

DRAFT

Via electronic submission to board.secretary@bpu.nj.gov

October 12th, 2021

TO: Aida Camacho-Welch
Secretary of the Board
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FROM: Pamela Frank, CEO, ChargEVC
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On behalf of ChargEVC-NJ
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RE: Request for Comments - Proposed Electric Vehicle "Charge-Up New Jersey" Vehicle Rebate Program Changes (**Docket Number QO21040720**)

Secretary Camacho-Welch:

Enclosed please find the comments submitted on behalf of ChargEVC-NJ, pursuant to the notice released by the Board of Public Utilities regarding the Compliance Report and associated proposed program changes for the Charge-Up New Jersey Electric Vehicle rebate program (**Docket Number QO21040720**).

We look forward to discussing this matter with you further,

Pam

Mark

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CEO, ChargEVC-NJ

Mark Warner
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Introduction & Background

ChargeVC-NJ is a not-for-profit coalition of automotive retailers, utilities, technology companies, power generators, power retailers, local governments, environmental, community, equity and labor advocates and manufacturers. The coalition's work focuses on accelerating the transition to electrically fueled transportation in New Jersey. Based on research and analysis, including input from its members with expertise in the diverse segments relevant to market development, ChargeVC-NJ develops and advocates for program and policies that will accelerate market development at the state level.

The coalition was formed in 2016 in response to technological progress that makes the electric vehicle (EV) market one of the most advanced clean transportation technologies available – one that is capable of delivering broad and significant benefits to all the people in New Jersey.

The second year of the Charge-Up New Jersey EV rebate program (Program) re-opened with the new fiscal year on July 1, 2021. \$23M of funding was available for new rebate commitments, deployed through the new “cash on the hood” dealer interface. The New Jersey Board of Public Utilities (BPU) closed the program again on September 15, 2021, based on the expectation that all funds had been committed. On September 23, 2021, the BPU released a compliance report on the Program, including recommendations for a) an additional mid-year funding addition of \$20M from other sources within the Clean Energy Program (CEP) budget and b) significant changes in the program design.

The compliance report did not include detailed statistics about program usage, or analysis that justified the significant changes proposed. While more program detail was provided on the website, the majority of FY2022 activity remains unknown and there has been no transparency regarding the motivations and rationale by which BPU is recommending significant program design changes. The resulting blind-spot raises serious concerns about the basis for the significant program revisions being proposed. In an effort to inform program decision making, ChargeVC has completed new research on key program design factors and the performance necessary to attain State adoption goals, and the following comments are based on those efforts.

The focal point of these comments is that the program design changes proposed by the BPU – especially regarding incentive levels - will prevent New Jersey from reaching its statutory EV adoption goals, and will frustrate the State's efforts to reduce GHG emissions and improve public health. Numerous studies have highlighted the need for urgent action, on both climate change and air quality improvement - both of which are at the heart of the Murphy Administration's policies. **Yet at the very time New Jersey needs to be accelerating its EV market development investments, the OCE/BPU is proposing to pull-back.** These comments will detail ChargeVC's recommendations that the Charge-Up Program move forward with rebate levels and funding that will meet, not impede, achievement of New Jersey's goals.

Executive Summary

The following sections provide more detailed input on key topics, which can be summarized as follows:

a) All the detailed comments below combine to support our primary conclusion: **the proposed program design changes will put the state's 2025 adoption goal out of reach.** New Jersey has established a strong foundation as a national leader in EV market development, but making large changes to the program would erode that leadership, and harm stimulation of the sales growth needed to meet State goals. Now is not the time to soften programs that accelerate EV adoption.

