

IMPLEMENTATION MANUAL FOR THE HYBRID AND ZERO-EMISSION TRUCK AND BUS VOUCHER INCENTIVE PROJECT (HVIP)

June 4, 2020



This page intentionally blank.

Table of Contents

IMPLEMENTATION MANUAL FOR THE HYBRID AND ZERO-EMISSION TRUCK AND BUS VOUCHER INCENTIVE PROJECT (HVIP)

A.	INTRODUCTION AND OVERVIEW	1
1.	Project Framework	2
B	VEHICLE TECHNOLOGY ELIGIBILITY	4
1.	All Vehicles	5
2.	New Zero-Emission Vehicles	7
3.	Plug In Hybrid Vehicles	8
4.	Zero-Emission Vehicle Conversions	8
5.	Vehicles with ePTO	10
6.	New and Repowered Vehicles Using Low NOx Engines	13
C.	VOUCHER REQUIREMENTS	14
1.	Voucher Renewal	16
2.	Voucher Redemption	16
3.	Vehicle Voucher Amounts	19
4.	Disadvantaged Communities Voucher Enhancement	22
5.	Maximum Allowable Voucher Amount	23
6.	Combining with Other Funding Sources	24
7.	Project Oversubscription and Waitlist	25
D.	DUTIES AND REQUIREMENTS	26
1.	Vehicle and Low NOx Engine Dealers	26
2.	Vehicle and Low NOx Engine Purchaser	28
3.	Resale of Vehicles	30
4.	Vehicle Lease or Rental Agencies	31
5.	Battery Leasing	30
6.	School Buses	31
E.	OVERSIGHT AND ACCOUNTABILITY	32
F.	PROJECT NON-PERFORMANCE	33
G.	DEFINITIONS	34
H.	LIST OF ACRONYMS	38

APPENDIX A: HVIP Vehicle Eligibility List

APPENDIX B: Vehicle Eligibility Applications

APPENDIX C: Vehicles Under Common Ownership

APPENDIX D: HVIP Voucher Request and Terms and Conditions Forms

A. INTRODUCTION AND OVERVIEW

The Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) accelerates the deployment of zero-emission and plug-in hybrid trucks and buses, vehicles using engines that meet the optional low NO_x standard, and trucks equipped with electric power take off (ePTO) systems in California. HVIP benefits the residents of California by stimulating deployment of advanced clean commercial vehicles, reducing greenhouse gas emissions to help meet longer term climate goals, and improving community health with immediate air pollution emission reductions. It is implemented through a partnership between the California Air Resources Board (CARB) and a Grantee, selected via a competitive CARB grant solicitation. HVIP provides vouchers on a first-come, first-served basis. In addition, HVIP provides increased incentives for fleets domiciled in disadvantaged communities.

There are several key pieces of legislation that provide the overall policy framework and funding to support HVIP. In 2007, Governor Schwarzenegger signed into law the *California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007*. Assembly Bill (AB) 118 (AB 118, Statutes of 2007, Chapter 750) created the Air Quality Improvement Program (AQIP), a voluntary incentive program implemented by the California Air Resources Board (CARB), to fund clean vehicle and equipment projects, air quality research, and workforce training.

As required in Health and Safety Code (HSC) Section 44274(a), the Board adopted regulatory guidelines in 2009 for AQIP. The Guidelines for the AB 118 Air Quality Improvement Program (Guidelines) define the overall administrative requirements, policies, and procedures for program implementation based on the framework established in statute.

Senate Bill (SB) 1204 (Lara, Chapter 524, Statutes of 2014) guides CARB's heavy-duty vehicle investments funded with Cap-and-Trade auction proceeds. SB 1204 creates the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program intended to help accelerate the introduction of the next generation of cleaner heavy-duty vehicles and engines with a priority on projects that benefit disadvantaged communities. Among other requirements, SB 1204 directs CARB to develop an annual framework and plan to guide these investments. The Three-Year Investment Strategy for Heavy-Duty Vehicles and Off-Road Equipment included in the annual Funding Plan is designed to help address this requirement.

In 2012, the legislature passed, and Governor Brown signed into law, three bills – AB 1532 (Pérez, Chapter 807), SB 535 (de León, Chapter 830), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39s) – that established the Greenhouse Gas Reduction Fund (GGRF) to receive Cap-and-Trade auction proceeds and to provide the framework for how the auction proceeds will be administered to further the purposes of AB 32 (Núñez, Chapter 488, Statutes of 2006). Cap-and-Trade auction proceeds have been appropriated to CARB for Low Carbon Transportation projects that reduce greenhouse gas (GHG) emissions, with an emphasis on investments that benefit the

State’s disadvantaged communities. Per statute these funds must be used to further the purposes of AB 32. The Low Carbon Transportation investments build upon and greatly expand existing advanced technology and clean transportation programs, which provide mobile source incentives to reduce criteria pollutant, air toxic, and GHG emissions. In 2016, AB 1550 (Gomez, Chapter 369, Statutes of 2016) established disadvantaged community, low-income community, and low-income household targets for the State’s Cap-and-Trade auction proceeds investments.

The Implementation Manual, in conjunction with the Guidelines, and the corresponding Funding Plans identify the minimum requirements for implementing the program. The Implementation Manual may be periodically updated as needed to clarify project requirements and improve project effectiveness. The Implementation Manual, including any updates, will be posted on the Grantee’s HVIP webpage at www.CaliforniaHVIP.org/. The dealer and purchaser are responsible for checking the HVIP website on an ongoing basis for the latest program updates.

CARB has sole discretion to determine eligibility for HVIP funding. Definitions of key program parameters are located in Section H of this manual. Table 1 clarifies which fiscal year coincides with HVIP project year.

Table 1: Fiscal Year/HVIP Project Year

Fiscal Year	HVIP Project Year
FY 2009-10	Year 1
FY 2010-11	Year 2
FY 2011-12	Year 3
FY 2012-13	No HVIP Funding
FY 2013-14	Year 4
FY 2014-15	Year 5
FY 2015-16	Year 6
FY 2016-17	Year 7
FY 2017-18	Year 8
FY 2018-19	Year 9
FY 2019-20	Year 10

1. Project Framework

Figure 1 illustrates a hypothetical vehicle dealer sale and voucher reimbursement transaction. Figure 2 shows the voucher request / redemption process and timeline, or the “lifecycle” of a voucher. HVIP provides a voucher for the vehicle incentive amount, based on corresponding vehicle voucher amount tables found in Section D(3), to a registered HVIP dealer, redeemable at the time of the vehicle or low NOx engine purchase.

The HVIP website includes a list of eligible trucks, buses, and low NOx engines, as well as the eligible voucher amount for each vehicle and low NOx engine. HVIP-approved

dealers have access to the HVIP online Voucher Processing Center (VPC), through which a dealer completes a voucher request with the purchaser and submits at the time a specific vehicle is ordered. A similar structure also applies to vehicles which are ordered directly from a manufacturer or a truck equipment manufacturer (TEM) who act as HVIP dealers.

