

Meeting Notes:

ACC2 and ACT Work Group - Meeting 2

Attendees:

Seat	Name	Organization
Rep of OEMs	Cynthia Williams	Ford Motor Company
Maryland Automobile Dealers Assn.	J. Peter Kitzmiller	Maryland Automobile Dealers Assn.
Maryland Motor Truck Assn.	Louis Campion	Maryland Motor Truck Assn.
Environmental Org	Joshua Stebbins	Sierra Club
Environmental Org	Dr. David William Cooke	Union of Concerned Scientists
Environmental Org	Ramon Palencia-Cavlo	Maryland League of Conservation Voters
Environmental Org	Neda Deylami	Environmental Defense Fund
Rep of OEMs	Beau Whiteman	Rivian
Public Service Commission	Benjamin Baker	Public Service Commission
Environmental Org	Susan Stevens Miller	Earthjustice
Senate Appointee	Senator Dalya Attar	Maryland State Senate
House Appointee	Delegate Dana Stein	Maryland House of Delegates
Secretary of the Environment	Serena McIlwain	Maryland Department of the Environment
Rep for Secretary of Transportation	Joe McAndrew	Maryland Department of Transportation
Chief Sustainability Officer	Meghan Conklin	Office of the Governor
Deputy Chief of Staff	Shaina Hernandez	Office of the Governor
Staff	Zachary Schafer	Maryland Department of the Environment



Meeting goals:

- 1) Talk through workplan, go through feedback
- 2) Dive into incentives offered by MD around EVs and EV Charging Infrastructure

1. Reviewing feedback from Work Plan

Key Focus:

- encouraging more discussion on questions raised and topics to add/increase representation for
- Focus on what has transpired in recent months (federally) and how it plays into the original executive order

• Feedback included:

- distinguishing between our focus on ACCII versus the MD EV Policy landscape as a whole
- Including considerations of the future of ACCII in a post-litigation world, including more focused discussion on this in later workgroup meetings
- Broadening focus to include policies that encourage stronger goals than the federal baseline regardless of the future of ACCII
- o Clarifying the workplan's scope related to preparation for specific regulations
- Including discussion of information sharing/data needs
- Need to include more discussion related to the implementation of charging infrastructure
- More focus on education and outreach to consumers, dealers
- Discussion of workgroup products, including administrative and legislative recommendations

2. Focus conversations: Presentations by MDOT and MEA

• Joe McAndrew (MDOT): Maryland EV Tax Credit

- Maryland EV Tax Credit: Established under the Clean Cars Act in 2022, providing tax credits from FY2024-2027.
- Funding & Allocation: The Maryland Energy Administration (MEA) allocates
 \$8.25 million annually to the Motor Vehicle Administration (MVA) for distribution to individuals purchasing EVs and plug-in hybrids.
- Eligibility & Availability: Vehicles must be purchased between July 2023 and July 2027. FY26 credits are exhausted, and 30% of FY27 credits are already applied for, with full allocation anticipated before the end of the calendar year.
- Demand & Waitlist: Demand is expected to surpass supply; MDOT plans to offer a waitlist with no additional funding anticipated.
- Greenhouse Gas Benefits: \$27.75 million disbursed to date, resulting in 8,250 credits and an approximate reduction of 72,000 total GHG tons.

Meeting Minutes



- **Challenges:** Budget considerations, oversubscription, and planning for the program's conclusion on June 30, 2027.
- Additional Information: Opportunity to meet with the MDOT ZEVIP Team and a query regarding the closing of battery funding opportunities.

• Diego Lopez (MEA): EV incentives

- Outlined the EV Owner's Journey:
 - Research (it can be difficult to find accessible information to inform the purchase process)
 - Purchase (car, chargers, installation)
 - Research into long-distance travel or services
- o Identified Key Need: outreach, education, private-public partnerships
- Incentives are offered at a state level (by MEA) and at a local level (local partnerships)
 - MEA
 - EVSE Rebate (electric vehicle supply equipment) for equipment and installation (homes and businesses)
 - Electric school bus grant program (robust training and planning + electric school bus + charger)
 - Medium-Duty and Heavy-Duty Zero-Emission Vehicle Grant Program (EV Incremental Cost Only)

Local partnerships

- Group purchase agreements
- Charging programs
- Community EVSE Grant Program
 - 44/180 applications awarded
 - Focuses on reliability, equity, location

Program emissions considerations

- EV Rebate Program (reduce 30,000 tons of GHGs)
- Community Grant Program (98,000 tons of GHGs annually)
- Light Duty Fleet Programs (MEA doesn't have a program for this) reduce 38,000 tons of GHG
- ESB reduces 200,000 tons
- Medium/heavy duty programs (600,000 1.1 million tons)
- Fleet Grant Program Considerations:
 - Electric school buses and medium/heavy duty
 - Looking for high-emitter vehicles

• Thoughts/feedback on presentations:

- Recharge Colorado Program: could be used as an example program
- Barriers to EV Adoption:
 - Need for coordination across entities to reduce barriers.

Meeting Minutes



- Challenges with apartment/multi-unit charging infrastructure.
- Community grant programs and what they cover.

Fleet Adoption:

- Fleet advisory services can provide expertise.
- Workgroup participation in PSC groups is encouraged by Josh Stebbins.

Data Collection:

- Questions about collecting demographic information for targeted education programs (MEA does not collect this data).
- Need for data on EV incentives in MD and their impact on purchasing decisions.
- More studies needed on cost savings from EVs (MDOT can share data).

3. Additional Discussion:

• Upcoming challenges in the EV market:

- Tax and used EV incentives expire on September 30th.
- The EV sales market is maturing, with every manufacturer in the US expected to have at least one EV model by the end of the year.
- EV sales are increasing, and leasing an EV is currently cheaper than leasing a gasoline vehicle.
- Losing the tax credit will significantly impact EV leasing, potentially adding \$200/month to lease payments and likely leading to decreased sales.
- The limited \$8.25 MD EV Incentive makes effective marketing impossible and creates customer satisfaction issues.
- o There's a need for the incentive to be a point of sale and easily accessible.
- Concerns exist regarding whether a limited EV incentive program creates more problems than it solves, and if the money would be better allocated elsewhere if it can't last the entire year.

Other concerns related to EV sales and incentives

- Range anxiety is maybe the biggest impediment to EV sales.
- Resources should be located where they have the largest impact.
- Consider incentives for EV purchases, there may be potential for a state credit focused on used EVs and low-to-moderate income households.
- Interest in plug-in hybrids is increasing; explore modifying incentives to cover them.
- Incentives at the time of purchase are key (need to increase funding allocated from \$8.25 million)
 - Monetary (credits and tax discounts) and non-monetary (free parking, free registration, HOV lanes, education programs, infrastructure)
 - Should target low and middle income communities





4. Key Questions:

- How should we allocate resources most effectively in our current budget landscape?
- How successful have lease programs been in encouraging people to buy their vehicles?
- How might luxury and non-luxury buyers who are chasing the latest technology differ from traditional car-ownership patterns?
- How will buyer behavior change outside of a lease-heavy environment?
- How will the EV market change as EV prices become more comparable to combustion engines?
- How can we target heavy duty vehicles and fleets in incentive programs (they have a higher GHG impact)

5. Closing:

• The next workgroup meeting will be held on **September 9, 2025**. It will be in-person in the Governor's Reception Room (100 State Cir, Annapolis, MD 21401) with a hybrid/virtual option.