b) Therefore, ChargeVC does NOT support making major incentive design changes at this time, especially in a rush when there is so little data, overall sales context, or time for stakeholder involvement. The proposed changes (**dropping the incentive caps by half** to \$2,500 and \$1000), are a HUGE modification to the program, and there simply isn't enough program experience or information available to properly inform program changes of this magnitude. More importantly, even if program changes are warranted, program design evolution should be incremental, not large adjustments that will shock the market. **Making such drastic and severe changes at this time would be premature, harmful, and would likely introduce program design errors that would be difficult to correct later.**

b) The current incentive design is appropriate for sustaining the growth needed to attain adoption, and the strong response to the program in July, August, and (likely) September 2021 confirm a robust consumer response that, as intended, has stimulated sales above the natural run-rate. While the program activity may appear to be exceptionally strong, it is important to realize that the activity in the 10 weeks from July through mid-September were serving significant pent-up demand developed during the previous nine months when no rebate was available. **When assessed in that context, we believe the current design structure is stimulating the consumer response necessary to meet goals for this year and next.** More details on this analysis are provided in the detailed comments below.

c) ChargeVC analysis suggests that **\$40M is likely the minimum level of additional funding to keep the program open consistently** through the end of the fiscal year, and that **the \$20M in supplemental funding proposed by the BPU be used to re-open the program immediately.** Further analysis related to this estimate is provided below.

d) Other states offer EV rebate programs, and there is merit to understanding the experience in those jurisdictions to inform program planning and design in New Jersey. The short timeframe available for stakeholder input did not allow for exhaustive benchmarking, but we have been able to assess the impact of the proposed key programs based on benchmarks from other states.

While there are **other states with \$2,500 rebates, those states are NOT on a trajectory to meet their 2025 adoption goals.** Other states have made large program changes that collapsed demand for years, or conversely demonstrated how well managed incremental change can sustain sales growth even as incentives gradually decline. The market analogs provide examples of what works, and what doesn't – and in particular, there is substantial evidence that the program changes proposed by the BPU would put the 2025 adoption goals out of reach. More detailed comments below address these market analog benchmarks.

e) ChargeVC strongly supports relaunching the program with supplemental funding ASAP - preferably in October 2021 - so that we don't miss the end-of-year window that is critical for PEV sales (because of the federal tax credits). **Getting the program re-opened, and keeping it open consistently to avoid the chaotic start/stop cycles, is critical for robust development of the market. As noted in more detail below, we recommend that the program be re-opened without any program/incentive design changes.** Retaining the existing program design is also the “path of least resistance and effort” for program re-opening, since changes in the program website, forms, etc. can be avoided.

f) Longer term, program design changes may be appropriate - but only after there is more program experience, data transparency, and analysis. As of right now, we only have about 10 weeks of actual experience at the current design - and very little data about that activity. We recommend starting a new stakeholder proceeding to **identify potential program design changes that would take effect for the FY23 program.**

g) Along with the application of supplemental funding, retaining current program design, and re-opening the program immediately, **ChargeVC recommends several process improvements that are crucial.** Given the delays being experienced by some OEMs due to the chip-shortage and global pandemic, it is critical that the program allow rebates to be reserved when a vehicle is ordered, and to allow for extended intervals for vehicle delivery without penalty. In addition, this stakeholder process has demonstrated the critical need for transparency, and ChargeVC recommends several process changes to improve completeness and timeliness of market activity reporting.

Ensuring Goal Attainment

The multiple perspectives summarized below combine to reinforce our primary recommendation: **focus should be on ensuring attainment of the 2025 adoption goal, and now is not the time to pull back on incentive levels. The definition of success should be whether the attainment goal is met, not whether all the program funds are expended.** The BPU is proposing a massive change in program design, with little transparency or justification, which ChargeVC believes will harm development of the rebate-stimulated sales momentum needed to meet formal State goals. Multiple recent studies have demonstrated the catastrophic impacts of both climate change and the public health impacts from transportation-based air pollution – with dire warnings that the time for mitigating those impacts is quickly vanishing. Just when New Jersey should be ramping up EV sales momentum, it is proposing to pull back. For all the reasons outlined in more detail below, ChargeVC believes that the proposed program design changes would represent a self-inflicted error that puts the 2025 goals out of reach.