Figure 1: Example HVIP Truck or Bus Purchase Transaction

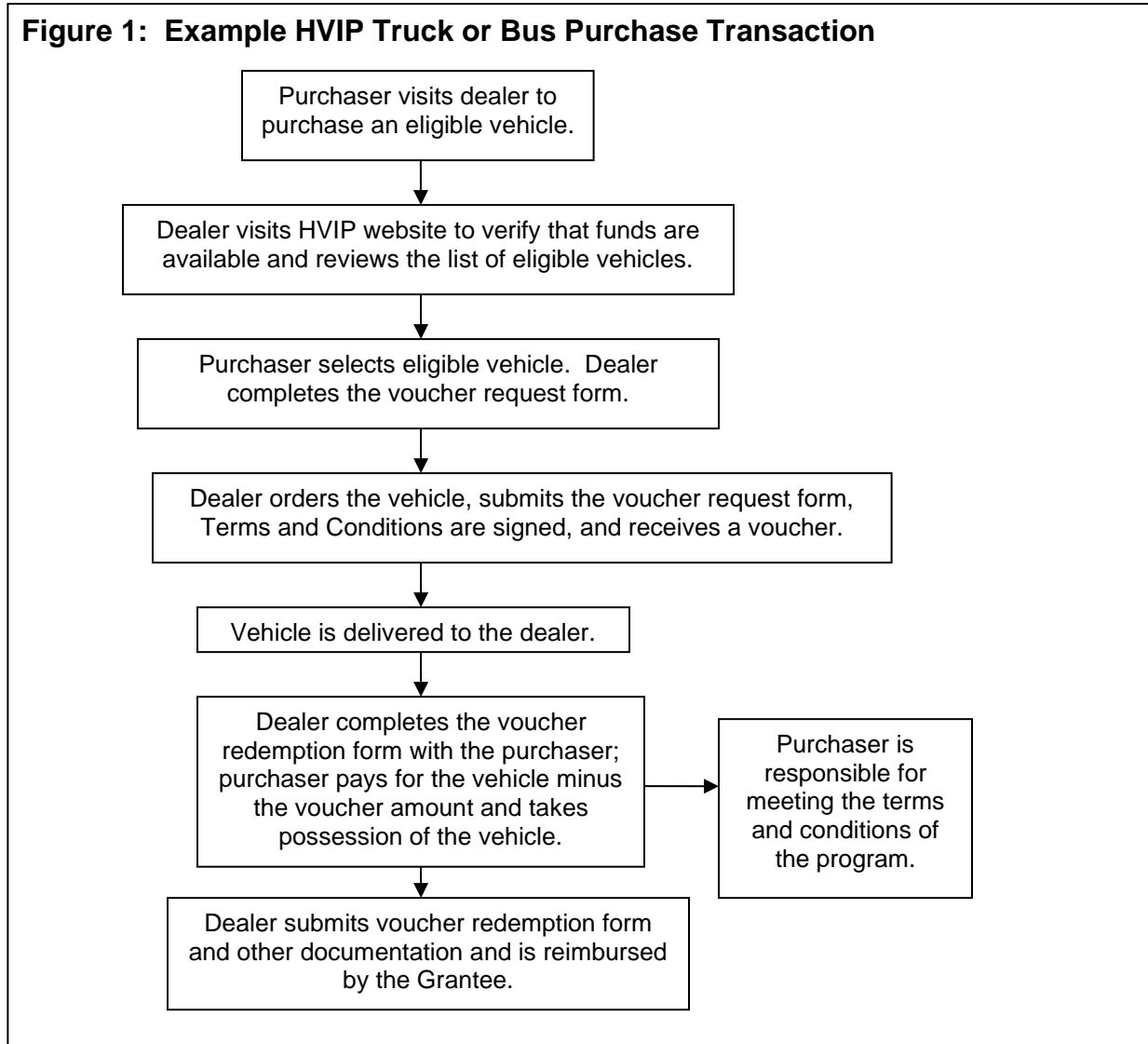
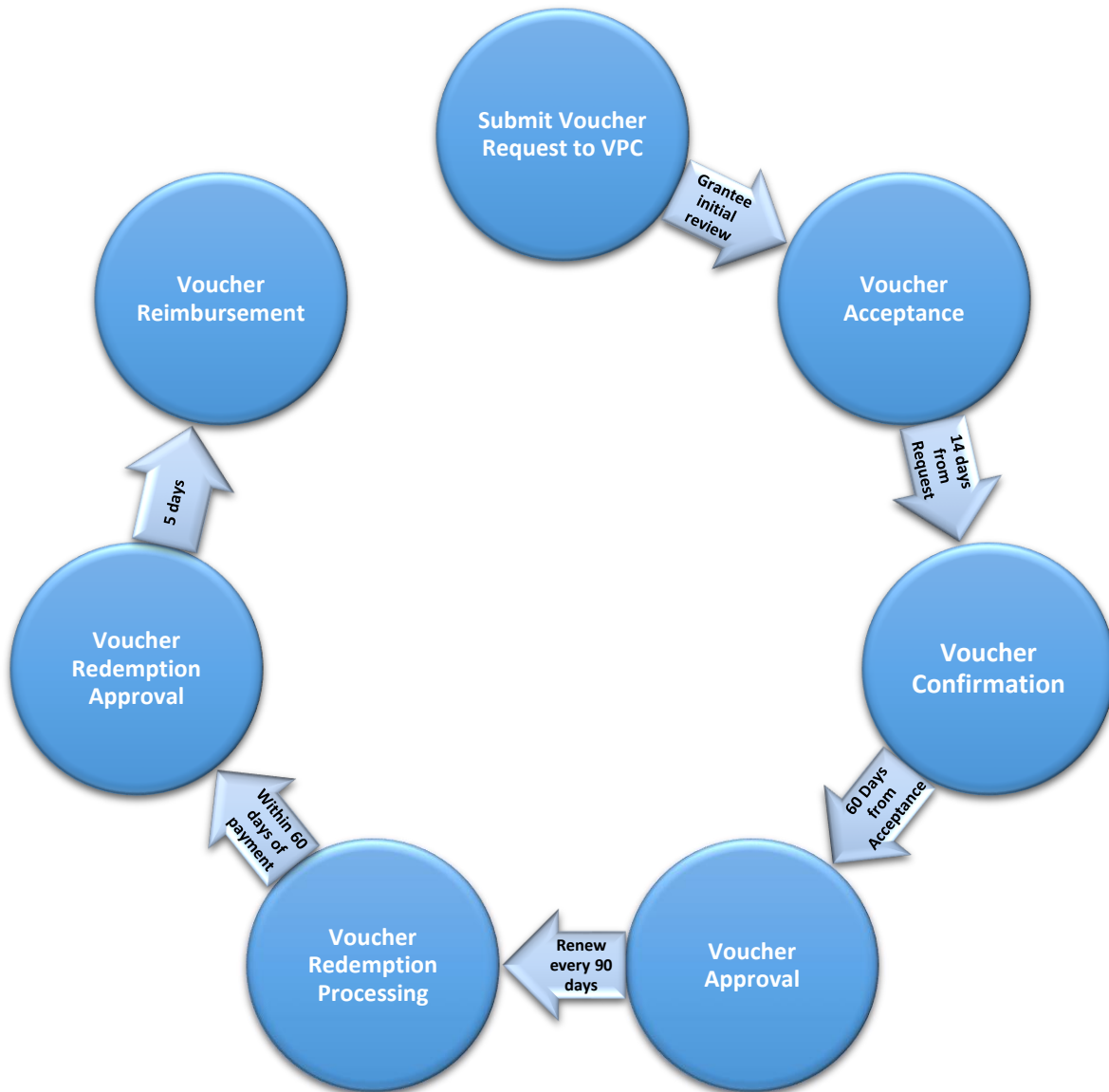


Figure 2



B. VEHICLE TECHNOLOGY ELIGIBILITY

This section describes minimum criteria necessary for vehicles to apply for HVIP eligibility. Once a vehicle becomes HVIP eligible, the vehicle must continually meet the minimum criteria as stated. If a vehicle or low NOx engine fails to continually meet the minimum eligibility criteria, the vehicle or low NOx engine will become ineligible and will be removed from HVIP.

CARB is responsible for evaluating and approving the eligibility of vehicles and low NOx engines for HVIP funding. Vehicle eligibility applications are found in Appendices B. Application submittal instructions and an updated list of eligible vehicles are found at <https://www.californiahvip.org/>. Approved vehicles and engines will remain eligible for

two years following the vehicle or engine model year.

1. Requirements for All Vehicles

The vehicle engine (if applicable), propulsion system, drive train, and batteries/energy storage system(s) must be covered by a manufacturer warranty. The engine warranty requirements in HVIP applies to vehicles receiving funding, and is not intended to supplant or limit the certification requirements. The emissions warranty specified in title 13 CCR section 2036, remain applicable to engines used in HVIP-funded vehicles.

