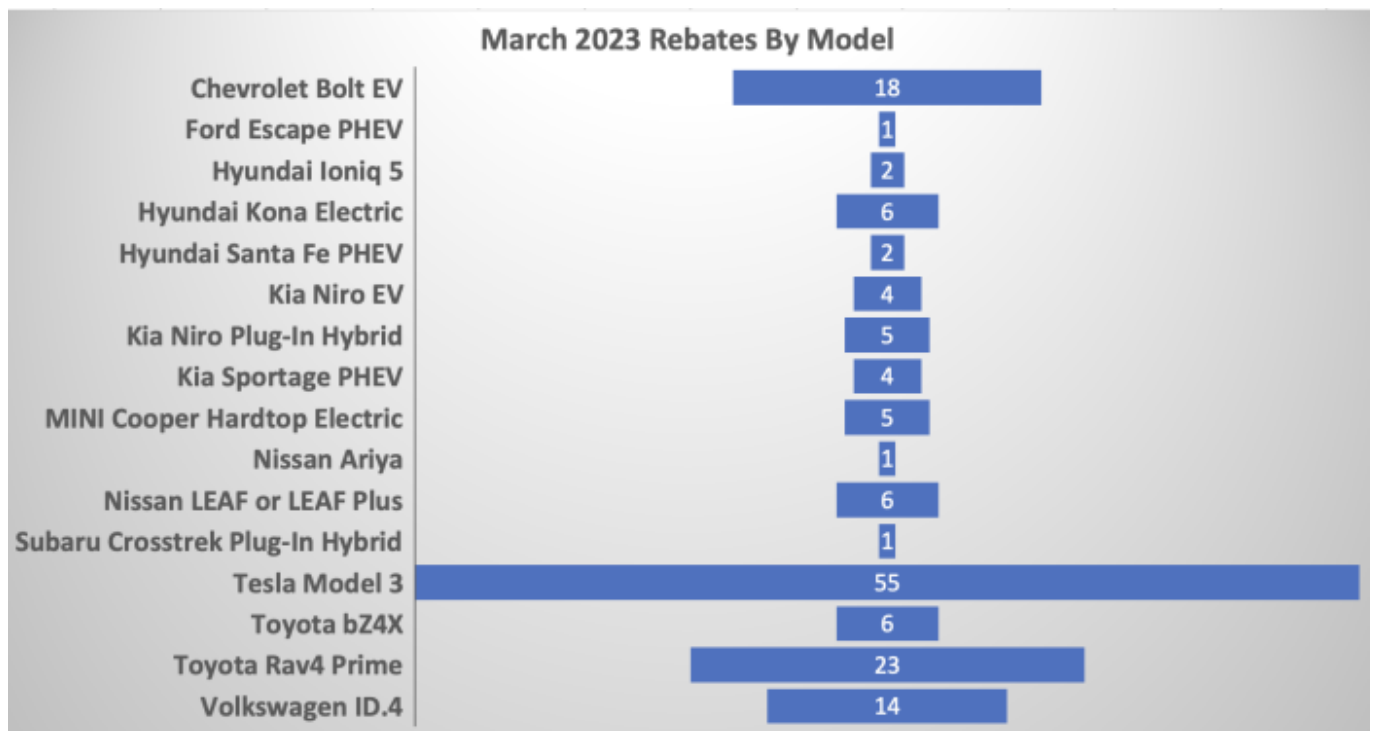


Tesla Model Y Now Eligible for CHEAPR Rebates

Increase in Rebates Driven by Tesla

Since the MSRP cap was increased in July 2022, there has been an increase in rebates as more models have become available. Somewhat predictably, it is driven mostly by Tesla.

The 158 rebates in March was up from 115 one year ago (+37%) with 55 of the rebates being for Tesla.



Tesla Drives Higher Utilization; Model Y Now Eligible

The CHEAPR program has been consistently underspent for several years, even before the budget was increased. Aside from most of the new program, as authorized in Public Act 22-25 from one year ago, not yet being yet live, there has

been a low utilization rate. Rebates have only been received for roughly one third of eligible vehicles. Tesla is more efficient than any of the other companies in terms of incorporating incentives into their sales flow, and the consultant for CHEAPR, the Center for Sustainable Energy, has said that in states they administer, when Teslas are eligible, the utilization is higher. Add to that, Tesla has been cutting prices over the past year and now the Model Y, both the standard range and long range non-performance, are eligible. If Tesla were to bring back the Model 3 long range non-performance, it too, would likely be eligible.

The first of the new program components to go online will be the revised program for income-limited individuals (LMI). The current LMI program has seen very little activity, none in March.