Orderly Program Evolution

The BPU is proposing massive changes in the program design, implemented in a single step, without any justification for the new design parameters. Such a large change will be highly disruptive to the market, and leaves little room for learning or re-calibration should the revised program design, or the transition thereto, prove to be problematic. The proposal to cut the rebate caps in half (from \$5K to \$2.5K for vehicles under \$45K, and from \$2K to \$1K for vehicles between \$45K and \$55K) represents a whiplash approach to program evolution. This is not a responsible way to make policy decisions.

Instead, consistent with principles of orderly market evolution and incremental changes that allow learning and fine-tuning, any program changes should be incremental in nature. The proposed program changes represent modifications that are both deep and hasty, and for which the BPU has provided no justification. Furthermore, it is important to establish precedent for evolutionary program adjustment and fine-tuning, not capricious alternations of such large magnitude.

Most importantly, the BPU, the market, and stakeholders have very little experience with the new “Phase Two (POS)” version of the Program. It opened at the beginning of the fiscal year (July 1, 2021, and closed just over 10 weeks later (on September 15). Ten weeks of experience, with reporting on how only ~20% of FY2022 funds have been committed, is simply an insufficient basis for making ANY changes, much less the drastic and severe changes being proposed.

We strongly oppose the BPU making the large changes proposed, when program experience is so meager, and when no justification for the revised design parameters has been provided. **Making such severe and drastic changes at this time would be premature, harmful, and would likely introduce program design errors that would be difficult to correct later.**

Assessing Program Performance¹

The \$23M² available for new rebate commitments was dispensed in approximately 10 weeks. Based on the limited information available (especially regarding September activity), ChargeVC estimates are that roughly 6,400 rebates were committed during the brief window when the FY2022 program was active. Since actual program results have not yet been reported, the following analysis was based on an assumption of 6,400 rebates committed over 10 weeks, averaging \$3,600 per rebate.

While that level of activity appears to be fast paced, it is important to recognize that when the FY2022 program opened in July, it almost certainly served pent-up demand that accrued during the preceding nine months when no rebate was available. On that basis, the 6,400 rebates likely represents roughly ~711 rebated PEV sales per month (on average) had the rebate program been consistently available over that period (December 15 – September 15). **It is critical to recognize that the rapid depletion of the program, apparently mostly in September, is the result of an extended period during which the rebate was not available.**

While the start/stop nature of the rebate program has been harmful, there is one silver lining – we now have data about how New Jersey consumers behave when they KNOW that rebates will become available, but which are not available at the time they make their buying decision. Consumers that bought PEVs from January through June are, by definition, consumers for which “the rebate was not relevant.” Absent more direct market research, this gives us a meaningful data point about what the “natural run-rate” is for PEV (mostly BEV) purchases in New Jersey at the current time.

Based on publicly available sales data for New Jersey, there were 10,352 PEVs sold between January and June 2021 (2,850 PHEVs and 7,502 BEVs). That averages 1,725 PEV sales per month over that sample period. This represents the “natural sales rate” associated with customers for whom a) the MSRP of the vehicle is over \$55K (in which case the NJ rebate is not applicable) OR b) customers for which the NJ rebate (between \$2,500 and \$5,000) was not worth waiting for. If

¹ We also explored sales in 2020, during the Phase 1 version of the program, to extract any program performance metrics that might be relevant. But a) given that it was the first year of the program, and the Phase 1 program did NOT include the POS feature, b) that it was retroactive back to when the EV law was signed, and c) market dynamics were seriously disrupted by COVID during this period, we do not believe any statistics from 2020 are relevant to the characterization of sales in 2021, especially from July forward when the new POS program design was available.

² While the Compliance Report notes that \$30M was allocated to the FY2022 program, of which \$7M was used to address previously made commitments, the budget summary (included with the notice and request for comments) indicated that the FY2022 budget was \$33.4M. The analysis that informed these comments was based on the data provided in the compliance report, and the assumption that \$23M was available for new commitments starting July 1 2021.

those “natural run rate” customers sustained the same average over a 12-month period, it would result in 20,704 PEV sales/leases for calendar year 2021.