- a. Prior to approving a vehicle model for addition to the List of Eligible Vehicles, CARB may request that the manufacturer provide copies of representative vehicle, engine and battery warranties and a description of the manufacturer's plans to provide warranty and routine vehicle service. HVIP vehicles must provide one of two warranty options described below. A manufacturer has the option to provide either warranty on any vehicle (except vehicles with low NOx engines). For vehicles equipped with low NOx engines, please see Section C(7) for warranty requirements.
 - i. The warranty must provide protection for a minimum of 3 years or 50,000 miles, whichever comes first, and provide full warranty coverage of at a minimum: motor, propulsion system, drive train, battery, parts and labor, or
 - ii. The warranty must provide protection for a minimum of 2 years or 100,000 miles, whichever comes first, and provide full warranty coverage of at a minimum: motor, propulsion system, drive train, battery, parts and labor.
- b. A vehicle is not eligible for an HVIP voucher if the same vehicle make and model is receiving public incentive funding as a research vehicle. Vehicles of the same make and model participating in pre-commercial demonstration and pilot deployment projects may be eligible for HVIP. However, the VIN of a vehicle receiving HVIP funding may not match any vehicle participating in pre-commercial demonstration and pilot deployment project.
- c. The vehicle must be a commercial, non-profit agency, or public fleet vehicle. Personal passenger vehicles are not eligible for HVIP funding. Vehicles of 5,001 - 8,500 lbs gross vehicle weight rating (GVWR) may not be used for carpools, rideshares or similar uses (however, the vehicles may be eligible for the Clean Vehicle Rebate Project (CVRP)).
- d. Vehicles that are approved for the CVRP are not eligible to participate in HVIP.
- e. The chassis of any vehicle receiving an HVIP voucher must be titled and licensed in California, and the vehicle must be California-registered (if applicable).
- f. HVIP eligible vehicle or low NOx engine must be purchased from a dealer

approved by the Grantee to participate in HVIP.

- g. Eligible vehicles and low NOx engines must have at least one California-based service provider affiliated with the vehicle or low NOx engine manufacturer and must be capable of vehicle and low NOx engine service and repair.
- h. No retrofits or other hardware or software modifications which significantly impact the vehicle's emissions characteristics are permitted.
(California Vehicle Code section 27156).
- i. The vehicle must meet all applicable local, state, and federal laws, ordinances and requirements, including but not limited to all applicable safety and air quality regulations.
- j. Vehicles with lead-acid batteries used for traction power or ePTO operation are not eligible for HVIP. Lead-acid batteries may be used to power accessories or other justified uses.
- k. For school buses, CHP certification is required. It is the responsibility of the school district to obtain CHP certification once the school district takes possession of the school bus.
- l. Telematics data for Disadvantaged Communities: All vehicles, except military vehicles and vehicles equipped with low NOx engines, shall be equipped with a data acquisition system capable of collecting vehicle GPS data and vehicle mileage. Telematics requirements for ePTO vehicles are covered separately in section C(5)(f). Each vehicle manufacturer shall be responsible for providing quarterly reports for each vehicle to the Grantee. Each quarterly report shall have current quarterly and cumulative data listing the following information:
 - i. Hours and percentage of total time when the vehicles are operating (operating would mean vehicle is "key on") within a disadvantaged community (DAC)¹.
 - ii. Percentage of days when first key on of the workday is in a DAC.
 - iii. Total miles and percentage of total miles when the vehicles are driving within a DAC.
 - iv. Each report shall be broken into two groups:
 - a. Vehicles domiciled in a DAC.
 - b. Vehicles not domiciled in a DAC.
 - v. Grantee shall provide manufacturer a list of vehicles to be included in each quarterly report.

¹ <https://calepa.ca.gov/EnvJustice/GHGInvest/>

- vi. Vehicle manufacturers shall provide a minimum of three years of data for vehicles from the date of voucher payment.

For DAC mapping data files, please visit CARB's Disadvantaged and Low-income Communities Investments website at:

<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>

2. New Zero-Emission Vehicles

Hydrogen fuel cell and battery electric-powered vehicle emit zero emissions and therefore are eligible for HVIP. Other technologies, which emit zero-emissions when in operation, may be considered for HVIP eligibility on a case-by-case basis.

- a. The vehicle must be a new vehicle as defined in California Vehicle Code Section 430.²
- b. For the purposes of HVIP, a new chassis that has been converted with aftermarket parts or equipment to create a zero-emission vehicle is not considered a new vehicle, unless the completed zero-emission vehicle has obtained CARB new vehicle certification. HVIP-eligible vehicle (and vehicle chassis) must be new and not yet have been registered in any state or paid for by the purchaser (other than a vehicle down payment) in order to receive a voucher. Used vehicles (including vehicles used by dealers, manufacturers, or other entities or for demonstration purposes) are not eligible for HVIP.
- c. Zero-emission vehicle makes/models must fall into one of the following categories to apply to CARB for HVIP eligibility:
 - i. Zero-emission vehicles from 5,001 to 14,000 lbs GVWR that are CARB-certified as Type I, I.5, II or III zero-emission vehicles as defined in the California ZEV Regulation (Section 1962(d)(5)(A), Title 13, California Code of Regulations (CCR) for 2003-2008 model year vehicles and Section 1962.1(d)(5)(A), Title 13, CCR for 2009 and subsequent model years). Those vehicles from 5,001 to 8,500 lbs GVWR may apply for HVIP eligibility; however, vouchers for this lightest vehicle class are provided on a case-by-case basis only if a vehicle purchaser can demonstrate the vehicle is for commercial (not personal) use only, and meets the intent of HVIP.

² Per section 430 of the California Vehicle Code, a "new vehicle" is a vehicle constructed entirely from new parts that have never been the subject of a retail sale, or registered with the California Department of Motor Vehicles, or registered with the appropriate agency or authority of any other state, District of Columbia, territory or possession of the United States, or foreign State, province, or country.

- ii. Zero-emission vehicles above 14,000 lbs GVWR that are CARB-certified. The manufacturer must also certify that the vehicle model complies with all applicable federal safety standards for new motor vehicles and new motor vehicle equipment issued by the National Highway Traffic Safety Administration. The Federal Motor Vehicle Safety Standards are found in Title 49 of the Code of Federal Regulations (CFR) Part 571.
- iii. If a written statement and documentation have been previously provided to CARB in the course of applying for CARB approval/certification of the vehicle model, no additional written statement is required.
- d. The vehicle must demonstrate a minimum 35 mile all-electric range (AER). CARB retains sole authority to determine the appropriate procedure to perform AER demonstration.
- e. Eligibility for zero-emission terminal and yard trucks was transitioned to the Clean Off Road Equipment (CORE) Voucher Incentive Project in February 2020, and are no longer eligible for HVIP funding.

3. Zero-Emission Vehicle Conversions

New or in-use vehicles with any fuel type that convert to zero-emission, including battery electric and fuel cell technologies.

- a. For conversions of any type of vehicle to zero-emission, the aftermarket conversion kits must receive an exemption executive order (EO) from CARB.³
- b. A voucher will not be issued until the vehicle conversion is verified by the Grantee, CARB, or CARB's designee.
- c. The maximum chassis age for zero-emission vehicle conversions is ten years. CARB may consider chassis older than ten years on a case by case basis.
- d. Refer to Tables 8 and 9 for zero-emission vehicle conversion voucher amounts.
- e. Conversions must demonstrate proof of compliance with the AER requirements identified in Section C(3)(d).

