

Efficiency Maine Electric Vehicle Accelerator

PROGRAM MANUAL

Section 1. Introduction

Efficiency Maine's Electric Vehicle Accelerator ("EV Accelerator" or the "Program") is a program to promote vehicles in Maine that are cleaner, more efficient, and less costly to operate and maintain. The Program will provide public information and financial incentives aimed at increasing the sale and usage of qualifying Battery Electric Vehicles (BEVs) and Plug-in Hybrid Vehicles (PHEVs) (collectively, "EVs") in Maine.

This Program Manual describes the design for Efficiency Maine's EV Accelerator. Maine consumers interested in buying or leasing an EV, and Maine car dealers seeking to promote EVs through this Program, should refer to this Program Manual for guidance on definitions, eligibility criteria, and procedures for receiving a rebate from Efficiency Maine.

Section 2. Program Overview

Efficiency Maine's EV Accelerator program provides financial incentives to Maine residents, businesses, non-profits, and governmental entities to reduce the upfront cost of purchasing or leasing an EV in Maine.

At the time of purchase or lease from a Maine participating dealer, an eligible consumer (an "EV Purchaser" as defined in Section 5) enters into a separate Purchaser Agreement with Efficiency Maine for the rebate.

Rebates are given at the point-of-sale as a price adjustment when an EV Purchaser purchases or leases an Eligible EV at a Participating Dealership.

The Participating Dealer completes and submits all required rebate application materials to Efficiency Maine as part of the EV purchase or lease transaction.

Once all rebate application materials have been submitted and verified, Efficiency Maine provides the applicable rebate payment directly to the Participating Dealer as reimbursement for the price adjustment credited to the EV Purchaser.

The Program also allows for the processing of rebate applications received by Efficiency Maine from eligible EV Purchasers (i.e., not from a Participating Dealership) who purchase or lease an Eligible EV directly from an original equipment manufacturer that does not have a licensed franchised new car dealer in Maine, so long as all other Program requirements are met. (See Section 9 for Rebate Application Process, below).

NOTE: Program terms and conditions, including EV Purchaser eligibility, Participating Dealer eligibility, EV model eligibility, and rebate amounts are determined by Efficiency Maine, which retains the right to

amend this Program Manual and to change, suspend or terminate the Program at any time. The most current version of the Program Manual at the time of the EV purchase or lease transaction will apply. Participating Dealers and EV Purchasers should visit www.energymaine.com to review the most current version of the Program Manual applicable at the time of the vehicle transaction.

Section 3. Program Goals

The goals of the Program are the following:

1. Reduce harmful air emissions, including NO_x and CO₂ emissions, from vehicles in Maine by displacing the use of inefficient internal combustion engines with the increased use of high-efficiency electric vehicles (EVs);
2. Lower the energy costs of Maine vehicle fleet operators and Maine drivers;
3. Facilitate market transformation that will, over time, result in Maine drivers shifting from vehicles that consume high-price, high-carbon fuels to vehicles that operate on electricity; and
4. Advance Maine's progress in meeting carbon reduction requirements established in 38 MRSA §576-A such that, by January 1, 2030, annual greenhouse gas emissions in Maine are reduced to at least 45% below the 1990 annual greenhouse gas emissions level; by January 1, 2040, the annual greenhouse gas emissions level will be on an annual trajectory sufficient to achieve the 2050 annual emissions level; and by January 1, 2050, annual greenhouse gas emissions in Maine will be reduced to at least 80% below the 1990 annual greenhouse gas emissions level.

Section 4. Program Contact

All questions related to the Program should be directed to the EV Initiatives Program Manager at Efficiency Maine:

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Section 5. Definitions

1. **Battery Electric Vehicle (BEV):** means a fully electric, zero-emission vehicle that has an on-board electrical energy storage device that is designed to be recharged using an external energy source. BEVs may also sometimes be called "All-Electric Vehicles."
2. **Eligible EV or Qualifying Vehicle:** means, in addition to any other vehicle eligibility criteria specified in this Program Manual, a new (not previously sold at retail or not previously registered) BEV or PHEV that meets the criteria of Section 6.3 of this Program Manual.
3. **EV Purchaser:** means a purchaser or lessee of an Eligible EV who establishes eligibility for this Program by demonstrating that they satisfy the criteria of Section 6.2 of this Program Manual.
4. **EVs:** The family of electric vehicles comprising BEVs and PHEVs.

