

**State of Vermont**  
**Electrify Your Fleet Program**

**PROGRAM GUIDELINES**

**November 7, 2023**



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# 1 Program Overview

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Fossil-fueled transportation in Vermont significantly impacts the State's economy and environment. The State of Vermont's Comprehensive Energy Plan includes several long-term goals to electrify the transportation sector to reduce emissions and costs. In addition, the Vermont Global Warming Solutions Act established actionable requirements for reducing greenhouse gas emissions in the State by specific deadlines with policies and programs for the transportation sector.

This document contains program guidelines for the implementation of the State of Vermont's Electrify Your Fleet (EYF) incentive program, or "Electrify Your Fleet," including information on eligibility and processing options to be used by applicants and anyone interested in additional details on how the program works.

The State of Vermont established the Electrify Your Fleet Program to accelerate the adoption of electric vehicles over internal combustion engine (ICE) vehicles and help Vermont municipalities and business entities enjoy the benefits of cleaner transportation options. Combined with potential federal and electric utility incentives, eligible fleet owners have an opportunity to save thousands of dollars on clean transportation alternatives.

The Vermont Agency of Transportation will provide incentives in the form of rebates to eligible fleet owners who demonstrate that the incentives will reduce the greenhouse gas emissions of their fleet operations. The total incentive pool of \$500,000 is available to Vermont fleet owners on a statewide, first-come, first-served basis. Forty percent (40%) or \$200,000 of the available funds will be available on a first come, first served basis to applicants who are from, or who primarily serve, historically underserved communities (such as Black, Indigenous and people of color or BIPOC individuals; women; veterans; those requiring language access assistance; and communities in disadvantaged census tracts as identified on the [Climate and Economic Justice Screening Tool](#)).

The rebate amount for this program is up to \$2,500, at no more than 25% of the purchase price, for each ICE vehicle replaced or avoided. Fleet owners are eligible for up to 20 incentives over the life of the program. Nonprofit mobility services organizations incorporated in the State of Vermont for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership shall be entitled to up to 5 enhanced incentive amounts of \$5,000 as well as up to 15 incentives at the standard \$2,500 amount.

## **2 Eligibility**

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To participate in the Electrify Your Fleet program, applicants must demonstrate how the purchase will reduce vehicle fleet greenhouse gas emissions in Vermont. Funding may be used to replace vehicles other than a plug-in electric vehicle (PEV) cycled out of a motor vehicle fleet or to avoid the purchase of vehicles other than a PEV for a motor vehicle fleet. The program's eligibility requirements are detailed below.

### **2.1 Applicant Eligibility**

Vermont businesses, nonprofit organizations, and municipalities are eligible to apply for the Electrify Your Fleet Program. A vehicle shall be construed as a "fleet vehicle" if it is being used by the owner/operator for an established commercial or municipal purpose, and the owner of the vehicle is a municipality, business, or tax-exempt organization incorporated in the State of Vermont and registered with the office of the Secretary of State.

#### **2.1.1 Vermont Municipalities**

All Vermont municipalities and municipal organizations (including school districts, regional planning commissions, emergency response, etc.) that maintain a fleet of motor vehicles that are registered in Vermont are eligible for up to 20 incentives at \$2,500 through the Electrify Your Fleet program.

#### **2.1.2 Business Entities**

All non-profit institutions and for-profit business entities registered in Vermont that maintain a fleet of motor vehicles that are registered in Vermont are eligible for up to 20 incentives at \$2,500 through the Electrify Your Fleet program.

#### **2.1.3 Nonprofit Mobility Services Organizations**

Nonprofit mobility services organizations incorporated in the State of Vermont for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership are eligible for up to 5 increased incentives at \$5,000 and up to 15 standard incentives at \$2,500 through the Electrify Your Fleet program.

### **2.2 Incentives per Applicant Limit**

No single applicant shall be eligible for more than 20 incentives over the existence of the Electrify Your Fleet program.

## 2.3 Incentive Requirements

To be eligible for the full incentive amount, grantees must demonstrate that the new vehicle funded with the incentive has adequately replaced the functions of the retired vehicle or what would have been purchased otherwise. Grantees must maintain ownership of the vehicles purchased with the incentive for a minimum period of twenty-four (24) months or, if leasing vehicles, the minimum term of the lease agreement for vehicles incentivized under this program is twenty-four (24) months.