The FY2022 program impacts not just sales in 2021, but it is also crucial for creating sales growth into 2022. At least 33,019 sales are expected to be needed in calendar-2022.³ The baseline established in 2021 (1,725 PEV per month of natural run-rate), plus an additional 711 rebate-stimulated sales each month, if extrapolated over the 12 month period of 2022, results in about 29,232 PEVs sold next year – short of the 33,019 target for the year. Additional sales growth will be needed into 2022 to stay on track for attainment of the 2025 goal. **Success for the Charge-Up New Jersey program should not be based on whether the money is quickly spent, but whether it is resulting in the sales growth needed to meet codified state goals.** When assessing recent program activity, it is therefore necessary to consider success from both the perspective of meeting sales targets for 2021, AND whether the program is creating the growth necessary to deliver the additional sales needed in 2022, when a roughly 55% year-over-year growth in sales is needed.

The ChargeVC conclusion from this initial data is that the current natural and rebated run-rates are “about right” for sustaining the sales needed to stay on track for the 2025 target, considering the sales needed in both 2021 and 2022. **The high-intensity market action in July thru September is a result of the fact that roughly 9 months of sales were concentrated into 10 weeks, not because the rebate program was stimulating more activity than is needed.**

Necessary Funding Levels

Given the forecast for 2021 and 2022 (to hit the 2025 goal), and typical month-to-month variations, **26,864 new PEVs need to be sold/leased from July 2021 to June 2022.** Given the stop/start cycles introduced into the program again, and the chance that growing pent-up demand will again materialize, ChargeVC recommends that \$40M in supplemental funding be allocated to avoid another FY2022 program shut-down *while also* stimulating the sales growth needed for 2022.

When considering the necessary funding levels, it is also important to consider the level of incentive. As noted above, the run-rate analysis – compared with targets associated with the 2025 goal attainment – suggests that the current \$5K rebate (for vehicles with MSRP below \$45K) is stimulating about the right level of additional sales activity above the natural run rate. **This segment will become especially critical for growth since many of the newest vehicles are priced in this range for mainstream buyers.** It is these new vehicles that will drive substantial growth.

³ See “New Jersey Electric Vehicle Market: Current Conditions and Projections”, June 12, 2021, by Gabel Associates for ChargeVC.

For that reason, we believe strong support for the current \$5K rebate incentive is necessary and prudent.

There is another way to assess the needed incentive design, and that approach also confirms that the current \$5K incentive level is what is necessary to meet state goals. In 2018, the National Renewable Energy Laboratory (NREL) and Tufts University collaborated to assess the impact that various market development strategies had on PEV adoption, based primarily on programs in California at that time.⁴ That study confirms key elements of the Light-Duty Vehicle (LDV) market development strategy enshrined in New Jersey's EV Law, including a) a focus on both PEV affordability and fast public charging infrastructure development as the two most impactful strategies, b) recognition that rebates worked better than tax credits, and c) evidence that rebates worked best when "monetized" for the consumer at the point of sale. **New Jersey is pursuing exactly this strategy.**

Based on a detailed multi-variable analysis of program design and adoption behavior, the NREL-Tufts study quantified the following key statistic: **for every 1% of a BEV's MSRP that is reduced by a rebate, BEV adoption will increase by 2.16%.⁵**

Knowing the required increase in sales to meet the 2025 target, combined with the vehicle MSRP, we can estimate the level of rebate necessary to achieve the desired growth.

Since the above statistics were based on BEVs, and since BEVs now represent the overwhelming majority of sales, we can focus on BEV market dynamics. The average natural sales growth in 2017, 2018, and 2019 (before the Phase 1 rebate was introduced) was 27.3%⁶. Based on the current forecast of sales necessary to hit the 2025 target, year-over-year sales growth needs to average 53.1%. The incremental sales augmentation needed from rebate-stimulated sales is therefore 25.8%. Using the average BEV base MSRP (weighted average for NJ 2020 sales) of \$46,035⁷, the statistics from the NREL-Tufts study suggests that a rebate of \$5,498 would be needed to realize the sales-stimulation necessary to achieve state goals in 2025.