4. New Plug-In Hybrid Vehicles

- a. The vehicle must be a new vehicle as defined in California Vehicle Code Section 430.⁴

³ For more information, go to: <https://www.arb.ca.gov/msprog/aftermkt/aftermkt.htm>

- b. The vehicle must demonstrate a 35 percent improvement or greater in fuel economy relative to its baseline and a minimum 35 mile all-electric range (AER).
- c. For the purposes of HVIP, a new chassis that has been converted with aftermarket parts or equipment to create a hybrid vehicle is not considered a new vehicle, unless the completed hybrid vehicle has obtained CARB new vehicle certification. HVIP-eligible vehicle (and vehicle chassis) must be new and not yet have been registered in any state or paid for by the purchaser (other than a vehicle down payment) in order to receive a voucher.
- d. Used vehicles (including vehicles with over 3,500 miles) are not eligible for HVIP.
- e. Plug-In Hybrid vehicle makes/models must fall into one of the following categories to apply to CARB for HVIP eligibility:
 - i. A plug-in hybrid vehicle from 8,501 to 10,000 lbs GVWR which is CARB-certified to be sold in California.
 - ii. A CARB-certified plug-in hybrid commercial vehicle between 6,001 and 8,500 lbs may apply for HVIP eligibility; however, vouchers for these vehicles are provided on a case-by-case basis only if a vehicle manufacturer and purchaser can demonstrate the vehicle is for commercial (not personal) use only, and meets the intent of HVIP.
 - iii. A plug-in hybrid vehicle greater than 10,000 lbs GVWR which is CARB-certified to be sold in California as an original, newly manufactured vehicle must follow emission testing requirements within the Innovative Technology Regulation (ITR)⁵ for the pathway to HVIP funding eligibility. All A to B testing performed using ITR must result in no increased NOx emissions compared to the equivalent baseline vehicle and demonstrate a minimum 35-mile AER. Manufacturers will be required to present a (portable emissions measurement system) PEMS or chassis dynamometer testing plan that complies with ITR testing requirements. CARB has sole discretion to review and approve the testing plan.
- f. The plug-in hybrid vehicle may not emit more NOx emissions compared to the equivalent baseline vehicle.
- g. The vehicle must use a CARB-certified engine. The engine must be appropriately matched for the intended service class of the hybrid vehicle in which it is used.
- h. A plug-in hybrid vehicle engine must be new.
- i. Modifications to engine performance (including changes in horsepower), emissions characteristics, engine emission components (not including repairs with like-original

⁵ <https://ww3.arb.ca.gov/regact/2016/itr2016/hybconvproc.pdf>

equipment manufacturers replacement parts), or any other modifications to the engine's emission's control function is not allowed (Vehicle Code 27156).

5. Vehicles with ePTO

The following vehicle eligibility requirements apply to vehicles equipped with ePTO:

- a. Vehicles with an ePTO powered by lead acid battery technology are not eligible.
- b. Vehicles whose PTO is powered by a battery chemistry other than lithium ion or other zero-emission technology will be considered for HVIP funding eligibility on a case-by-case basis, with voucher amounts dependent upon technology incremental cost, potential for technology transfer to other vehicle or equipment applications, and other criteria.
- c. An ePTO system must use alternating current (AC) to power the electric motor and have a voltage of at least 40 volts. An ePTO system using direct current may be approved by CARB Project Liaison on a case-by-case basis based upon evidence the system is robust and will not compromise workplace safety.
- d. The vehicle ePTO system must demonstrate ability to charge from the battery manufacturer recommended minimum state-of-charge (i.e., the remaining battery voltage defined by the manufacturer at which the vehicle engine will turn on to recharge the ePTO battery) to fully charged within twelve hours when plugged in. The manufacturer recommended minimum state-of-charge utilized during HVIP eligibility application ePTO demonstration may not be adjusted in-use for a minimum of three years from the vehicle's HVIP voucher redemption date.
- e. When the ePTO system is engaged at the jobsite, heating, ventilation, and air conditioning (HVAC) cab comfort must be powered by the ePTO battery.
- f. The vehicle must include a telematics device that electronically tracks:
 - i. Vehicle location
 - ii. Time of operation in ePTO mode
 - iii. Telematics data for SB 535 DACs: All work vehicles with ePTO, except military vehicles, shall be equipped with a data acquisition system capable of collecting vehicle GPS data. Each vehicle manufacturer shall be responsible for providing quarterly reports for each vehicle to the Grantee. Each quarterly report shall have current quarterly and cumulative data listing the following information:
 - a. Hours and percentage of total time when the vehicles are parked and operating in ePTO mode (engine off, providing work power from batteries) within a SB 535 DAC.

- iv. Each report shall be broken into two groups:
 - a. Vehicles domiciled in a SB 535 DAC.
 - b. Vehicles not domiciled in a SB 535 DAC.
- v. Grantee shall provide manufacturer a list of vehicles for each quarterly report.
- vi. Vehicle manufacturers shall provide a minimum of three years of data for vehicles from the date of voucher payment.
- vii. For SB 535 DAC mapping data files, please visit CARB's Disadvantaged and Low-income Communities Investments website at:
<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>
- g. Class 5/6 ePTO Plug-In Requirement:
 - i. Class 5/6 ePTO Plug-In Vehicle purchasers must agree to provide access to necessary charging equipment at the domicile location, or a copy of their company's charging policy showing plug-in access
- h. Work vehicles with ePTO may be deemed HVIP-eligible by CARB staff based on a demonstration that the vehicle engine does not idle to recharge the battery or to power the truck mounted hydraulic, pneumatic or electric work equipment utilized for performing stationary work in a typical workday.
- i. The use of video conferencing and/or telematics data collection will be required unless specified by the CARB Project Liaison for ePTO demonstration. The CARB Project Liaison and manufacturer applicant will agree on the demonstration method on a case-by-case basis.
 - a. The CARB Project Liaison may also require in-person demonstration. In-person demonstration must be conducted within a 100 mile radius of CARB headquarters in Sacramento, California unless an alternate location is preapproved by the CARB Project Liaison.
- j. The following procedures are required for the demonstration of utility bucket trucks. The CARB Project Liaison or his designee may approve in writing modifications to the ePTO demonstration procedures listed below.

Demonstration of ePTO Systems on Aerial Vehicles with GVWR 26,001+ lbs

The ePTO demonstration consists of three steps:

- The CARB Project Liaison or his designee approves in writing a vehicle and ePTO duty cycle that reflects a typical work day. The duty cycle must include the following parameters:
 - At least 45 minutes of total boom movement with at least 175 lbs in the

bucket, including a minimum of 22.5 minutes of vertical boom movement and 22.5 minutes of horizontal boom movement. Each boom movement must extend to maximum achievable boom left/right and up/down positions.

- At least five minutes of air conditioning, running at maximum capacity with the cab windows closed.
- Vehicles with a battery charge while driving feature may include up to one hour of driving as part of the duty cycle. Drive cycles will be considered by the CARB Project Liaison on a case-by-case basis, and must reflect a suburban driving environment (i.e. moderate speeds and number of stops).

Demonstration of ePTO Systems on Aerial Vehicles with 16,001-26,000 lbs GVWR

Due to differing duty cycles of Class 5 and Class 6 aerial vehicles, the following demonstration is required for ePTO installed on aerial vehicles with GVWR between 16,001-26,000 lbs.

The work cycle is defined as 6 job sites with 10 miles between each job site. At each job site, the vehicle will perform one aerial boom cycle as defined below.

- An aerial boom cycle consists of taking the aerial device from the stowed position, to a defined working position, and returning to the stowed position.
- From stowed to the working Position: Activate upper and lower boom simultaneously until upper boom reaches 45 degree above horizontal and lower boom is completely unfolded or vertical. Rotate machine 90 degrees. Extend upper boom if unit is equipped with a telescopic boom section.
- From working position to the stowed position: stow the unit fully in the reverse order, retracting telescopic boom sections, rotating, and lower the upper and lower boom simultaneously. A cycle is considered completed once the aerial device has returned to the stowed position.

ePTO systems must be able to perform the below defined demonstration without fully depleting the ePTO battery and without engine auto-start in order to be eligible for funding. During the ePTO demonstration, the battery state-of-charge (SOC) must be recorded for each of the steps below. The ePTO demonstration consists of the following:

- Park the test vehicle at the test site and conduct pre-operational safety procedures, as applicable.
- Place the vehicle into ePTO mode and set the outriggers, if applicable
- Engage the aerial device controls and perform one aerial boom cycle (as described above)
- Return aerial boom to the stowed position and operate at least five minutes of air conditioning, running at maximum capacity with the cab

windows closed.

- Drive vehicle for a total of 10 miles and return to test site.
 - Repeat steps 1-5 to simulate a second jobsite.
 - Repeat steps 1-5 to simulate a third jobsite.
 - Repeat steps 1-5 to simulate a fourth jobsite.
 - Repeat steps 1-5 to simulate a fifth jobsite.
 - Repeat steps 1-5 to simulate a sixth jobsite.
 - Record final battery SOC.
- k. For the demonstration of non-utility bucket truck ePTO systems, the CARB Project Liaison and manufacturer applicant will develop and agree on the testing procedure on a case-by-case basis.