5. **Maine Governmental Entity:** means the State and any office, department, agency, authority, commission, board, or other instrumentality of the State, and any political subdivision of the State, including any city, town, plantation, county, quasi-municipal corporation, special purpose district, utility district, school district, transit district, airport authority, regional transportation corporation, fire service, and emergency medical service, all as further defined in 14 M.R.S. §8102.
6. **Participating Dealer or Participating Dealership:** means a licensed new car dealership located in Maine that has been approved for Program participation by Efficiency Maine and has executed and delivered a Participating EV Dealer Agreement and remains in good standing with Efficiency Maine. Efficiency Maine may maintain a list of Participating Dealers on the Program website.
7. **Plug-in Hybrid Electric Vehicle (PHEV):** means a vehicle that uses an on-board electrical energy storage device that is designed to be recharged using an external energy source to power an electric motor and also uses a petroleum-based fuel to power an internal combustion engine.
8. **Point of Sale:** refers to the time and place of the purchase or lease transaction with or through a Participating Dealer at which the EV Purchaser receives the benefit of the Program rebate through a purchase or lease price adjustment by the Participating Dealer shown as a line item deduction on the official purchase or lease contract for an Eligible EV.
9. **Program Effective Date:** means Thursday, August 29, 2019. Only Eligible EVs purchased or leased on or after the Program Effective Date may be Eligible for a Program rebate.
10. **Qualified Low-Income Maine Resident:** a Maine resident who is verified by Efficiency Maine to be a member of a household, domiciled at that household in Maine, that has qualified at any time in the prior 12 month period to receive assistance through Maine’s Low Income Home Energy Assistance Program (LIHEAP).
11. **Qualifying Non-Profit Service Provider:** RESERVED.
12. **Tribal Government:** means a federally-recognized tribal government located in the State of Maine,” which are: the Aroostook Band of Micmacs, the Houlton Band of Maliseet Indians, the Passamaquoddy Tribe - Indian Township, the Passamaquoddy Tribe - Pleasant Point, and the Penobscot Indian Nation.

Section 6. Program Eligibility, Requirements and Restrictions

Section 6.1 Dealer Eligibility

To participate in the Program, Dealers must meet the following criteria:

1. Be a licensed, franchised new car dealer located in the State of Maine; and
2. Offer for purchase or lease at least one of the Eligible EVs listed on the Efficiency Maine Program website; and
3. Execute and deliver a Participating EV Dealer Agreement agreeing to all Program terms and conditions.

Participating Dealers must comply with the terms and conditions of the Participating EV Dealer Agreement and follow the required documentation and rebate application procedures prescribed by Efficiency Maine in this Program Manual.

Section 6.2 EV Purchaser Eligibility, Requirements and Restrictions

To participate in the Program as an EV Purchaser, the following criteria, requirements and restrictions apply:

1. EV Purchaser must be one of the following:
 - a. an individual Maine resident at least 18 years of age with a current Maine driver's license,
 - b. a business entity or nonprofit entity in good standing, authorized to do business in the State of Maine, and having an office in the State of Maine,
 - c. a Maine Governmental Entity; or
 - d. a Tribal Government located in the State of Maine;
2. Qualified Low-Income Maine Residents must receive written validation of eligibility from Efficiency Maine **prior to the purchase or lease** of an EV in order to receive the enhanced rebate amount. The person identified as a Qualified Low-Income Maine Resident in a pre-approval or validation of eligibility from Efficiency Maine must be the same person who is named in the vehicle sales agreement and title application (for purchases) or named in the vehicle lease agreement (for leases) and who subsequently registers the eligible EV;
3. Maine Governmental Entities and Tribal Governments must receive written validation of eligibility from Efficiency Maine **prior to the purchase or lease** of an EV in order to receive the enhanced rebate amount. The entity identified as a Maine Governmental Entity or Tribal Government in a pre-approval or validation of eligibility from Efficiency Maine must be the same entity that is named in the vehicle sales agreement and title application (for purchases) or named in the vehicle lease agreement (for leases) and subsequently registers the eligible EV;
4. Maine business entities and nonprofit entities must provide proof of "Good Standing" from the Maine Secretary of State's website **prior to or at the time of the purchase or lease** of an EV. *See Section 8(1)(a)(viii) below for instructions on documentation.*
5. EV Purchaser must purchase or lease an Eligible EV from a Participating Dealer for use and operation in the State of Maine or, if there is no authorized franchised dealer located in the State of Maine, must purchase or lease an Eligible EV directly from an original equipment manufacturer for use and operation in the State of Maine;
6. EV Purchaser must execute and deliver a Program Purchaser Agreement agreeing to all Program terms and conditions including, without limitation, agreeing to reimburse the full value of any rebate if any information provided by the EV Purchaser is false or if the EV Purchaser breaches the terms of the agreement;

