

Delaware Clean Vehicle Rebate Program

Implementation Manual

May 1, 2023 - May 1, 2024 (Funding Round 6)

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1. Purpose

The purpose of the Delaware Clean Vehicle Rebate Program (DECVRP) is to provide incentives for Delawareans and Delaware businesses to purchase or lease new battery electric or plug-in hybrid vehicles. This program encourages the deployment zero emission technology and is aligned with Delaware's commitment to reducing greenhouse gas emissions, innovating in the transportation sector, reducing greenhouse gases, and improving Delaware's air quality.

2. Program Overview

The Delaware Department of Natural Resources and Environmental Control (DNREC) developed the DECVRP to provide both a point-of-sale rebate program that reduces the cost of purchasing or leasing an eligible zero or low emission vehicle at participating Delaware dealerships and to provide an opportunity for Delaware residents or Delaware-residing organizations to receive the benefit of the rebate for purchasing vehicles for use in the State of Delaware. Rebates for the purchase or lease of eligible new battery electric and plug-in hybrid vehicles are available to qualified applicants under the Clean Vehicle Rebate Program. This document constitutes the Implementation Manual for the Program. Rebates are available for a variety of different vehicles that meet eligibility standards below:

- New Battery Electric Vehicles: Rebates of \$2,500 are available for the purchase or lease of a new battery electric vehicle with a base Manufacturer's Suggested Retail Price (MSRP) of less than \$50,000. See eligible vehicle list.
- New Plug-in Hybrid Vehicles: Rebates of \$1,000 are available for the purchase or lease of a new plug-in hybrid vehicle with a base MSRP of less than \$50,000. See eligible vehicle list.

3. Program Deadlines

Eligible new electric and plug-in hybrid vehicles must be purchased or leased between May 1, 2023 and May 1, 2024. All rebate applications must be submitted before July 31, 2024 in order to be eligible for the program. The program will continue until all funding has been exhausted or until May 1, 2024, whichever comes first.

DNREC reserves the right to suspend or extend the program at any time based on availability of funding.

4. Eligibility

4.1 Applicant Eligibility

The following individuals and entities are eligible for rebates under the Delaware Clean Vehicle Rebate Program:

- Delaware permanent residents (must provide copy of driver's license).
 - i. Individuals who do not have a Delaware driver's license will be required to provide a legible copy of a current alternate unique identifier, such as proof of Delaware residency in the form of a utility or cable bill within the last 3 months, a signed, dated, and notarized residential rental agreement,

or other valid form of Delaware residency as approved by DNREC.

- Active-duty military members stationed in Delaware with a temporary Delaware residential address but with permanent residency in another state (must provide Proof of Service letter).
- Businesses, non-profit organizations, or other organizations with both a physical location and address in Delaware and a Delaware business license (must provide copy of business license if applying for the rebate as a business. Temporary business licenses are not accepted).
- State agencies or departments, municipal governments, or county governments in the state of Delaware.
- Schools, colleges and universities located in the State of Delaware.

4.1.1 Who Is Not Eligible

- Persons owning property in Delaware but who have permanent residency in another state.
- Businesses who are incorporated in Delaware but do not have a physical location and/or a Delaware business license.

4.2 Dealership Eligibility

To participate in the Program providing the rebate at point-of-sale, Dealers must meet the following criteria:

- Licensed to sell vehicles in Delaware.
- Have a valid tax identification number.
- Sell a rebate-eligible electric or plug-in hybrid vehicle.
- Agree to and provide a signed copy of the Participating Dealer Agreement (Appendix A) to the program administrator at DriveElectricDE@energycenter.org.

4.3 Vehicle Eligibility

The Delaware Clean Vehicle Rebate Program provides rebates for the purchase or lease of new battery electric and plug-in hybrid electric vehicles.