6. New and Repowered Vehicles Using Low NOx Engines

Below are the minimum criteria necessary for a vehicle equipped with or repowered with a low NOx engine. Once a vehicle is equipped with a low NOx engine, the vehicle must continually meet the minimum criteria as stated. The telematics requirement (Section C(1)(l)) does not apply to this section.

- a. New vehicles must be equipped or repowered with the Cummins Westport ISX12N low NOx engine.
- b. The low NOx engine must be covered by a manufacturer warranty. The warranty must provide protection for a minimum of 3 years or 50,000 miles, whichever comes first or 2 years or 250,000 miles, whichever comes first.
- c. The engine warranty requirements in HVIP applies to vehicles receiving funding, and is not intended to supplant or limit the certification requirements. The emissions warranty specified in title 13 CCR section 2036, remain applicable to engines used in HVIP-funded vehicles. For example, for a natural gas-fueled engine used in a heavy heavy-duty Class 8 vehicle (33,000 lbs. and greater gross vehicle weight rating) that is funded, the engine emissions warranty would be as specified in title 13 CCR section 2036, as applicable.
- d. If the low NOx engine is for a repower, the engine repower must be performed by an installer authorized by the engine manufacturer.
- e. Fleets are required to self-certify per the Terms and Conditions that they are refueling with 100% California-produced Renewable Natural Gas (RNG) for a minimum of three years, either at public stations, via a fuel contract, or both.

Yearly Participant Surveys are sent to HVIP purchasers. Continued usage of renewable fuel will be monitored via the Survey for a three-year period. Fleets that fail to submit the annual vehicle surveys/questionnaires as required from any HVIP funding year are ineligible for additional HVIP vouchers while this

information remains outstanding.

CARB, at its sole discretion, may request documentation from low NOx engine purchasers to verify the use of 100 percent California-produced RNG. Low NOx engine purchasers not adhering to the in-State RNG requirement may be barred from eligibility for HVIP and other CARB incentives.

C. VOUCHER REQUIREMENTS

HVIP vouchers shall only be provided for a specific vehicle or low NOx engine repower ordered or purchased by a specific customer. The dealer must work with the vehicle or low NOx engine purchaser to complete the HVIP voucher request form (available once a voucher request is submitted through the VPC) for HVIP eligible vehicles.

Only vehicles approved by CARB and listed as eligible on the HVIP webpage may receive a voucher. Funding amounts are also listed on the HVIP webpage.

The Grantee shall, in coordination with CARB, maintain a system for dealers to quickly, effectively, and transparently request and redeem vouchers. The HVIP webpage shall include all the information necessary for the dealer, in conjunction with the vehicle or low NOx engine purchaser, to complete and submit the voucher request. Only completed and accurate voucher request forms will be accepted. The Grantee will review the voucher request form for eligibility and provide vouchers on a first-come, first served basis until HVIP funds are depleted. The Grantee will limit the number of voucher requests to 200 per fleet per calendar year. Fleets that fail to submit annual vehicle surveys/questionnaires as required from any HVIP funding year are ineligible for additional HVIP vouchers while this information remains outstanding. Fleets that systematically fail to submit accurate and timely annual usage surveys/questionnaires may be prohibited from future HVIP and other incentive participation.

See Section E(2) for additional information regarding vehicle or low NOx engine purchaser responsibilities.

Vouchers requested for vehicles that have already been delivered will not be accepted.

Dealers can access the VPC to electronically request vouchers and submit documents by visiting www.californiahvip.org.

Voucher funds are reserved at the time of the electronic voucher request. **Submittal of a voucher request not associated with a real vehicle or low NOx engine order is prohibited.** Once a voucher request is submitted along with the purchase order representing a real vehicle order, the vehicle and/or purchaser information cannot be changed. If either the purchaser or vehicle information changes after a voucher is submitted, that voucher will be cancelled and a new voucher may be requested with the new vehicle or purchaser information. The purchase order provided by the dealer must represent a real vehicle order.

A completed voucher request form shall be printed and signed, or submitted electronically, by both the dealer and the vehicle or low NOx engine purchaser. The dealer will then submit the voucher request form within two weeks of the electronic voucher request. Failure to provide this information within two weeks of the original voucher request may nullify the electronic voucher request.

Before issuing a voucher request, dealers are encouraged to check a fleet's compliance with the California Truck and Bus Regulation (TRUCR) by searching the database at <https://ww3.arb.ca.gov/msprog/onrdiesel/tblookup.php>. Fleets are encouraged to have their TRUCR Compliance Certificate renewed at the start of each calendar year to facilitate timely compliance checks. Compliance is required for all vehicles within the purchaser's or operator's fleet, and any under common ownership or control.

Dealers and participating fleets that provide false or misleading information may be barred from future participation in CARB incentives, and may be subject to enforcement action or other legal remedies at CARB's sole discretion.

It is the Grantee's responsibility to notify the dealer that the voucher request has been rejected in writing within five business days of receipt of signed forms or vehicle documentation that disqualifies the vehicle and/or voucher request. Any rejections will include the reason for a rejected voucher request.

Voucher requests will be accepted into the queue in the order in which they are received from the online request system. The Grantee may maintain a contingency list of vouchers requested once the initial voucher project funding has been subscribed. The contingency list will be used if vouchers are rejected (and funding unobligated) or if additional project funding becomes available.

The dealer must also provide the vehicle identification number (VIN) (and serial number for Low NOx repowers) that uniquely identifies the vehicle, along with the vehicle expected delivery date within 60 calendar days of voucher acceptance. Prior to a VIN being issued, a Serial Number or Production Number (typically the last several digits of the VIN) is acceptable for the first 60 calendar days. If the VIN is not available for more than 60 calendar days, the dealer should inform the grantee. This information confirms that the dealer has made an order with the manufacturer. The order should be placed in conjunction with making a voucher request. The Grantee may reject the voucher at this point if the VIN or serial number does not match the vehicle identified on the voucher request. Once all voucher request forms and information are received by the Grantee, a voucher will be issued.

A voucher will only be redeemed if the vehicle or low NOx engine purchaser and delivered vehicle or low NOx engine make/model and other defining information match that on the voucher request form.

1. Voucher Renewal

A voucher will be valid for three months from the time it is issued by the Grantee. A voucher may be renewed by the participating dealer at any point within those three months through the modification of the electronic voucher record online. Renewal of the voucher automatically reserves the eligible vehicle's and purchaser's voucher funding for an additional three months. A voucher not renewed within a three-month period may be deemed expired and the voucher funds will be allocated to the next eligible participant. A voucher may be renewed at three-month intervals for up to a total of 18 months from the time of the electronic voucher request and must be redeemed at that point. Request for voucher extensions beyond 18 months will be reviewed by the Grantee in consultation with CARB on a case-by-case basis. A decision regarding extension of the voucher reservation beyond 18 months shall be made by the Grantee in consultation with CARB, and shall be based upon factors, including but not limited to the projected vehicle DMV registration date, demand from other participants for remaining available HVIP funding, and the good faith efforts of the purchaser, dealer and manufacturer to complete the purchase and place the vehicle into service. The Grantee must maintain written documentation regarding approval of voucher reservations that are extended beyond an 18 month period for three years after voucher redemption.

2. Voucher Redemption

Once a vehicle has been registered at DMV and is ready to be placed into service, the dealer must submit the voucher and required documentation to the Grantee for redemption. A voucher will only be honored if the vehicle and purchaser listed on the voucher match that in the completed purchase transaction. HVIP voucher redemption requests must also meet the following criteria:

- a. An HVIP voucher can only be redeemed upon vehicle or low NOx engine delivery, final payment to the dealer by the purchaser (less the voucher amount), and registration of the vehicle in California.
- b. For vehicles repowered with low NOx engines, vouchers may be redeemed when the customer takes delivery of the engines and has paid the balance due (minus incentive amount). As engines are installed in vehicles, the balance of required documentation is to be provided to the Grantee.
- c. Fleets may only request vouchers for those low NOx engines that are anticipated to be installed within three months of the date of voucher request. For large engine orders (more than 50), fleets will be required to break the voucher requests into smaller increments that represent no more than three months of inventory.
- d. A copy of the final vehicle invoice and temporary California Department of Motor Vehicle (DMV) registration or DMV registration for the purchased vehicle must

be provided to confirm delivery and purchase specifications. DMV Form REG397 (request for registration) may be submitted in lieu of completed registration; grantee has the right to follow up six months after voucher redemption to obtain a copy of the completed registration.

