

Electric Vehicle Incentives



For many consumers, the upfront cost of electric vehicles, along with necessary charging equipment, keeps EVs out of reach. Fortunately, there are a number of incentives available to make switching to electric much less shocking.

Federal Tax Credit Qualifications: battery ≥ 5kW	The federal government wants to see you in an EV. They offer a tax credit of \$2,500 for purchasing a new electric vehicle (EV), with an additional \$417 for every kilowatt hour of juice the vehicle's battery has above the 5 kilowatt hour minimum. This adds up quickly in most new EVs, with the credit capped at \$7,500 . Visit fueleconomy.gov for more info.
CVRP Rebate Qualifications: California Resident Income under \$250k	Unlike the Fed's tax credit, which is applied to taxes owed at the end of the year, the Clean Vehicle Rebate Project's \$2,000 rebate provides instant savings. The process is simple: purchase a new battery electric vehicle (\$2,000 rebate) or a plug-in hybrid electric vehicle (\$1,000 rebate), fill out an online form, and receive a check in the mail. Income-qualifying residents are eligible for an additional \$2,500. Head to cleanvehiclerebate.org for more details and to compare qualifying vehicles.
California Clean Vehicle Assistance Program	Invest in a standard hybrid, EV, or PHEV and receive \$2,500 or \$5,000 . This incentive program offers a grant and optional low-interest loan to lower-income single- and multi-family households. Visit cleanvehiclegrants.org to see if you are eligible, and remember to apply before purchasing your vehicle, since the discount is applied at time of purchase.
California Clean Fuel Reward Program	The California Air Resources Board and local electric utilities are teaming up to offer the Clean Fuel Reward of up to \$1,500 off the purchase or lease of an eligible new BEV or PHEV. After being approved, simply visit a participating automotive retailer and get your new vehicle price that includes the reward. For more information, visit cleanfuelreward.com .
PG&E Rebate	Electric utilities also want to help new BEV/PHEV drivers with a \$800 rebate! PG&E provides this rebate to Community Choice Aggregator (like Redwood Coast Energy Authority) and non-CCA customers alike. To apply, please visit pge.com .
Electricity Rates	When it's finally time to plug in, EV owners can often take advantage of lower rates for electricity. For CCA customers, cheaper nighttime charging is available through the special EV-A rate. Compare different rate plans at redwoodenergy.org . To determine potential cost savings and to change your rate, you will need to contact PG&E.
HOV Lane Access	EV owners are eligible for a limited number of "Clean Air Vehicle" stickers which grant access to High Occupancy Vehicle (HOV) lanes and provide discounts for tolls in High Occupancy Toll (HOT) lanes to qualified vehicles. Visit DMV.ca.gov for more details.
Equipment Incentive	Most EV owners agree a level 2 charger in the garage is essential, and businesses can increase foot traffic by providing EV charging for customers. Prices range from \$400 to \$5,000, plus installation costs. California offers a variety of equipment incentives that are listed at energy.gov/eere/electricvehicles .
Hybrid and Zero-Emission Truck and Bus Voucher	The Hybrid & Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) aims to get owners of medium- and heavy-duty vehicles to go electric. Voucher amounts are based on vehicle weight, with more money available for disadvantaged communities, and can range from \$20,000-\$315,000 for an electric truck or \$80,000-\$315,000 for an electric bus. Visit californiahvip.org for more details and for application instructions.

DISCLAIMER: RCEA does not recommend any one electric vehicle; rather our goal is to see adoption increase across the board. The availability of the above incentives is subject to change, along with the value of each incentive. We suggest checking with each organization to confirm whether their incentive applies to you and the vehicle you are considering. **DATE OF PUBLICATION:** 2/24/2021

Sample Costs After Incentives

**Used Nissan
Leaf (2017)**
(Battery electric)



**Toyota Prius
Prime (2020)**
(Plug-In Hybrid
Electric)



**Chevy Bolt
EV (2020)**
(Battery electric)



**Honda Civic
(2020)**
(Internal combustion
engine)



MSRP	\$9,715	\$27,900	\$36,620	\$20,000
Federal Tax Credit	None (new only)	-\$4,502	-\$1,875	None
CA CVRP Rebate¹	None (new only)	-\$1,000	-\$2,000	None
CA Clean Fuel Reward²	None (new only)	None	-1,500	None
PG&E Rebate	-\$800	-800	None	None
Cost³	\$8,915	\$21,598	\$31,245	\$20,000
Range (miles)⁴	80-100 all-electric	25 all-electric 640 total	259 All-electric	397

¹ Assumes Individual income is between \$35,000 and \$250,000.

² The Clean Fuel Reward cannot stack with the PG&E Clean Fuel Rebate, but it can stack with the other listed incentives.

³ California Vehicle Assistance Program \$5,000 grant is not included. Values obtained from Kelly Blue Book. Does not include fuel and maintenance savings. On average, drivers can expect to pay half the cost in fuel and \$2100 less on maintenance by going electric (DOE, 2019).

⁴ Battery electric vehicles (BEVs) rely exclusively on a battery, while plug-in hybrid electric vehicles (PHEVs) incorporate an internal combustion engine (ICE). Range calculations for PHEVs reflect the combined battery range and ICE range.

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