Interstates 89, 91; State Routes 9, 2, 7

VT Corridor-Pending:

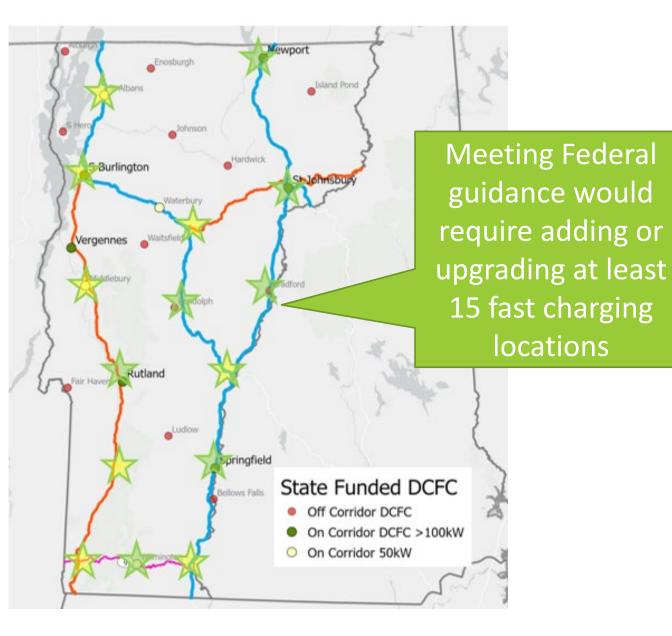
- US-2: Between Danville and VT/NH border
- US-7: Between Bennington and VT/MA border



National Electric Vehicle Infrastructure (NEVI) Plan

Planned Upgrades:

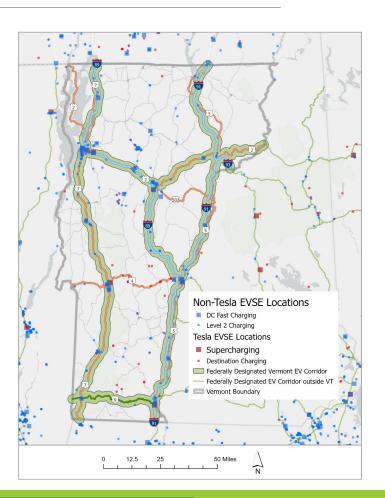
- Bradford
- Derby/Newport
- Randolph
- Rutland
- St. Johnsbury
- Springfield
- Wilmington



VERMONT ELECTRIC VEHICLE & INFRASTRUCTURE PROGRAMS

General Location Prioritization Factors

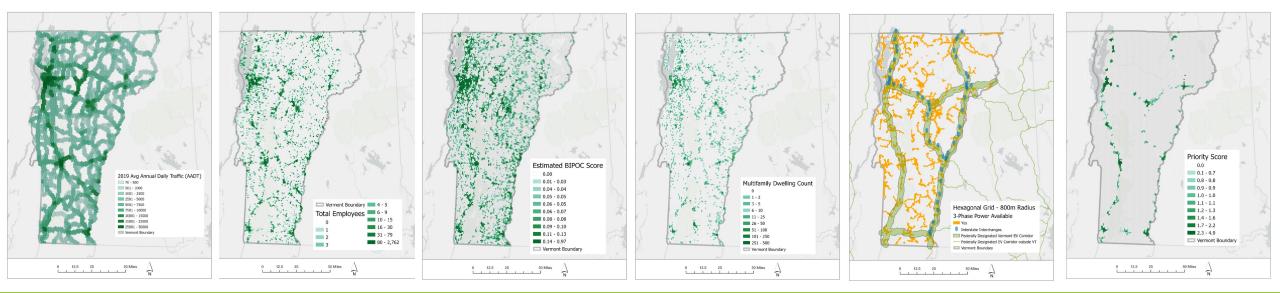
- Highway traffic volumes
- Travel services and other employment
- Walkability
- Environmental justice factors related to income and race
- Multifamily housing units
- 3-Phase power availability
- Proximity to federally designated EV corridor
- Distance to qualifying EV charging location with four 150kW DCFC ports





Prioritization Mapping

- Factors are mapped into hexagonal grid cells that are about 1/2 mile radius
- Quantities are normalized to allow combinations across different types of priorities
- Final priority score for initial NEVI plan is limited to eligible areas along federally designated EV corridors
- Future plans will likely expand on this as additional federal and State guidance develops





Next Steps

- Survey interest of property owners in participating in NEVI and other funding programs for public EVSE
- Contract to upgrade seven existing and planned locations to meet NEVI requirements
- Issue RFQ for qualified EV Charging providers/operators
- Once final rules and Buy America provisions are known, issue RFPs for further buildout of Alternative Fuel Corridors
- Conduct Public Engagement in 2023 for NEVI and Carbon Reduction Programs
- Continue to evaluate and re-develop statewide plans





Contact

Patrick Ó. Murphy

Sustainability & Innovations Project Manager Policy, Planning & Intermodal Development Division Vermont Agency of Transportation

802.595.6738 Patrick.Murphy@vermont.gov