- e. A copy or photo of the VIN tag listing the GVWR must be provided to confirm vehicle GVWR. CARB may approve HVIP vouchers for vehicles that are federally registered in lieu of being registered in California (such as military vehicles) on a case-by-case basis.
- f. For low NOx engine repowers, a copy of the final repower invoice containing the VIN and low NOx engine serial number must be provided to the Grantee. For low NOx engine repowers, a final repower invoice must be signed and dated.
- g. The final vehicle invoice must be signed and dated by the vehicle or low NOx engine purchaser.
- h. The final vehicle invoice must show that the voucher amount has been fully discounted from the vehicle or low NOx engine purchase price.
- i. The vehicle GVWR as designated on the VIN tag must be consistent with the vehicle's base vehicle incentive identified in Tables 3 through 10 in Section D(3). Not applicable for low NOx engine repowers.
- j. The vehicle must have no more than 3,500 miles at time of the vehicle inspection. Proof of vehicle mileage at the time of vehicle DMV registration must be provided by the dealer in the form of a telematics mileage report, DMV odometer disclosure statement, or photo of the odometer upon delivery. Vouchers for vehicles with more than 3,500 miles may be redeemed on a case-by-case basis with CARB's sole approval and with sufficient evidence or explanation justifying such mileage. Not applicable for low NOx engine repowers.
- k. Financial documentation identifying the method and date of final payment to the dealer must be provided prior to voucher redemption. This can be a copied check or transaction showing an electronic money transfer. If lease or financial arrangements involve a third party, they must also be identified with the title or lien-holder clearly indicated.
- l. Digital inspection photos of the vehicle showing that it is ready to be placed into service must be provided prior to voucher redemption. In instances where vouchers for an order of 10 or more vehicles are being redeemed at the same time, a "group photo" may be uploaded, however a list of the VINs of all pictured vehicles must accompany the photo.
- m. A HVIP Vehicle Inspection Form signed by an HVIP approved and authorized dealer must be mailed or submitted electronically prior to voucher redemption.

Electronic signatures may be permitted in lieu of signed originals; participants should contact the VPC for more details.

- n. A signed copy of the voucher redemption form must be provided prior to voucher redemption. Original dealer and purchaser signatures are required on this document and a copy of this document must be sent in the mail or electronically to the Grantee (or its designee). Electronic signatures may be permitted in lieu of signed originals; participants should contact the VPC for more details.
- o. All documents that are submitted to the Grantee or its subcontractor for processing voucher redemption must clearly indicate the voucher number or the VIN.
- p. The dealer must submit all voucher redemption documentation within 60 calendar days of receipt of payment. Failure to provide all the required documentation by this deadline may nullify the voucher. Payment is inclusive of the vehicle itself but does not need to include related items such as vehicle training that the dealer / OEM may be providing to the purchaser.

When program funding is available, it is the goal of HVIP to provide payment to the dealership within five business days from the time the eligible voucher redemption form and all associated documentation is received by the Grantee. If the voucher payment is delayed for more than ten business days from the time the eligible voucher redemption form and associated documentation is received, the Grantee will notify the dealership by phone or email at the earliest possible time of such delay.

Only completed and accurate voucher redemption forms will be accepted. A voucher shall only be redeemed if the vehicle and purchaser match that on the original voucher request form. CARB, the Grantee, and HVIP are not responsible for payment of a voucher if the vehicle or purchaser do not match those described on the voucher request form. If the dealer has a new purchaser for a delivered vehicle and HVIP funds are still available, the dealer and new purchaser may request a new voucher.

Voucher applications that have been denied or cancelled by the Grantee may be appealed within 10 calendar days of the date of the cancellation. If the only basis for an appeal is that the applicant disagrees with the policies set forth in HVIP Terms and Conditions and the Implementation Manual, there is no basis for an appeal. A formal letter of appeal must be postmarked within 10 calendar days of a cancelled application and addressed to the following:

CARB Project Liaison: Patrick Chen

Via US Postal Service must be mailed to the following address:

Patrick Chen
Air Resources Board

Mobile Source Control Division
 9480 Telstar Ave
 #4 – 1st Floor
 El Monte, California 91731

3. Vehicle Voucher Amounts

All eligible vehicles may receive an HVIP voucher for up to the funding amounts identified in the tables below. The Public Transit Bus Voucher Amounts found in Table 4 are reserved for public transit agencies that provide transit services to the public. Public transit includes paratransit services operated by a public transit agency. Shuttle buses with restricted services including but not limited to airport shuttles, university shuttles, prisoner transport shuttles, and operated by private fleets are required to use the zero-emission shuttle bus voucher amounts found in Table 5. Only vehicles domiciled in a Disadvantaged Community are eligible for the Disadvantaged Community voucher enhancement.

Table 3: Zero-Emission Truck Voucher Amounts

GVWR (lbs)	Base Vehicle Incentive	
	Outside Disadvantaged Community	In Disadvantaged Community
5,001 – 8,500	\$20,000	\$25,000
8,501 – 10,000	\$25,000	\$30,000
10,001 – 14,000	\$50,000	\$55,000
14,001 – 19,500	\$80,000	\$90,000
19,501 – 26,000	\$90,000	\$100,000
26,001 – 33,000	\$95,000	\$110,000
>33,000	\$150,000	\$165,000
>33,000 Hydrogen Fuel Cell Truck	\$300,000	\$315,000

Table 4: Zero-Emission Public Transit Bus Voucher Amounts

Bus Length and Bus Type	Base Vehicle Incentive	
	Outside Disadvantaged Community	In Disadvantaged Community
20 ft – 24 ft	\$80,000	\$90,000
25 ft – 29 ft	\$90,000	\$100,000
30 ft – 39 ft	\$120,000	\$135,000
40 ft – 59 ft	\$150,000	\$165,000
≥ 40 ft. Double Decker Bus	\$175,000	\$190,000
≥ 60 ft. Zero-Emission Battery- Electric Articulating Transit Bus	\$175,000	\$190,000
≥ 40 ft. Hydrogen Fuel Cell Electric Bus	\$300,000	\$315,000

Table 5: Zero-Emission Shuttle Bus Voucher Amounts

GVWR (lbs)	Base Vehicle Incentive	
	Outside Disadvantaged Community	In Disadvantaged Community
8,501 – 10,000	\$25,000	\$30,000
10,001 – 14,000	\$50,000	\$55,000
14,001 – 19,500	\$80,000	\$90,000
19,501 – 26,000	\$90,000	\$100,000
26,001-33,000	\$120,000	\$135,000
>33,000	\$150,000	\$165,000

Table 6: Eligible New Zero-Emission School Bus Voucher Amounts

GVWR (lbs)	Base Vehicle Incentive	
	Outside Disadvantaged Community	In Disadvantaged Community
5,001 – 8,500	\$25,000	\$30,000
8,501 – 10,000	\$30,000	\$35,000
10,001 – 14,000	\$55,000	\$60,000
14,001 – 16,000	\$90,000	\$100,000
16,001 – 26,000	\$150,000	\$160,000
26,001 – 29,000	\$175,000	\$190,000
>29,000	\$220,000	\$235,000

Table 7: Eligible Zero-Emission Truck and Bus Vehicle Conversion Voucher Amounts

GVWR (lbs)	Base Vehicle Incentive ¹	
	Outside Disadvantaged Community	In Disadvantaged Community
5,001 – 8,500	\$15,000	\$18,750
8,501 – 10,000	\$18,750	\$22,500
10,001 – 14,000	\$37,500	\$41,250
14,001 – 19,500	\$60,000	\$67,500
19,501 – 26,000	\$67,500	\$75,000
> 26,000	\$71,250	\$82,500

1 - Zero-emission conversion funding amounts may cover up to 50 percent of the conversion cost but not to exceed the funding levels listed in this table. All voucher enhancements available for new zero-emission trucks and buses will apply to zero-emission vehicle conversions.