As it is the intent of the Electrify Your Fleet Program to encourage an affordable, used PEV market for individual consumers and households to benefit from transportation electrification, Grantees shall make all reasonable efforts to resell fleet vehicles incentivized through this agreement to car dealerships participating in the [MileageSmart Program](#), Vermont's income-eligible incentive program for used high efficiency vehicles. Grantee shall notify the State in the event of an early lease termination or resale.

### 2.3.1 Standard \$2,500 Incentive Amount

The standard \$2,500 incentive may be used for up to 25% of the price to purchase or lease any of the following, with demonstration that the new vehicle funded has adequately replaced the functions of the retired vehicle or the vehicle that would have been purchased otherwise:

- A. New Battery All-Electric Vehicles (BEV/AEV) with a base Manufacturer's Suggested Retail Price (MSRP) of \$60,000.00 or less;
- B. New Plug-in Hybrid Electric Vehicles (PHEV) with an electric range of 20 miles or greater per complete charge as rated by the Environmental Protection Agency when the vehicle was new and a base MSRP of \$60,000.00 or less;
- C. New electric bicycles and electric cargo bicycles with a base MSRP of \$6,000.00 or less with a minimum one-year warranty and manufactured by a participating company in the voluntary e-bike battery recycling program, Call2Recycle: [www.hungryforbatteries.org](http://www.hungryforbatteries.org);
- D. New adaptive electric cycles with any base MSRP;
- E. New electric motorcycles with a base MSRP of \$30,000.00 or less; or
- F. New electric snowmobiles with a base MSRP of \$20,000.00 or less.

As noted above, eligibility for the EYF incentive program is determined by the *base* manufacturer's suggested retail price (MSRP). If a vehicle has a base trim level at or below the price cap then any version of that model is eligible for the State incentive program, even if the selling price is above the cap based on trim levels and/or option packages.

### **2.3.2 Enhanced \$5,000 Incentive Amount**

Nonprofit mobility service organizations may use the enhanced \$5,000 incentive to purchase or lease a new battery all-electric vehicle (BEV/AEV) with a base Manufacturer's Suggested Retail Price (MSRP) of \$55,000.00 or less.

## **2.4 Research Participation and Data Sharing**

The State of Vermont may request participation from incentive recipients in ongoing research efforts that support the State's Comprehensive Energy Plan and Climate Action Plan requirements or continuing Program improvements. The State and/or its designee(s) may administer fleet owner surveys to collect data and other information pertaining to their Electrify Your Fleet Program experience.

## **3 Application and Award Process**

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Electrify Your Fleet Program incentives will be processed by the Vermont Agency of Transportation. Funds are reserved at the time of application submission, and incentives are provided on a first come, first served basis. Forty percent (40%) or \$200,000 of the available funds will be available on a first come, first served basis to applicants who are from, or who primarily serve, historically underserved communities (such as Black, Indigenous and people of color or BIPOC individuals; women; veterans; those requiring language access assistance; and communities in disadvantaged census tracts as identified on the [Climate and Economic Justice Screening Tool](#)). Additional details on the application and award process are included in the sections below.

### **3.1 Electrify Your Fleet Application Process**

To apply for Electrify Your Fleet Program incentives, fleet owners must fill out the online application form. Applications will be reviewed by a committee comprised of Agency staff. Applicants will then be contacted via screening call to confirm applicant eligibility and provide supporting documentation, including an EYF Impact Methodology that explains how the fleet owner will calculate the reduction in vehicle miles traveled (VMT) or greenhouse gas emission

reductions due to the EYF purchase(s). Applicants must have their methodology approved by Agency staff prior to being issued an award.

### 3.2 Required Documentation

To be approved, applicants must submit the following documentation:

- An **EYF Electrification Plan** that specifies which internal combustion engine vehicles will be replaced and which vehicles will be purchased with the EYF incentive funds.
- An **EYF Charging Plan** that specifies how electric fleet purchases will be charged.
- An **EYF Impact Methodology** that explains how the fleet owner will calculate the reduction in vehicle miles traveled (VMT) or greenhouse gas emission reductions due to the EYF purchase(s).