7. EV Purchaser must complete and submit (or have the Participating Dealer submit) all required Program documentation;
8. EV Purchaser must register the Eligible EV in the State of Maine and maintain registration in the State of Maine for at least 36 months;
9. If purchasing an Eligible EV, EV Purchaser must retain ownership of the vehicle for at least 36 months from the date of purchase or, if leasing an Eligible EV, must have an initial lease term of at least 36 months.
10. Program limits on number of rebated EVs per EV Purchaser
 - a. Individual Maine residents purchasing or leasing an Eligible EV for personal use are limited to a maximum of 2 rebates per year;
 - b. A business or non-profit organization is limited to a maximum of 10 rebates per year;
 - c. A Maine Governmental Entity or a Tribal Government is limited to a maximum of 10 rebates per year; and
 - d. The limits on the number of rebates per EV Purchaser may be waived, in writing, by Efficiency Maine in its sole discretion, upon a finding that the vehicles are intended for end-use principally in Maine for the minimum required 36-month period and there are sufficient funds remaining in the Program budget.

Section 6.3 Vehicle Eligibility

To be eligible for an Efficiency Maine rebate through this Program, an EV must:

1. Be a model of BEV or PHEV that, at the time of the purchase or lease transaction, appears on the Efficiency Maine list of Eligible EVs posted on the Program website located at <https://www.efficiencymaine.com/EV/ev-accelerator-available-rebates>. Efficiency Maine's list of Eligible EV models will be drawn from and will represent a subset of the currently available model years of new BEVs (also called "All-Electric Vehicles") and PHEVs listed on the U.S. Department of Energy (DOE's) Office of Energy Efficiency and Renewable Energy website at www.FuelEconomy.gov. The Efficiency Maine list of Eligible EVs will be updated as Efficiency Maine becomes aware of new Eligible vehicle models reaching the market in Maine.
 - a. For BEVs, small neighborhood electric vehicles do not qualify.
 - b. For PHEVs, only vehicles rated by [FuelEconomy.gov](http://www.FuelEconomy.gov) to achieve 20 miles or more of electric-only range will qualify.
2. Be a new vehicle having a price of no more than \$50,000 where the price is defined as MSRP minus destination/delivery charges, and no other discounts, deductions, credits or rebates are to be counted in the eligibility determination calculation. For Tesla customers, the total Purchase Price must not exceed \$50,000 after the deduction of delivery, destination, document, and order fees.

3. Be a new vehicle that has not been previously:
 - a. The subject of a completed retail sale; or
 - b. Registered with the Maine Bureau of Motor Vehicles or the motor vehicle registration agency or authority of any other jurisdiction.
4. Have an Original Equipment Manufacturer's (OEM) warranty that fully covers the battery and electric drive train.
5. Be purchased or leased:
 - a. On or after the Program Effective Date and prior to the date and time of the Program's termination, as noticed to Participating Dealers and on the Efficiency Maine website, in writing, or on December 21, 2021, whichever comes first; and
 - b. From a Participating Dealer, for use and operation in the State of Maine or, for makes of vehicles for which there is no authorized franchised dealer located in the State of Maine, purchased or leased directly from an original equipment manufacturer for use and operation in the State of Maine.

Section 7. Rebate Amounts

Rebate amounts for Eligible EVs are as enumerated in this Program Manual which may be adjusted from time to time by Efficiency Maine, at its discretion.