Table 8: Zero-Emission Public Transit Bus Vehicle Conversion Voucher Amounts

Bus Length	Base Vehicle Incentive ¹	
	Outside Disadvantaged Community	In Disadvantaged Community
20 ft – 24 ft	\$60,000	\$67,500
25 ft – 29 ft	\$67,500	\$75,000
≥ 30 ft	\$71,250	\$82,500

1 - Zero-emission conversion funding amounts may cover up to 50 percent of the conversion cost but not to exceed the funding levels listed in this table. All voucher enhancements available for new zero-emission trucks and buses will apply to zero-emission vehicle conversions.

Table 9: Eligible New Plug-In Hybrid Truck and Bus Voucher Caps

GVWR (lbs) ¹	Base Vehicle Incentive ²
6,001 – 8,500	\$13,000
8,501 – 10,000	\$20,000
10,001 – 19,500	\$25,000
19,501 – 26,000	\$65,000
26,001 – 33,000	\$70,000
> 33,000	\$75,000

1 - Tractor trailers utilize Gross Combined Vehicle Weight for purposes of determining Base Vehicle Incentive.

2 - New plug-in hybrid vehicle funding amounts may cover up to 50 percent of the incremental cost of the hybrid vehicle, not to exceed the funding levels listed in this table.

Table 10: Eligible ePTO Voucher Caps

Energy Storage Capacity	Base Vehicle Incentive¹
3 – 10 kWh	\$20,000
10 - 15 kWh	\$30,000
> 15 kWh	\$40,000

1 - ePTO funding amounts may cover up to 50 percent of the incremental cost of the ePTO vehicle, not to exceed the funding levels listed in this table.

Table 11: Low NOx Engine Voucher Amount

Engine Manufacturer/Displacement/Low NOx Certification	Incentive
Cummins Westport/Cummins Westport ISX12N 0.02 g/bhp-hr New Vehicle	\$45,000
Cummins Westport/Cummins Westport ISX12N 0.02 g/bhp-hr Repower	\$52,000

4. Disadvantaged Communities Voucher Enhancements

In 2014, the California Environmental Protection Agency (Cal/EPA) identified disadvantaged communities for the purposes of SB 535 using the California Communities Environmental Health Screening Tool (CalEnviroScreen 2.0). In 2017, Cal/EPA updated the list of disadvantaged communities based on the newer CalEnviroScreen 3.0 model and identified low-income communities for the purposes of implementing AB 1550. CARB will use the 2017 CalEnviroScreen 3.0 based list of disadvantaged communities and the new low-income communities to determine compliance with AB 1550 requirements. More information on the CalEnviroScreen model and disadvantaged communities is available on Cal/EPA's website⁶.

To ensure that HVIP continues to meet its goal of providing funding in disadvantaged communities, and to satisfy AB 1550 requirements, a set aside of HVIP funding might be needed. Throughout the project year, if data shows that HVIP is not meeting AB 1550 goals, funding will be earmarked for vehicles located in disadvantaged communities. As part of the reporting requirements associated with Low Carbon Transportation funding, CARB will track where these funds are spent so the portion that is spent in disadvantaged and low-income communities can be calculated and reported in future annual reports to the Legislature.

Voucher enhancements will be applied for domicile addresses that fall within the boundaries of a SB 535 DAC using the mapping tool at:

<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>

5. Maximum Allowable Voucher Amount

The total voucher amount – including HVIP Base Vehicle Incentive plus voucher enhancements plus all other eligible public incentives may not exceed 90 percent of the total vehicle cost (excluding taxes and fees). For publicly owned vehicles, including

⁶ <http://www.calepa.ca.gov/EnvJustice/GHGInvest/>

public school buses, public transit buses, and municipal vehicles, the sum of HVIP and other eligible public funding may not exceed the full vehicle cost including taxes and fees. HVIP funding may not pay for any taxes or fees. Taxes and fees must be paid for by another funding source. The total vehicle cost is to be determined by CARB in consultation with the vehicle manufacturer, based upon the vehicle sale price, typical industry standard costs for that vehicle technology and type, and other factors. In addition, HVIP voucher amount for vehicles equipped with ePTO may not exceed the cost of the ePTO system. For plug-in hybrid heavy-duty vehicles, funding amounts may cover up to 50 percent of the incremental cost of the hybrid vehicle, not to exceed the funding levels listed in Table 9.

Funding for vehicles equipped or repowered with eligible low NOx engines may not exceed the funding amounts listed in Table 11. In the case that incentives are being combined with funding from another program, if the incremental cost between a baseline vehicle/engine and the low NOx vehicle/engine variant is already being covered, the vehicle/engine is not eligible for HVIP. If a portion of the incremental cost is covered by another funding source, then the low NOx engine voucher will be discounted in order not to exceed incremental cost.

HVIP vouchers for zero-emission vehicles are not restricted to vehicle incremental cost, in order to help accelerate the market for this more advanced and costly vehicle technology.

6. Combining With Other Funding Sources

HVIP vouchers may be combined or “stacked” with other eligible public incentives, where applicable, to further support fleet purchase decisions. HVIP’s intent is to substantially offset the cost of new technology, without exceeding the amount of public funding needed to influence a purchase decision. To stack eligible public incentives, the dealer and purchaser must ensure that all of HVIP’s and respective public incentive program’s requirements and policies regarding the stacking of public funds are met. Local- and federal-funded incentives may be combined with HVIP vouchers, so long as each incentive program is not paying for the same incremental costs or the total sum of incentives does not exceed the total cost of the vehicle.

Local incentives that may be combined with HVIP include programs administered by local air districts or local municipalities that are locally funded. AB 923 funds administered by local air districts may also be combined with HVIP for school buses only. Examples of programs funded by local air districts and not the State that may be stacked with HVIP includes, but not limited to, the following:

- Sacramento Metropolitan AQMD’s Sacramento Emergency Clean Air & Transportation (SECAT) Grant Program
- South Coast AQMD’s Mobile Source Air Pollution Reduction Review Committee (MSRC) grants
- Bay Area AQMD’s Mobile Source Incentive Fund and Transportation Fund for Clean Air

- San Joaquin Valley Air Pollution Control District's Heavy-Duty Truck Replacement Program

Federal incentive programs may be combined with HVIP vouchers, including funding provided by the Federal Transit Administration (FTA), the Department of Energy (DOE), and other federal agencies.

Except for public transit buses, stacking HVIP with State-funded incentives is not allowed. The list of State-funded incentive programs that MAY NOT be combined with HVIP include, but are not limited, to the following:

- Volkswagen Environmental Mitigation Trust for California (VW Mitigation Trust)
- Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program)
- Community Air Protection Incentives to Reduce Emissions in AB 617 Communities
- Goods Movement Emission Reduction Program (Prop 1B Program)
- Transit and Intercity Rail Capital Program (TIRCP)
- Low Carbon Transit Operations Program (LCTOP)
- Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP)

Public transit buses operated by public agencies that provide transit services to the public, including paratransit services, are the exception to the above requirements and may stack State-funded incentives with HVIP. When stacking HVIP vouchers with other funding sources for public transit buses, HVIP funding may be combined with the provision that HVIP will only fund the remaining cost up to the maximum voucher amount after the other incentives have been applied at their maximum allowable amounts.

7. Example Calculations

This section provides example calculations of the maximum allowable HVIP voucher amount, based upon assumptions regarding other potential funding sources. These examples are for illustrative purposes only. The actual maximum voucher amount will depend upon each specific circumstance.

EXAMPLE 1: A local air district grant provides \$100,000 to replace an old truck with a new \$140,000 diesel truck of 35,000 lbs GVWR. HVIP augments this grant by providing a \$150,000 voucher for the purchaser to upgrade to a \$300,000 zero-emission truck. The zero-emission truck incremental cost is \$160,000. HVIP voucher amount combined with the air district funding cannot exceed 90 percent of the zero-emission vehicle purchase cost (excluding taxes and fees). HVIP funding may not pay for any taxes or fees. Taxes and fees must be paid for by another funding source.