#### Information required of grant awardees by the State of Vermont

- Business applicants must be registered and in good standing with the Vermont Secretary of State. Check status at <https://bizfilings.vermont.gov/online/Certificate>
- An updated IRS form W9 (must be signed in ink, digital signatures are not accepted) <https://www.irs.gov/forms-pubs/about-form-w-9>
- (Where applicable) Unique Entity Identifier (UEI) number. Registration for a UEI is available for free at [sam.gov](https://sam.gov) but may require up to a few weeks to receive.

### 3.3 Award Process

The Agency will award grant agreements on a first-come, first-serve basis to applicants who meet the eligibility requirements and submit a complete application.

Purchases made before application is approved and grant agreement is counter signed will not be eligible for reimbursement. Once the grant agreement is counter signed, the grantee may purchase the approved vehicle(s).

In order to ensure that program funding is directed to projects which can achieve the most expedient climate impacts, grantees shall order approved vehicle(s) within 30 days of an

executed grant agreement with the Agency and shall enter into a lease or purchase agreement for said vehicle(s) within 90 days of an order. Exceptions (e.g., due to supply chain delays) may be granted after submitting a written request to the Agency for permission to extend the allowable timeframe.

### **3.4 Incentive Payments**

Incentives will be paid in the form of reimbursements in the amount approved during the application process. Upon purchase of the approved vehicle(s), grantees will submit their request for rebate using a template provided by the Agency along with proof of purchase and vehicle details.

### **3.5 State Purchase and Use Tax**

Electric vehicle purchases or leases remain subject to the State of Vermont’s new vehicle purchase and use tax. The State incentive is issued as a post-sale rebate, and so does not reduce the overall purchase price used as the basis for the purchase and use tax.

The Electrify Your Fleet Program does not issue 1099s for incentives. It is the sole responsibility of the incentive recipients to seek professional advice and determine any tax consequences of participation in the Program.

### **3.6 Program Funding and Sunset Process**

Program funding relies on legislative appropriations. The Electrify Your Fleet website will report on the program funds when the funding pool is drawn down to \$120,000. Future Program funding beyond these funds is uncertain, however, interested parties will be encouraged to submit an application to register their interest in the program and be considered for future funding opportunities if reauthorized by the legislature.

## **4 Audit Process**

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To prevent fraud, the Agency will audit a subset of applications for accuracy. The Agency may choose to audit suspicious applications or a random subset or both.

Failure to provide requested documents and to provide reasonable cooperation in the event of an audit will result in revocation of the incentive and an obligation to repay the State the full amount of the incentive plus interest at the statutory rate from the date the incentive was awarded.



## 5 Customer Support

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For more information about the Electrify Your Fleet Program or questions about your application please contact the Agency of Transportation Environmental Policy & Sustainability unit by emailing [AOT.climate@vermont.gov](mailto:AOT.climate@vermont.gov).

The [Electrify Your Fleet website](#) will promote the Program, including links to the application portal and other resources.

### 5.1 Translation and Interpretation Services

If you are a **non-English speaker** and need translation assistance, please contact Agency staff by emailing [AOT.climate@vermont.gov](mailto:AOT.climate@vermont.gov) to be connected with free State-contracted translation and interpretation services. Be prepared to leave your name, phone number, and email address so we can contact you with a translator on the line.

**Program Guidelines Translation:** [Arabic \(العربية\)](#) | [Bosnian \(Bosanski\)](#) | [Burmese \(မြန်မာစာ\)](#)  
| [Chinese \(中文\)](#)  
| [Dari \(دری\)](#) | [French \(Français\)](#) | [Kirundi](#) | [Nepali \(नेपाली\)](#) | [Pashto \(پښتو\)](#) | [Somali \(Soomaali\)](#) |  
[Spanish \(Español\)](#) | [Swahili \(Kiswahili\)](#) | [Ukrainian](#) | [Vietnamese \(Tiếng Việt\)](#)



To receive this information in an alternative format or for other accessibility requests, please contact: Ari Lattanzi, [ari.lattanzi@vermont.gov](mailto:ari.lattanzi@vermont.gov), 802-371-7366

## 6 Program Reporting

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All successful Electrify Your Fleet applicants will be required to submit a report thirteen (13) months after receipt of the incentive payment to show how the incentive reduced greenhouse gas emissions for the fleet. The exact reporting requirements may vary based on the type of fleet and specific EYF fleet electrification strategy and impact methodology. Applicants must have their greenhouse gas emission methodology approved by Agency staff prior to approval for an EYF incentive.