There are many moving parts involved in these calculations, and significant data gaps. However, the fact that the run-rate analysis suggests that the current \$5,000 incentive design is stimulating

⁴ "The role of demand-side incentives and charging infrastructure on plug-in electric vehicle adoption: Analysis of US States", Environmental Research Letters 13 074032, 2018, Narassimhan and Johnson.

⁵ The impact of the federal tax incentive was not included in these calculations, since its influence is considered already reflected in the natural run-rate, since it has been relatively consistently available over the years analyzed.

⁶ Sales results for 2020 were not included in this baseline due to the highly unusual impacts of the COVID-19 Pandemic on economic activity worldwide, including in New Jersey.

⁷ Based on an analysis of available vehicle BASE MSRP and the make/model distribution of net vehicle registration growth from YE 2019 to YE 2020 to compute a weighted MSRP average.

the necessary level of sales (especially given the growth needed into 2022), and that the rebate incentive that would be computed from the NREL-Tufts study is just over \$5,000, suggests that the current incentive level is appropriate for current market conditions and the growth needed to achieve state goals.

Finally, based on the FY2022 program data published for July and August, there are now clear segments emerging as induced by the current design structure. Approximately 21% of rebate commitments were for \$2,000, which we can safely assume were vehicles with MSRP in the \$45K-\$55K range. Of the remaining majority of vehicles that were eligible for rebates up to \$5,000, 95.5% had rebates above \$2,500. This statistic implies that the BPU's proposal to reduce the incentive cap to \$2,500 for vehicles with MSRP below \$45K would have eliminated the majority of the current rebate program participants. ChargeVC strongly recommends not reducing the current incentive-caps below their current levels in order to avoid exclusion of the most active segment of program participation.

In summary, we recommend that a) \$40M in supplemental funding be allocated to ensure the program can remain open through the remainder of the fiscal year WHILE ALSO creating the sales growth needed for 2022, b) as a first installment toward that needed funding, the \$20M already identified from the CEP budget be moved into the Charge-Up New Jersey program (as proposed by BPU) to allow immediate program re-start, c) that the current incentive-caps (\$5000 and \$2500) be retained to support the growth required to meet 2025 adoption goals.

ChargeVC members believe it is important to highlight that the BPU has not yet funded the EV rebate program – in either the first or second year – at the minimum required by law (\$30M for new rebate commitments). At a minimum, and moving forward, the BPU must meet the statutory funding requirements. In addition, ChargeVC expects that the full \$40M in recommended supplemental funding (i.e. \$20M in addition to the \$20M already identified by the BPU) can be gained from existing CEP program budgets that won't use allocated funds. Identification of potential sources is difficult given the current lack of spend-reporting, but there appears to be multiple un-spent budgets available. See the process section below for recommendations on the steps necessary to identify and prioritize the necessary funding.

Market Analogs

When considering program performance and potential program design changes, it is appropriate to reference the experience of other states with their PEV rebate programs. Time did not allow for an exhaustive review of all states that offer rebate programs, but benchmarks were developed for a state that was very similar to New Jersey, a state which made dramatic program changes, and a state which made gradual program changes over time – all of which offer real-world market examples that can help inform program design decision making.

New York – An Example Of The BPU’s Proposed Design: New York offers a PEV rebate program, and for a variety of reasons it is a good analog for New Jersey. It is a nearby northeastern state that is similar to New Jersey demographically (including a mix of urban, suburban, and rural regions), has a clear 2025 goal, and has been actively engaged in market development over a multi-year period. Most importantly, New York has offered a \$2,500 PEV rebate, up to an MSRP limit of \$42K, similar to the revised design proposed by the BPU. This program has been in place consistently for several years, and the sales stimulation impact can therefore be assessed clearly.

