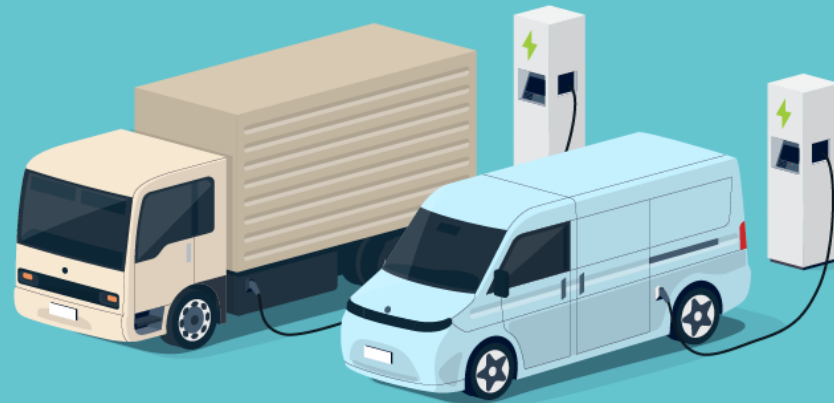




# Incentives for Medium- and Heavy Duty ZEV Program (iMHZEV)

Clean Air and Decarbonization Policy  
Transport Canada



Transport  
Canada

Transports  
Canada

Canada



# Incentives for Medium- and Heavy Duty ZEV Program (iMHZEV)

- **\$547.5M** over 4 years (launched in July 2022) to provide **point-of-sale** incentives for Canadian organizations and businesses on the purchase or lease of eligible MHZEVs.
- The program covers *new medium- and heavy-duty vehicles* that:
  - Are capable of producing zero exhaust emissions of criteria pollutants or greenhouse gases while operating.
  - Have a gross vehicle weight rating of greater than 3,856 kg (8,500 lbs) (i.e. classes 2B through 8)
  - Are intended for use on roads or other paved surfaces.
  - Examples include transit vans, terminal trucks, coach buses, vocational vehicles (e.g., refuse trucks) and more. **Note:** Public transit and school buses are not covered.
- The federal incentive can be **combined** with any provincial/territorial level incentive to cover up to a maximum of 75% of the manufacturer's suggested retail price (MSRP) of the eligible vehicle.
- **Maximum of 10** incentives per recipient, or \$1M per calendar year, whichever comes first.

**Per vehicle incentive rates for the iMHZEV program:**

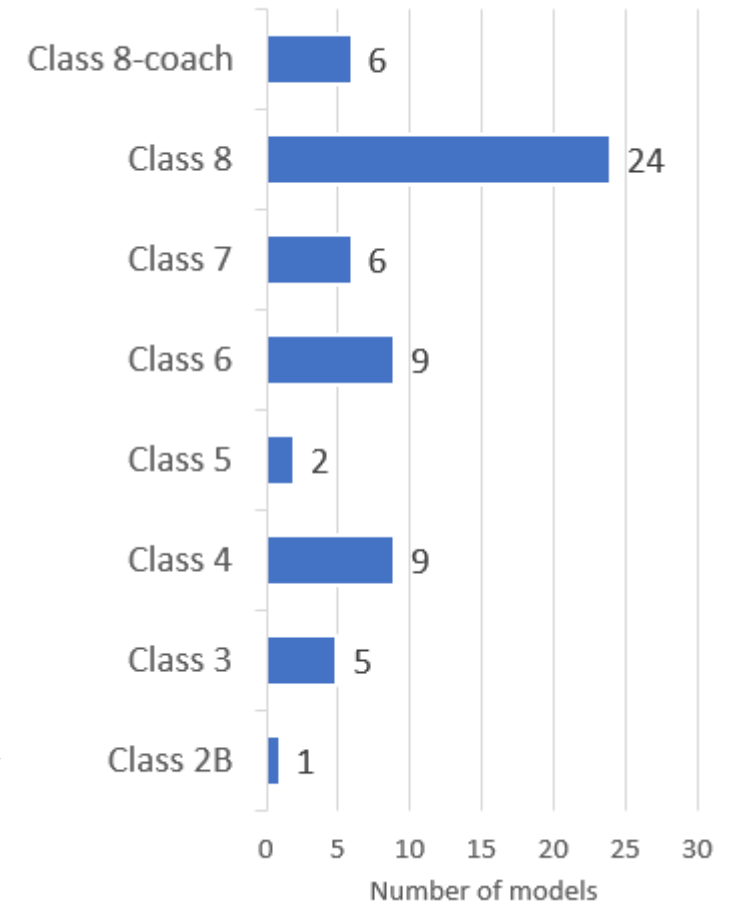
Vehicle Class	BEVs & FCEVs		PHEVs	
Class 2B	\$10,000		<15 kWh	\$2,500
			≥15 kWh	\$5,000
Class 3	\$40,000		\$20,000	
Class 4	\$75,000		\$37,500	
Class 5	\$75,000		\$37,500	
Class 6	\$100,000		\$50,000	
Class 7	\$100,000		\$50,000	
Class 8	<350 kWh	\$100,000	\$50,000	
	≥350 kWh	\$150,000		
	Coach Bus & FCEVs	\$200,000		

