MOR-EV Trucks Proposal

Summary

DOER intends to revise the MOR-EV program to provide rebates to electrify medium and heavy-duty (MD/HD) trucks.

Timeline

DOER recommends program implementation as soon as practicable, likely in early 2021.

Detailed Proposal

DOER may revise the MOR-EV program to provide rebates to private (personal & commercial) purchases of MD/HD electric vehicles.¹ Expanding the MOR-EV program enables a rapid implementation schedule as compared to standing up a new program. DOER has an existing program administrator under contract, and existing funding authorization which can be applied toward transportation electrification efforts.

DOER intends to commit \$10 million to the MD/HD program.

The incentive level will vary according to vehicle gross vehicle weight rating (GVWR) in alignment with federal classification of trucks.

GVWR (lbs)	USDOT Class	BEV	Incentive Reservation
0 - 6,000	1	\$2.5k	Rebate (existing MOR-EV)
6,001 - 8,500	2.a	\$5k	Rebate
8,501 - 10,000	2.b	\$7.5k	Rebate
10,001 - 14,000	3	\$12k	Rebate
14,001 - 16,000	4	\$18k	Voucher
16,001 – 19,500	5	\$25k	Voucher
19,501 – 26,000	6	\$35k	Voucher
26,001 - 33,000	7	\$45k	Voucher
33,001 +	8	\$60k	Voucher

The MD/HD incentive values will be:

- Rebates for lighter vehicles (purchase reimbursement)
 - o Rebates processed like current program, paid following registration
- Vouchers for heavier vehicles (fund reservation)
 - Voucher reserved at time of purchase commitment and paid at time of registration
 - o Voucher valid for 9 months from time of fund reservation
 - After voucher expires, can reapply for voucher, but it will be issued at the current block rate

¹ Public entities would not be eligible for this incentive. Public entities can access to other funds.

• Declining Block Rebate Values

o The incentives will decline over time to incentivize early adopters

USDOT Class	BEV	Incentive Reservation	Block Size	Block Decline Rate
1	\$2.5k	Rebate	N/A, Existing MOR- EV	
2.a	\$5k	Rebate		
2.b	\$7.5k	Rebate	200	10%
3	\$12k	Rebate		
4	\$18k	Voucher		
5	\$25k	Voucher	100	10%
6	\$35k	Voucher		
7	\$45k	Voucher	25 10%	
8	\$60k	Voucher		

• Per-Fleet/Customer Limit

- An individual fleet owner may receive a maximum of 10% of any block; subsequent rebates/vouchers to that fleet owner will be at the following block decline regardless of if the previous block is filled
- o DOER may also implement a firm cap on number of vehicles eligible per fleet

• EJ Adder

DOER recommends MOR-EV-Trucks follow the SMART program lead on deployment in EJ communities by increasing the rebate by 10% for trucks registered in a zip code which contains an income EJ criteria block or which can demonstrate greater than 50% of operations occur within one.

• Scrappage Requirement

- The program will not include a scrappage requirement
- Potential Program Overlap
 - Vehicle recipients of other vehicle incentives, such as DEP VW funds, would not be eligible for this incentive.
- Data Provision
 - Incentive recipients will be required to provide DOER with vehicle miles traveled in first year to inform future policies and programs.

Next Steps

- Public Feedback
 - Please submit comments on DOERs proposal to expand the MOR-EV program to include incentives for MD/HD trucks to <u>Will.Lauwers@mass.gov</u> by Friday November 13.