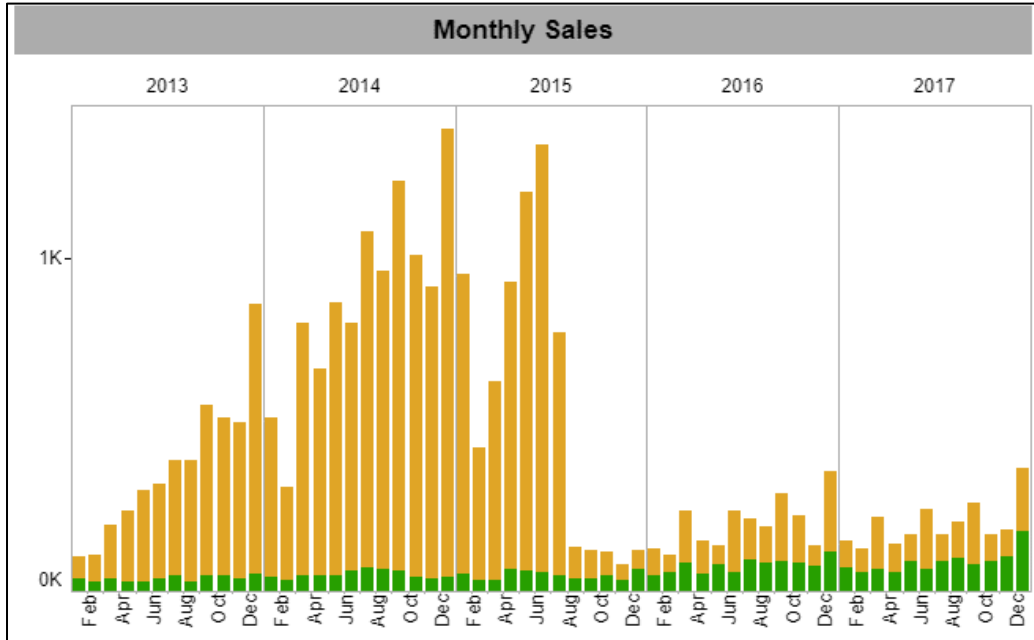
Despite having a \$2,500 rebate program in place for several years – New York does not appear to be on-track to achieve its 2025 goals. As of YE 2020, cumulative sales are at 7.7% of their 2025 goal. New Jersey – without a rebate program in place through most of market history up to YE 2020, has already attained 12.5% of its 2025 goal.⁸ **Emulating a rebate program that is already performing below what is necessary to achieve the state’s 2025 goals, and which has realized lower attainment relative to those goals (compared to the New Jersey experience to date) would be a mistake.**

In addition, when considering actual sales in New York for 2020 compared with New Jersey, and after scaling for relative Light-Duty Vehicle market size, New York sales are on par with the natural run-rate already evident in New Jersey. This statistic highlights that the rebate program proposed by the BPU, which is already operating in similar-and-nearby New York, has stimulated minimal additional sales beyond the natural run-rate that already exists in New Jersey. **Downshifting the rebate program in New Jersey – which has clearly stimulated a surge in sales above the natural run-rate – to match the performance in New York puts attainment of the 2025 goals at significant risk.**

Georgia – A Cautionary Example: Georgia provides an example of the long-term harm that can result when large program changes are made abruptly. Georgia previously offered a \$5,000 BEV rebate, very similar to that currently offered in New Jersey. That program was abruptly halted, resulting in near collapse of the market in that state. The following chart illustrates the changes in monthly BEV sales after the halt of the program in July 2017, after which sales fell by an average of 83%:

⁸ Aggregate sales exceed actual “vehicles on the road” (VIO), given the realities of vehicle retirements and other “net changes” in vehicle registration. Statistics are that VIO is roughly 74% of cumulative sales, and benchmarks are based on that factor are applied consistently across all states for an apples-to-apples comparison.