Required reporting metrics may include any of the following:

- Make, Model, Year, VIN and odometer reading of retired/replaced fleet vehicles
- Make, Model, Year, VIN and odometer reading of EYF fleet vehicles
- Percent of electric vehicle miles traveled for EYF PHEVs
- Vehicle miles traveled (VMT) of EYF eBike or eMotorcycle
- Hours or miles of operation for snowmobiles and snowmobiles pre- and post- EYF
- Comparative fuel usage metrics from before and after EYF
- EYF survey response
- Number of days electric vehicle was in service
- Effective average range of electric vehicle
- Electric vehicle reliability in terms of fleet operations (i.e., were vehicles available when needed)
- Reduction in air pollutants (greenhouse gas reduction)
- How vehicles replaced were cycled out of the motor vehicle fleet

## **7 Additional Fleet Electrification Resources**

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To ensure that all applicants fully understand their charging needs and other credits and resources available to help meet those needs, the Agency of Transportation strongly encourages all applicants of the Electrify Your Fleet Program to consider the additional resources listed below that are available to support fleet electrification initiatives in Vermont.

### **7.1 Vermont Community Electric Vehicle Chargers Incentive Program**

Made possible by the Vermont Department of Housing and Community Development, this program provides incentives for installing EV charging that will increase Vermonters' access to charging at workplaces, multiunit homes, and community attractions. For more information visit [vermontevchargers.com](http://vermontevchargers.com).

### **7.2 Drive Electric Vermont Business EV Resources**

AOT partner Drive Electric Vermont (DEV) offers answers to questions commonly asked about commercial EV charging incentives, fleet electrification, and business assistance. DEV also provides commercial EV industry information. Find this information and schedule a consultation with EV fleet and charging consultations by visiting the [Drive Electric Vermont website](http://Drive Electric Vermont website).

### **7.3 EV Fleet and Charging Consultations**

AOT partner VEIC offers free 30-minute consultations for Vermont-based entities to discuss fleet electrification and facility charging infrastructure. Interested parties should complete a [brief intake](http://brief intake)

[survey](#) and schedule a call time to get started.

## **7.4 Electric Utility Business Support**

Many Vermont electric utilities offer incentives for EVs, EV chargers, and e-bikes. Contact your utility's business support team to learn more about any resources and offers available for fleet electrification. [Find your power company.](#)

## **7.5 eBike Consultations**

AOT partners VBike Solutions and Go!Vermont offer free electric bike consultations for Vermont households and businesses to help choose the e-bike, e-cargo bike and/or e-assist system that best fits your needs based on type of terrain and distance you intend to ride, what you want to do with your bike, cargo hauling needs and many other considerations. To get started, interested parties should contact [VBike Solutions](#) to schedule a consultation.

## **7.6 Commercial Clean Vehicle Tax Credit**

The Federal Commercial Clean Vehicle Tax Credit is currently under development by the Internal Revenue Service (IRS). The credit will be equal to the lesser of 30% of the purchase price, or the incremental cost of the vehicle. The credit amount will not exceed \$7,500 in the case of a vehicle which has a gross vehicle weight rating of less than 14,000 pounds, or \$40,000 in the case of a vehicle more than 14,000 pounds. Tax exempt entities can receive direct (aka "elective") payments. The IRS is still developing the rules for this program and will soon have a pre-registration process. More information is available on the [IRS website](#).

## **7.7 Alternative Fuel Infrastructure Tax Credit**

The Inflation Reduction Act (IRA) authorized a tax credit to support the installation of electric vehicle supply equipment (EVSE) or EV charging infrastructure up to 30% of the cost, not to exceed \$100,000. Permitting and inspection fees are not included in covered expenses and equipment must be installed in locations that meet certain census tract requirements. Fueling station owners who install qualified equipment at multiple sites are allowed to use the credit towards each location. More information is available on the [U.S. Department of Energy website](#).