To be eligible for a rebate under Funding Round Six, the vehicle must meet the following requirements:

- be on the list of eligible vehicles
- be **new** and purchased or leased between May 1, 2023 and May 1, 2024.
- have a base MSRP¹ of \$50,000 or less.
- be one of the following vehicle types:
 - i. **Battery Electric Vehicles (BEV)** Vehicles that are powered by high-capacity batteries that are charged using an external power source. Battery Electric Vehicles do not have a gasoline or diesel internal combustion engine.
 - ii. **Plug-in Hybrid Electric Vehicles (PHEV)** Vehicles that use batteries that are charged by an external power source in conjunction with a gasoline or diesel internal combustion engine.
- be titled and registered as new in Delaware. Vehicles with transfer registrations are not eligible for a rebate.

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¹ The base MSRP does not include optional or added features, equipment, and extended warranties. Base MSRP is confirmed by http://www.fueleconomy.gov/ where applicable. If the MSRP is not reported, the Original Equipment Manufacturer's website is utilized to confirm the base MSRP.

- have four wheels; zero-emissions motorcycles and three-wheeled battery electric vehicles do not qualify for the program.
- utilize an external power source to recharge on-board rechargeable batteries which provide energy to an electric motor, which then powers the vehicle.
- be propelled by an electric motor that draws electricity from a battery that has a rating of no less than 4 kilowatt hours.
- be designed and intended primarily for use on public highways, streets, and roads and be able to maintain a speed of at least 55 mph.
- be capable of passing the Delaware Department of Motor Vehicles Inspection.
- be for the use of the applicant, business, or organization, and not for resale purposes.

4.3.1 Ineligible Vehicle Types

- Neighborhood Electric Vehicles/Low Speed Electric Vehicles
- E-bikes
- Electric scooters
- Electric motorcycles
- Used vehicles

4.4 Maximum Rebates per Entity

To ensure equal distribution of program funds among Delaware residents and other eligible entities, DNREC will limit the number of rebates available as of May 1, 2023. Individuals are not eligible to receive more than two (2) rebates through the lifetime of the program. Businesses, non-profit organizations, governments, educational institutions and other eligibile entities may not receive more than six (6) rebates over the lifetime of the program.

5. Application Process

5.1 Application Process for Participating Dealers

To apply as a participating dealership, the dealership will follow these steps:

- Register as a "supplier" with the state of Delaware at <u>esupplier.erp.delaware.gov</u>. Once the Supplier file is approved, applicants will receive a Supplier ID number. A Supplier ID number is required to complete the application and receive payments. Payments will be issued based on the information entered in the supplier portal. To expedite payments, please select the ACH payment option when registering as a supplier.
 - i. You only need to register as a supplier once. If you have previously submitted your information, you do not need to submit it again but be sure the supplier file is active to avoid payment delays.
 - ii. If you need assistance registering as a supplier, please use <u>New Supplier Registration Guide</u>. The Supplier Maintenance Team can be reached at 302-526-5600 or <u>FSF_Supplier_Maintenance@delaware.gov</u>.
- 2. Enroll the dealership through the web portal. The individual that fills out the enrollment form will be considered the primary contact for the dealership and will be responsible for managing the dealership account. Typically, the primary contact is either the dealership owner or general manager.
- 3. Submit a signed copy of the Dealer Participation Agreement (Appendix A) to the program administrator

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at DriveElectricDE@energycenter.org.

- 4. Once the dealership enrollment form is submitted and the program administrator has received a signed copy of the Dealer Participation Agreement (Appendix A), the primary contact will receive an email containing their dealership's unique ID for the Delaware Clean Vehicle Rebate Program along with a link to Create an Account. The unique ID is required to ensure the primary contact's account gets linked to the dealership's program account.
 - *i.* Each dealership will receive three accounts one for the primary contact and two employee accounts. Employees can create their own accounts and link them to the dealership's program account using the same unique ID that is provided to the primary contact.
- 5. After the dealer account has been created, the dealer dashboard can be accessed. The primary contact will be prompted to enter ACH information. Please note that this step is necessary to verify the account and enable all features of the account. However, payments will be made according to the information the dealership entered in the Delaware supplier portal under Step 1.
- 6. Once ACH information is provided, the primary contact will have access to all of the features on the dashboard, including the ability to manage which employees can access the dealership's program account and an overview of all applications that have been submitted by the dealership.
 - i. Employee dashboards do not have the same functionality as the primary contact. These dashboards are focused on submitting rebate applications on behalf of customers and assessing where each application is in the approval process.