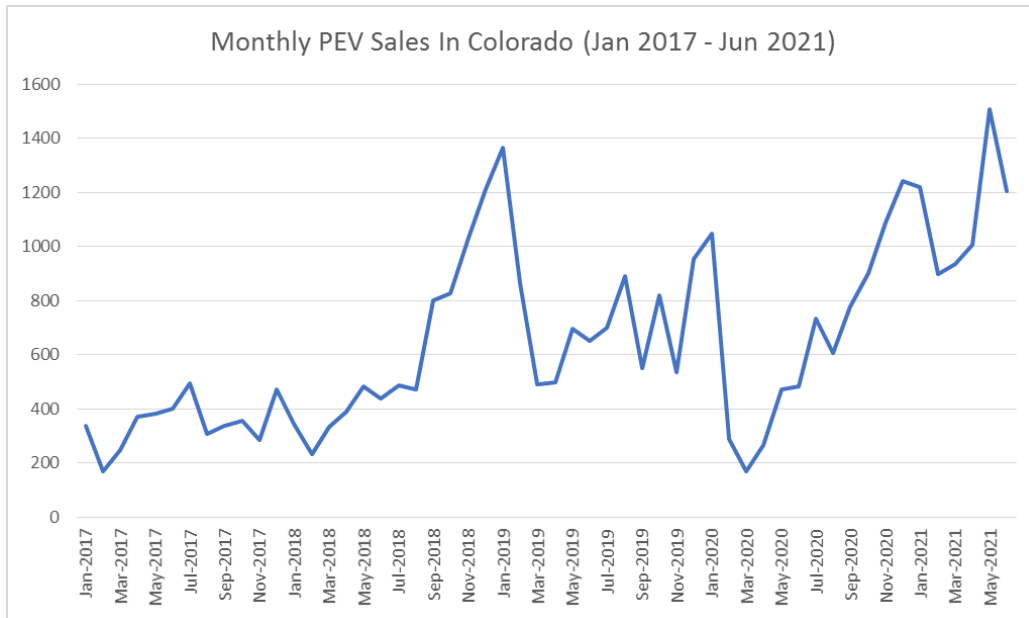
Figure 1: Historical PEV Sales In Georgia



While the BPU is proposing to cut the existing rebate program in half, and Georgia eliminated their program entirely, the dramatic collapse in the market in Georgia is still informative. That change represented a massive and abrupt program transition, and it took years for PEV sales to begin to recover. The experience in Georgia is a cautionary example regarding the risks of long-term market harm associated with large program changes.

Colorado – An Example Of Orderly Program Evolution: ChargeVC’s primary recommendation is that large program design changes should not be made, especially given the very limited market experience with the current design. Colorado is an example of good practice, i.e. a state that has made program design changes incrementally over a multi-year period, and which has maintained market growth despite gradual incentive reductions over time. The following chart summarizes monthly PEV sales in Colorado over more than four and a half years.

Figure 2: Historical PEV Sales In Colorado



Over this 4.5 year period, the Colorado EV incentive (state tax credit) has been incrementally reduced from \$5000 (when launched in 2017), to the current level of \$2,500. The \$5K incentive was kept in place for two years, with two reductions over the following two years. There was a large drop in sales when the rebate was reduced to \$4K in early 2019, but it rebounded soon thereafter. Similarly, even after the rebate dropped again at the beginning of 2021, sales have rebounded (including recovery from the COVID-related drop in early 2020). We believe Colorado represents an example of orderly program management, and market-proof that if incentives are reduced gradually over time, sales growth can be sustained. **The BPU is proposing to drop the \$5K rebate to \$2.5K after only 10 weeks of program experience, compared with the four years Colorado took to make the same transition.**

Taken together these three market analogs provide real-world guidance for New Jersey’s incentive program planning. Emulating a state like New York would not be prudent, given that the multi-year experience of that program design – which is nearly identical to what the BPU is proposing – has not put the State on track to attain its 2025 goals. Georgia represents an example where dramatic changes caused strong market shocks that took years to recover from, while Colorado demonstrates that orderly, incremental changes can be made to lower the incentive over time without harming sales growth longer term. **ChargeVC believes that these examples reinforce the merit of keeping the \$5K/2K incentive-caps at their current levels, and to consider making program changes gradually over time.**

Recommended Program Changes

Given the reinforcing confluence of all the considerations noted above, we strongly recommend that the BPU sustain the current \$5K/\$2K incentive-caps when re-opening the program. At least \$40M should be added to the budget to sustain the needed rebate volume through the end of the fiscal year, beginning immediately with the \$20M in CEP funding already identified by the BPU. The program needs to be re-opened right away to avoid the disruptive accumulation of pent-up demand that creates program surge.