1. For eligible Battery Electric Vehicles (BEV) that are FHWA Class 2 and 3 Passenger Cars, Vans or Trucks (having a Gross Vehicle Weight Rating of less than 10,000 lbs.)
 - a. **\$2,000**, per vehicle or
 - b. **\$3,000** for a Qualified Low-Income Maine Resident or
 - c. **\$7,500** for a Maine Governmental Entity or Tribal Government
2. For eligible Plug-in Hybrid Vehicles (PHEV) that are FHWA Class 2 and 3 Passenger Cars, Vans or Trucks (having a Gross Vehicle Weight Rating of less than 10,000 lbs.)
 - a. **\$1,000** per vehicle or
 - b. **\$1,500** per vehicle for a Qualified Low-Income Maine Resident or
 - c. **\$2,000** for a Maine Governmental Entity or Tribal Government

Section 8. EV Rebate Application Process

There are two paths to apply for a Program rebate. The first path occurs at the point of sale during the process of buying or leasing an EV through a Participating Dealer; the second path is to apply directly to Efficiency Maine when purchasing or leasing an EV through an original equipment manufacturer that does not have a licensed franchised dealership in Maine.

1. Application pathway for point of sale rebate at Participating Dealers

- a. Participating Dealership will collect and/or record the following for each Program transaction:
 - i. Applicant's current Maine driver's license (may not be a temporary license);
 - ii. Applicant's place of residence or business and location of titling;
 - iii. Information identifying vehicle (make, model, year, mileage, VIN);
 - iv. Information identifying the price of MSRP minus destination/delivery charges (with no other discounts, deductions, credits or rebates to be counted in the calculation), the final vehicle sale (or lease) price, and all rebates applied;
 - v. Purchaser Agreement (Dealer Program) signed by the EV Purchaser;
 - vi. For Qualified Low-Income Maine Residents, pre-approval letter from Efficiency Maine;
 - vii. For Maine Governmental Entities and Tribal Governments, pre-approval letter from Efficiency Maine; and
 - viii. For Maine businesses and non-profit organizations, proof of "Good Standing" in the form of a screenshot of the entity's "Status" from the Maine Secretary of State's website. The Status can be found at the State's Interactive Corporate Services page (<https://icrs.informe.org/nei-sos-icrs/ICRS>) by clicking on the link for "Corporate Search" and entering the name of the business/organization in the "search" field. When the search generates a result showing the named business/organization, click on the link for "Information Summary." If there is more than one listing in the Information Summary, choose the one that most closely represents the part of the business/organization that will be purchasing or leasing the new EV. *See also* Section 9(8), below.
- b. Participating Dealership will provide an instant rebate in the form of a price adjustment corresponding to the applicable rebate amount for the vehicle at the Point of Sale.
- c. Participating Dealership will complete and submit the required online Efficiency Maine Rebate Reimbursement Form with all information and supporting documentation as set forth in Section 9 of this Program Manual within two weeks of the purchase or lease transaction date.
- d. Efficiency Maine will reimburse Participating Dealer for the rebate amount via electronic fund transfer within 7 business days of approving the Rebate Reimbursement Form.

The EV rebate applied for and delivered through the pathway of Participating Dealers is intended as a point of sale purchase price adjustment facilitated through the Dealer. The EV Purchaser should consult with its tax advisor to determine if the EV rebate amount may be treated as taxable income. Efficiency Maine makes no representation as to the tax treatment of the EV rebate.

2. Application Pathway for Purchase Direct from Manufacturer

- a. Customer will submit an Efficiency Maine EV Rebate Application Form with all information and supporting documentation as set forth in Section 9 of this Program Manual within thirty days of the purchase or lease transaction date.
- b. Customer-direct applications will only be accepted for the purchase or lease of an Eligible EV directly from an original equipment manufacturer (OEM) that does not have a licensed

- franchised new automobile dealer in Maine (e.g., Tesla). If such vehicles become authorized for sale or lease within the State of Maine through a franchised new car dealer, applicants will be required to purchase or lease such vehicles from a Participating Dealer.
- c. Efficiency Maine will mail a rebate check to the customer when all eligibility criteria and Program requirements and restrictions are met and all completed documentation is received. Efficiency Maine reserves the right to request additional supporting documentation as it deems necessary for accurate processing of a rebate application.