5.1.1 Application Submission

Dealers shall submit rebate reimbursement applications through the Dealer Web Portal at https://DriveElectricDelaware.org. Dealers shall have thirty (30) calendar days from the Vehicle Transaction Date to submit the application, including the required documents outlined in the Implementation Manual. The program administrator will reserve the incentive funds once the Dealer submits the application. The program administrator will cancel any applications not submitted and/or updated within thirty (30) calendar days of the Vehicle Transaction Date and release any funds reserved for the canceled application. The program administrator will notify the Dealer of the cancellation via email. Dealers are responsible for ensuring that they receive and review these email communications.

5.1.2 Required Documentation

Required documentation for each rebate reimbursement application includes:

- Proof of Delaware residency via a legible copy of the applicant's current, unexpired Delaware driver's license.
 - o For active-duty military members stationed in Delaware, but with permanent residency in another state, military orders may be used as proof of residency.
 - Individuals who do not have a Delaware driver's license will be required to provide a legible copy of a current alternate unique identifier, such as proof of Delaware residency in the form of a utility or cable bill within the last 3 months, a signed, dated, and notarized residential rental agreement, or other valid form of Delaware residency as approved by DNREC.
 - o For businesses, non-profit organizations, or other organizations with both a physical location and address in Delaware, a Delaware business license is required. Temporary licenses are not accepted.
 - For state agencies or departments, municipal governments, or county governments in the state of Delaware, a tax-exemption form or signed attestation may be provided to confirm operations in Delaware.

- o For schools, colleges or universities located in the State of Delaware a signed attestation may be provided to confirm operations in Delaware.
- A full and complete copy of the purchase or lease contract, with all pages included, from an eligible Delaware Dealership or Showroom. A complete contract must be fully executed, and the rebate must be shown as a line-item deduction on the applicant's contract. If the rebate cannot be shown as a separate line item on the contract, an additional form may be submitted. This form must include the applicant's name as shown on the contract and signature, the VIN, and the rebate as a separate line item. The contract must list the applicant's name and that name must match the one listed on the rebate reimbursement application.
- Proof of temporary or permanent Delaware vehicle registration for the vehicle listed in the application.
 - The registration must be active and valid at the time of application. Registrations that have expired before the application date will not be accepted. Either the applicant's name or the leasing agency's name must appear on the registration the same as it is listed on the vehicle purchase or lease agreement. The registration may also list a co-signer or joint owner on the contract. The vehicle must be registered to a Delaware address unless it is registered to a leasing agency. Applicants must maintain ownership or maintain a lease of the vehicle and an active Delaware registration for the vehicle for at least 36 consecutive months following purchase or lease.

5.1.3 Errors with Submitted Applications

If the Program Administrator determines that an application or its required documents are incomplete, illegible, or missing required information, the Program Administrator will notify the Dealer of the error via email. The Dealer then shall have an additional fourteen (14) calendar days from the date of notification to correct any errors or omissions. If the Dealer fails to correct the errors or omissions within the additional fourteen (14) calendar days, the program administrator will cancel the application, and DNREC will not release the reserved funds to the Dealership. If the program administrator determines the Dealer is ineligible for reimbursement because either the buyer or vehicle did not qualify for an incentive, the application will be cancelled the Program Administrator will notify the Dealer via email. Dealers are responsible for ensuring that they receive and review these email communications. If CSE cancels an incentive application for a particular vehicle, Dealers may reapply for an incentive for that vehicle within (14) calendar days of the cancellation date. For applications that the program administrator has determined are complete, DNREC will issue payments within 45 to 60 days of approval.