Moving forward, when considering possible program changes, we think it appropriate to make use of guiding principles – established in advance – to inform program design changes. We recommend four guidelines to shape potential future program design changes:

1. The incentive level and/or MSRP threshold should only be reduced if the year-over-year growth rate for the previous year is consistent with the growth rate needed to hit the 2025 target, and;
2. In support of market stability, program changes should be stable over the course of a given fiscal year, and preferably over two years, and;
3. For any given program change, key design parameters (such as the incentive-cap) should not be changed by more than 10% in any given design iteration, and;
4. All program changes should be made only after consideration of stakeholder input, as required in New Jersey's EV law.

That said, ChargeVC recognizes the budget pressures and changing market conditions should motivate evolution of the program design over time – but incrementally. **We recommend that a proceeding be initiated to identify potential program changes, which would take effect for the FY2023 program.**

In addition to the budget and program design factors noted above, we also offer recommendations regarding process that will be critical to program success.

1. Given that PEV supply has become limited – especially as a result of the recent chip shortages and supply disruptions associated with the global pandemic – it is critical that the process a) be based on when vehicles are ORDERED and b) allow a significant interval over which deliveries may be made. The program needs to recognize that actual vehicle delivery may be months after a given vehicle is ordered. This process adaptation is necessary to align with real-world market conditions.

2. The BPU collects a range of information associated with each rebated sale, and it is critical that all this information be published by the BPU on a timely basis. To allow for the most transparent and granular analysis by stakeholders, and to ensure process and spending transparency, the BPU should publish key parameters for EACH vehicle rebated, including: the date the vehicle is ordered (or lease contracted) and application for rebate-reservation is made, the date the rebate is committed, the date the vehicle is delivered, the date the rebate is paid, vehicle make, vehicle model, MSRP of the vehicle sold, whether the vehicle is sold or leased, county, utility territory, zip code, private or fleet purchase, amount rebated, and information about the dealer involved in the transaction. Details about county, utility, and zip code reflect where the vehicle resides predominantly overnight.
3. Since the rebate program only covers a fraction of the total PEVs sold, it is critical to collect similar information about ALL PEV transactions. We therefore recommend that all dealers participating in the Charge Up New Jersey program be required to report the same information about ALL PEVs sold or leased, regardless of whether rebated or not. For non-rebated transactions, the rebate-related transaction dates and the amount rebated should be <NULL>, but all other parameters are applicable.
4. All rebate and program usage information should be published publicly within 10 calendar days of the end of each month to ensure timely transparency.
5. As noted in the previous section on funding, ChargeVC believes that existing CEP budgets should be sufficient to fund the incremental \$40M in supplemental funding. Based on the limited information currently available, potential “under-spend” opportunities include the storage program, further ramp-down of the EE programs (as utility EE programs are launched), the marketing and conference budgets, the residential charger program, and potentially others. Given the current unknowns, however, it is critical that a new stakeholder process be established to provide information on the current spend plans, and to allow for feedback on funding re-allocation priorities.

Aligning the rebate process with real-world ordering conditions, and ensuring complete and timely reporting of all transaction data, will be crucial to program success. In addition, more transparent CEP budget reporting is necessary, along with creation of a new process for identifying and prioritizing funding to account for real-world spend plans.

Conclusion

The detailed comments provided herein highlight ChargeVC's position that the program design changes proposed by the BPU will prevent New Jersey from reaching its statutory EV adoption goals, and will frustrate the State's efforts to reduce GHG emissions and improve public health. Numerous studies have highlighted the need for urgent action, on both climate change and air quality improvement. Yet at the very time New Jersey needs to be accelerating its EV market development investments, the BPU is proposing to pull-back.

We appreciate the opportunity to provide this feedback and acknowledge the input of the diverse range of ChargeVC members in making these recommendations. We look forward to working with the BPU to make the Charge-Up New Jersey program a long-term success, and to ensure attainment of New Jersey's 2025 adoption goals as a result.

Respectfully submitted on behalf of ChargeVC,

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