# iMHZEV: Current Status



- **77** models (247 total versions) from **32** OEMs have been added to the eligibility list since the program's launch on July 11<sup>th</sup>, 2022.
- As of October 3<sup>rd</sup>, 2022, authorized sellers are now able to enroll into our system through the iMHZEV application and submit claims for reimbursement.
- So far, over **85** claims for reimbursement have been submitted, totalling over **\$5** million worth of incentives.
- Transport Canada is regularly interacting with MHZEV manufacturers and stakeholders on program details and feedback for leveraging the program to reduce emissions from Canadian fleets.

Eligible Vehicles by Class



# Next Steps

- Transport Canada (TC) will track and report publicly on MHZEV sales supported through the iMHZEV program. We will use uptake statistics and stakeholder feedback to inform future program design considerations, if applicable.
- TC will continue to work closely with our federal partner departments on coordination of complementary measures and programming to support ZEV adoption and on-road decarbonization, including the Green Freight Program, and ZEV infrastructure programming.
- Environment and Climate Change Canada will develop more stringent emissions regulations and regulated MHZEV sales requirements in Canada which, in tandem with existing federal programming, will further contribute to the Government of Canada's climate goals.





# Federal-Provincial-Territorial Task Force on HDV Retrofits

2022 Update



Transport  
Canada

Transports  
Canada

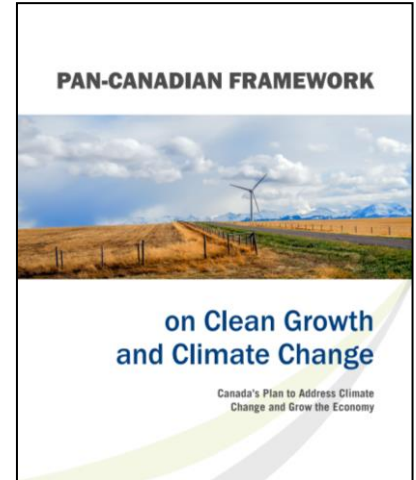
Canada



# Federal-Provincial-Territorial Task Force on HDV Retrofits

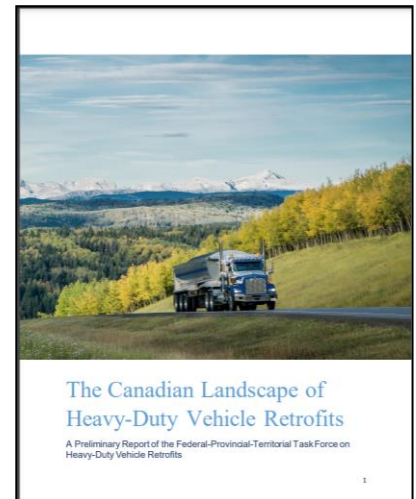
Task Force formed (2018) out of a commitment made under Pan-Canadian Framework on Clean Growth Climate Change:

- the federal government will work with provinces, territories, and industry to explore options for retrofitting heavy-duty trucks to reduce greenhouse gas emissions



The Task Force developed a two-phase approach to delivering its mandate:

- Phase I: deliver a detailed landscape of the HDV sector in Canada
- Phase II: explore policy and program options that support the adoption of HDV retrofits



# FPT Task Force: Phase II Report

**Objective:** explore policy and program options that support the adoption of HDV retrofits

## Key Findings:

1

Retrofits can play a role in transition to MHZEVs

2

Three types of measures support adoption of retrofits:

- Financial subsidies
- Non-financial supports
- Regulations

3

Program design considerations: operational contexts, compliance challenges, enforcement and administration costs, etc.

# Questions?

[IncentivesMHZEV-IncitatifsVMLZE@tc.gc.ca](mailto:IncentivesMHZEV-IncitatifsVMLZE@tc.gc.ca)