5.2 Applying as an Individual or Entity Post Purchase

To apply for a rebate post purchase, individuals and other entities must follow the following steps:

- Register as a "supplier" with the state of Delaware at <u>esupplier.erp.delaware.gov</u>. Once the Supplier file is approved, applicants will receive a Supplier ID number. A Supplier ID number is required to complete the application and receive payments. Payments will be issued based on the information entered in the supplier portal. To expedite payments, please select the ACH payment option when registering as a supplier.
 - iii. You only need to register as a supplier once. If you have previously submitted your information, you do not need to submit it again.
 - iv. If you need assistance registering as a supplier, please use this helpful guide or video. The Supplier Maintenance Team can be reached at 302-526-5600 or FSF Supplier Maintenance@delaware.gov.
- 2. Create an account through the web portal at https://DriveElectricDelaware.org and complete the Updated: March 30, 2023

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rebate application.

5.2.1 Application Submission

Individuals and other eligible entities must submit their rebate application through the Web Portal at https://DriveElectricDelaware.org. Applicants must submit the application, including the required documents outlined in the Implementation Manual within ninety (90) calendar days from the Vehicle Transaction Date. The program administrator will reserve the rebate funds upon receipt of the complete application. The program administrator will cancel any applications not submitted and/or updated within ninety (90) calendar days of the Vehicle Transaction Date and release any funds reserved for the canceled application. The program administrator will notify the applicant of the cancellation via email. Applicants are responsible for ensuring that they receive and review these email communications.

5.2.2 Required Documentation

Required documentation for each rebate application includes:

- Proof of Delaware residency via a legible copy of the applicant's current, unexpired Delaware driver's license.
 - For active-duty military members stationed in Delaware, but with permanent residency in another state, military orders may be used as proof of residency.
 - Individuals who do not have a Delaware driver's license will be required to provide a legible copy of a current alternate unique identifier, such as proof of Delaware residency in the form of a utility or cable bill within the last 3 months, a signed, dated, and notarized residential rental agreement, or other valid form of Delaware residency as approved by DNREC.
 - o For businesses, non-profit organizations, or other organizations with both a physical location and address in Delaware, a Delaware business license is required. Temporary licenses are not accepted.
 - For state agencies or departments, municipal governments, or county governments in the state of Delaware, a tax-exemption form or signed attestation may be provided to confirm operations in Delaware.
 - o For schools, colleges or universities located in the State of Delaware a signed attestation may be provided to confirm operations in Delaware.
- A full and complete copy of the purchase or lease contract, with all pages included from a licensed Dealership or Showroom. Out of state purchases qualify for a rebate as long as the applicant meets eligibility requirements, and the vehicle is titled and registered new in the state of Delaware.
- Proof of temporary or permanent Delaware vehicle registration for the vehicle listed in the application.
 - The registration must be active and valid at the time of application. Registrations that have expired before the application date will not be accepted. Either the applicant's name or the leasing agency's name must appear on the registration the same as it is listed on the vehicle purchase or lease agreement. The registration may also list a co-signer or joint owner on the contract. The vehicle must be registered to a Delaware address unless it is registered to a leasing agency. Applicants must maintain ownership or maintain a lease of the vehicle and an active Delaware registration for the vehicle for at least 36 consecutive months following purchase or lease.

5.2.3 Errors with Submitted Applications

If the Program Administrator determines that an application or its required documents are incomplete, illegible, or missing required information, the Program Administrator will notify the applicant of the error via email. The applicant then shall have an additional fourteen (14) calendar days from the date of notification to correct any errors or omissions. If the applicant fails to correct the errors or omissions within the additional fourteen (14) calendar days, the program administrator will cancel the application, and DNREC will not release the reserved funds to the applicant. If the program administrator determines the applicant is ineligible for a rebate, the program administrator will cancel the application and notify the applicant via email. Applicants are responsible for ensuring that they receive and review these email communications. If the program administrator cancels a rebate application for a particular vehicle, applicants may reapply for a rebate for that vehicle within (14) calendar days of the cancellation date. For applications that the program administrator has determined are complete, DNREC will issue payments within 10 to 12 weeks of approval.