Under the direct rebate process for Eligible EV's purchased or leased from an original equipment manufacturer, the EV Purchaser receives the rebate payment directly from Efficiency Maine. EV Purchaser should consult with its tax advisor to determine if the EV rebate amount may be treated as taxable income. Efficiency Maine makes no representation as to the tax treatment of the EV rebate. Efficiency Maine may issue a Form 1099 for any payments made.

Section 9. Required Program Application Materials and Documents

All of the following documents are required to be completed and submitted to Efficiency Maine in order for a Program rebate to be processed:

1. Copy of Efficiency Maine Rebate Reimbursement Form with a copy of the signed EV Purchaser Agreement (from Dealership) or EV Rebate Application Form with acknowledgement of Terms and Conditions (from Customer buying direct from manufacturer), as applicable;
2. Copy of Maine Bureau of Motor Vehicles Form, "Application for Certificate of Title";
3. Copy of the signed Retail Purchase/Lease Agreement;
4. For individual purchasers or lessees, a copy of current Maine driver's license (may not be a temporary license);
5. For Qualified Low-Income Maine Residents, a copy of the written pre-approval from Efficiency Maine. Pre-approval letters are to be requested from Efficiency Maine by completing the EV Low-Income Resident Form with current name and address where Purchaser is domiciled;
6. For Maine Governmental Entities and Tribal Governments, a copy of the written pre-approval from Efficiency Maine;
7. For purchasers and lessees other than individuals, proof of the existence of an office or operation located in Maine and the address in Maine where the vehicle is to be located; and
8. For a business entity or nonprofit entity, proof of "Good Standing" with the State of Maine shown by saving and/or printing a screenshot of the entity's "Information Summary" from the Maine Secretary of State's website located at this link: <https://icrs.informe.org/nei-sos-icrs/ICRS?MainPage=x>.

For point of sale transactions, all required documents will be submitted to Efficiency Maine by the Participating Dealer. For transactions through a car manufacturer that does not have a dealership in Maine, the EV Purchaser will submit all completed required documents directly to Efficiency Maine.

Section 10. General Terms and Conditions

1. EV Purchaser must title and register the vehicle in Maine and must retain registration of the vehicle in Maine for a minimum of 36 consecutive months immediately after the vehicle purchase or lease date.
2. EV Purchasers (including lessees) who do not retain the eligible vehicle in Maine for the full 36-month ownership or lease period will be required to reimburse Efficiency Maine the full amount of the original rebate, except that this provision will be waived in the event that the EV Purchaser switches to another Eligible EV in Maine having the same or higher all-electric range as the original vehicle for which a rebate was provided.
3. EV Purchasers will not make or allow any modifications to the vehicle's emissions control systems, hardware, software calibrations, or hybrid system other than as recommended by the manufacturer or Participating Dealer.
4. Any emission reductions generated by the vehicle may not be used by EV Purchaser as marketable emission reduction credits, to offset any emission reduction obligation of any person, or to generate a compliance extension or extra credit for determining regulatory compliance.
5. EV Purchasers are subject to follow-up inspection and audit as may be required by Efficiency Maine.
6. EV Purchaser acknowledges and agrees that, as a condition of receiving an EV rebate, Efficiency Maine is granted the right to access and review EV Purchaser's energy usage data in connection with Efficiency Maine's evaluation and analysis of program effectiveness and outcomes.
7. Participating Dealers will not be reimbursed for point of sale rebates given if the purchaser or lessee or the subject vehicle is determined to be ineligible for the rebate.
8. Participating Dealers must refund to Efficiency Maine amounts paid for point of sale rebates for EVs that are purchased or leased, and then are returned to the dealer for a full refund or exchange.
9. Participating Dealers and/or their sales staff may, from time to time, be provided a Sales Performance Incentive Fund (SPIF) payment from Efficiency Maine to overcome specific barriers to increased EV sales.
10. Participating Dealers are subject to follow-up inspection and audit as may be requested by Efficiency Maine.