6. Rebate Requirements

Applicants must meet the following requirements in order to be eligible to receive the Program rebate². The applicant must:

- Be one of the following:
 - A Delaware Resident, government entity, educational institution, or an entity registered/licensed to do business in the State of Delaware.

OR

- A new vehicle dealership in the State of Delaware approved to participate in the DECVRP and apply for the rebate after discounting the vehicle at the point of sale to qualifying customers.
- Retain ownership, or an active lease agreement, and registration of the vehicle with the Delaware Division
 of Motor Vehicles for a minimum of 36 consecutive months immediately after the vehicle purchase or lease
 date. Customers who lease their vehicle must ensure that their original lease agreement explicitly lists a
 term of 36 months or longer.
- Agree to never modify, or have modified, the vehicle's emission control system, engine, engine hardware, software calibrations, or electric drive system.
- Allow the DNREC or the Program Administrator to verify the vehicle identification number (VIN) and registration with the Delaware DMV as needed.
- Agree to maintain vehicle insurance as required by Delaware State law.
- Allow DNREC to share the customer or lessee's address, contact information, and vehicle model purchased
 with the electric distribution utility serving the primary location in Delaware where the vehicle will be
 domiciled for the purpose of informing its system planning efforts and providing information about special
 programs for electric vehicle owners.
- Acknowledge that rebates are limited to one rebate per eligible vehicle. Individuals may not receive more than two (2) rebates over the lifetime of the program. Businesses, non-profit organizations, governments, educational institutions, and other eligible entities may not receive more than six (6) rebates over the lifetime of the program. DNREC reserves the right to make changes to the number of rebates given to an individual or entity based upon funding limitations.

² DNREC reserves the sole right to review, accept, and/or deny all requests and it is the responsibility of the applicant to provide all necessary and requested information to DNREC to support its funding determination.

8. False Statements

An applicant, Dealership, Showroom, or vehicle manufacturer providing a false statement in any of the information submitted to the Program may be criminally liable in accordance with applicable state or federal statutes, and any such false statement could result in rebate denial or rebate reimbursement denial and/or removal from the Delaware Clean Vehicle Rebate Program.

9. Appeal Process

To appeal the denial of an application or a reimbursement application for the point-of-sale incentive, a Dealership or Showroom or applicant must first contact the program administrator at 1-866-208-3198 or DriveElectricDE@energycenter.org to attempt a resolution. If attempts to resolve the issue with the program administrator are unsuccessful, the appeal may be presented to DNREC Staff for further review. DNREC will consider appeals on a case-by-case basis.

10. Rebate Distribution

Rebates will be issued to dealers and other applicants via the method selected in the Supplier portal. Rebates will not be issued to an individual or entity applicant if the vehicle was purchased or leased from a participating dealership that provided the rebate at point-of-purchase. If a qualifying individual or entity applicant applies for and receives a rebate within 90 days of the purchase of the vehicle, the dealership may not subsequently apply to become a participating dealership and apply for repayment of the vehicle.

11. Taxability of Vehicle Rebates

This rebate may be considered taxable income by the U.S. Internal Revenue Service and the Delaware Department of Revenue. It shall be the sole responsibility of the recipient, individually, to seek professional advice and determine the tax consequences of this rebate.

12. Research Participation

DNREC may request participation from Dealers and Vehicle Purchasers in surveys and other research efforts that support Program goals. DNREC, or an authorized representative, reserves the right to contact all rebate applicants in the future regarding satisfaction with the Clean Vehicle Rebate Program, driving and charging behavior, and alternative fuel vehicle satisfaction.

13. Questions and Answers

Please visit https://DriveElectricDelaware.org to view a list of Questions and Answers. If you have additional questions, please email DriveElectricDelaware.org to view a list of Questions and Answers. If you have additional questions, please email DriveElectricDelaware.org to view a list of Questions and Answers. If you have additional questions, please email DriveElectricDelaware.org to view a list of Questions and Answers. If you have additional questions, please email DriveElectricDelaware.org to view a list of Questions and Answers. If you have additional questions, please email DriveElectricDelaware.org to view a list of Questions and Answers. If you have additional questions are the properties of t

Appendix A - Dealer Participation Agreement

This agreement outlines the role and responsibilities for Participating Dealers in the Delaware Clean Vehicle Rebate Program. To be considered a participating dealership and listed on the program website, dealerships must agree to the following requirements:

- Participating dealerships shall only apply rebates to eligible buyers and vehicles in accordance with the Implementation Manual and the Dealer Participation Agreement.
- Participating dealerships are responsible for verifying that their customers are eligible to receive a rebate. They must notify eligible customers of the existence of the rebate at the point of sale, as agreed to in signing this document. Participating dealers are responsible for submitting the application within 30 days of the transaction date, per program requirements. Failure to follow program requirements and eligibility guidelines as defined in the Implementation Manual can result in not receiving reimbursement for a rebate provided to a customer. Participating dealers are encouraged to contact the program administrator with questions to ensure proper application of program guidelines.
- Participating dealerships are responsible for ensuring that the application is complete, including ensuring
 that all necessary paperwork is submitted, appropriate signatures are obtained, and that the application is
 complete and accurate. Incomplete applications will not be processed and will be returned to the dealer or
 applicant.
- Participating dealerships must apply the rebate at the point of sale and seek reimbursement through the program upon completion of the purchase or lease agreement. The dealership must fill out an application through the Dealer Web Portal at https://DriveElectricDelaware.org and provide clear documentation to the program indicating how the customer received the rebate. The rebate deduction should be listed as a unique line item and cannot be combined with other rebates or discounts applied. The line item should be clearly identifiable as the Delaware Clean Vehicle Rebate through description such as "DECVRP rebate", "State Rebate", or similar. For the rebate line item, handwritten changes or additions to the original purchase or lease agreement are not accepted. However, dealerships can submit a separate form to satisfy this requirement. If the rebate cannot be shown as a separate line item on the contract, an additional form may be submitted. To be approved, the additional documentation needs to meet the following criteria:
 - The name of the customer is listed
 - o The VIN of the incentivized vehicle is listed
 - The Delaware Clean Vehicle Rebate is listed as a separate line item
 - The form is signed by the customer
- Dealerships must deliver cars to customers prior to completing applications. No further actions, such as
 additional charges, vehicle mark-ups, payment contingencies or holds, shall be taken against the customer
 for the incentive.

- Participating Dealerships must apply the full rebate amount at the point of sale. They may not withhold a
 rebate until the Program Administrator approves the reimbursement application, nor provide the rebate by
 issuing a check after completing the transaction. Dealerships may not recuperate the value of the rebate
 from a customer in the event that the Program Administrator cancels or denies a rebate application due to
 dealership error.
- All participating dealers must register as a Supplier with the State of Delaware. No payments can be issued unless the Participating Dealer has registered at https://esupplier.erp.delaware.gov/. Dealerships who have previously registered do not need to fill it out again; however, supplier files go inactive after three years. If you are unsure, please contact the Supplier Maintenance Team at 302-526-5600.
- The Delaware Division of Climate, Coastal and Energy reserves the right to suspend or extend the program at any time based on availability of funding. The program will continue until all funding has been exhausted or May 1, 2024, whichever comes first. The Delaware Division of Climate, Coastal and Energy may extend the program if additional funding is available.
- The program administrator will provide dealerships with marketing materials and will advertise the program.
- The program administrator will inform participating dealerships when funding availability for this program is within a month of the program ending.
- The program administrator will approve or deny all applications, on average, no more than ten (10) business days from receipt of a complete application. Payments will be issued within 45 to 60 days of application approval.

Dealerships in violation of the Dealer Participation Agreement may be excluded from the Program and risk the rebate reimbursement to which they would otherwise be entitled being denied.

Dealership:	
Supplier ID:	
Name (printed):	
Name (signature):	
Title:	
Date:	