In this case, \$150,000 HVIP voucher < \$160,000 vehicle incremental cost
 \$100,000 district grant + \$150,000 HVIP voucher = \$250,000

\$300,000 * 90 percent = \$270,000
\$250,000 total public funds < 270,000
The transaction can proceed without discounting HVIP voucher.

EXAMPLE 2: Transit agencies receive an 80 percent grant from the FTA for most new vehicle purchases, including new zero-emission vehicle purchases. For example, suppose a public transit agency receives a \$640,000 FTA grant towards the purchase of a new \$800,000 battery-electric zero-emission transit bus of 45,000 lbs. GVWR. The transit agency also receives \$20,000 in Congestion Mitigation and Air Quality (CMAQ) funding for the bus. In this example, the transit fleet is also receiving \$100,000 from CalSTA's Transit and Intercity Rail Capital Program (TIRCP). Since it is a zero-emission public transit bus, the sum of HVIP voucher and all other public incentives may not exceed the full vehicle cost and funding from other state incentive programs may be combined. Therefore, the maximum allowable HVIP voucher could not exceed \$40,000 as HVIP vouchers may be applied after all other funding sources have been accounted for.

\$640,000 FTA Grant + \$20,000 CMAQ Funding + \$100,000 TIRCP Funding
=\$760,000 Other Public Incentive Funds
HVIP voucher cannot exceed \$40,000

The maximum allowable voucher amount may not exceed \$40,000 since the sum of all public incentives cannot exceed the full vehicle cost. The HVIP voucher will be discounted to \$40,000.

EXAMPLE 3: A trucking fleet is replacing a 2009 Class 8 truck a new zero-emission truck. The fleet has secured funding from the Volkswagen (VW) Environmental Mitigation Trust. This vehicle is not eligible for an HVIP voucher because it is already receiving incentive funding from another state incentive program and the fleet is not a public transit agency purchasing a zero-emission transit bus.

EXAMPLE 4: A fleet is purchasing a new Class 8 truck using a 11.9-liter low NOx natural gas engine. The fleet has secured \$50,000 from a local air district that covers the incremental cost between the vehicle equipped with the low NOx engine and a diesel baseline. This vehicle is not eligible for an HVIP voucher because it is already receiving incentive funding that is based on the new vehicle meeting the optional Low NOx standard.

8. Project Oversubscription and Waitlist

When available voucher funding is fully subscribed for any fiscal year, CARB has sole discretion to permit a waitlist and only if adequate funding will be available in the following budget cycle to cover a waitlist. Waitlisted voucher requests will be submitted following existing voucher processing procedures.

When funding is available, waitlisted voucher requests will be reviewed in the order they were received by the VPC. If CARB provides case-by-case approval for any dealers / OEMs to deliver a waitlisted vehicle during the waitlist period, any such voucher requests will be reviewed first when funding is available.

All waitlisted voucher requests for vehicles that will be leased require an operator / lessee to be named on the request.

D. DUTIES AND REQUIREMENTS

1. Vehicle and Low NOx Engine Dealers

Truck and bus dealers play a central role in HVIP's success. The Grantee will work with CARB to develop/maintain a list of dealers eligible to participate in HVIP, and to receive a written commitment from these dealers to comply with all applicable project requirements. The eligible dealer list will be used to streamline project access while ensuring project transparency and accountability. The following entities may be considered eligible vehicle dealers for the purposes of HVIP:

- a. A truck or bus dealership that has a written agreement with a medium- or heavy-duty vehicle manufacturer.
- b. A truck, van or bus vehicle manufacturer that manufactures HVIP eligible vehicles and low NOx engines and sells those vehicles and low NOx engines directly to fleets.
- c. A truck, bus or equipment manufacturer that has a written agreement with another medium- or heavy-duty vehicle manufacturer.
- d. An engine manufacturer that manufactures engines meeting an optional low NOx standard or dealer that offers low NOx engines for sale.

For the purposes of HVIP, a vehicle or low NOx engine dealer is defined as the vendor of the fully assembled and completed vehicle or vendor that sells and installs low NOx engines in existing vehicles, and not the vendor of the vehicle chassis. This definition will impact transactions where a dealer sells a chassis to a truck equipment manufacturer for final manufacture and the truck equipment manufacturer then sells the completed vehicle to the purchaser. In this case, the truck equipment manufacturer rather than the chassis vendor is considered the HVIP dealer.

An HVIP approved dealer may represent a dealership and may request vouchers on behalf of a vehicle or Low NOx engine sold from the dealership. An entire dealership is not entitled to HVIP vouchers because it employs an HVIP-approved dealer. Rather, each individual at the dealership is responsible for becoming an approved HVIP dealer if they wish to request their own vouchers. Sharing VPC accounts with unauthorized users and a VPC account used by multiple individuals are prohibited.

The Grantee will work with vehicle manufacturers to maintain a list of dealers authorized to receive HVIP vouchers. Dealer responsibilities include:

- a. Becoming familiar with all HVIP requirements.
- b. Participation in dealer training and registration.
- c. Providing accurate information to vehicle or low NOx engine purchasers, the Grantee, and CARB.
- d. Completing voucher request and voucher redemption forms, with the assistance of the vehicle or low NOx engine purchaser, and in supplying the necessary vehicle or low NOx engine purchase documentation.
- e. Providing accurate and complete documentation of the vehicle or low NOx engine purchase to the Grantee.
- f. Providing reasonable assistance to CARB or its designee to obtain updated purchaser information, inspect vehicles, and review HVIP related records during the first three years after vehicle receipt and final payment by the purchasing fleet, whichever is later.
- g. Frequently checking the HVIP webpage at CaliforniaHVIP.org for updates and announcements.

HVIP is intended to lower the vehicle price for the vehicle or low NOx engine purchaser by the full voucher amount. Vehicle dealers must deduct the full voucher amount from the vehicle or low NOx engine purchase price to be eligible for a voucher. Sales tax for the vehicle or low NOx engine purchase shall be based upon the pre-voucher cost of the vehicle. The invoices provided by the dealer as proof of purchase for voucher redemption must itemize all vehicle charges (e.g., price of the vehicle, delivery fee, all applicable taxes, etc.) and must show the deduction of the voucher amount. Private fleets accessing financing toward the HVIP-funded vehicle must provide proof of a down payment that is at least as much as the voucher amount. Dealers and/or purchasers are required to disclose other sources of public funding.

Upon CARB case-by-case approval and only when necessary to support the goals of HVIP, vouchers may be reimbursed directly to the purchaser. The purchaser will be required to provide CARB additional information including, but not limited to, a signed letter in which they state this request and confirm their understanding that this is a departure from standard HVIP procedure, and a copy of an invoice showing the voucher amount was paid to the dealer.

The voucher request form and voucher redemption form both are legally binding and enforceable agreements to meet the requirements of the project. The dealer is responsible for ensuring the accuracy of the vehicle and dealership information on all

voucher request or redemption forms submitted to the Grantee. Submission of false information on any of these forms may result in cancellation of the voucher, recapture of funds, and removal from the dealer list. In addition, CARB may seek other remedies available under law.

Participating dealers must keep written records of sales transactions for vehicles funded with an HVIP voucher – including but not limited to the vehicle invoice and proof of purchase -- for three years after the vehicle receipt and final payment by the fleet, whichever is later. A vehicle dealer must provide CARB (or its designee) with all requested information related to compliance with HVIP requirements or any vehicle(s) purchased with a HVIP voucher within ten days of CARB's written request for such information. Requested information may include but is not limited to purchase orders or agreements and vehicle payment information and related bank records.

A dealer with no voucher activity for more than a year may be deactivated from the VPC. Reactivation may require additional dealer training.

Dealers that submit false information to the Grantee or inflate the price of a funded vehicle may be required to return the full voucher amount to the Grantee or CARB, and may be excluded from future participation in HVIP. In addition, CARB may seek other remedies available under law.

2. Vehicle and Low NOx Engine Purchaser

The low NOx engine, truck or bus purchaser is responsible for completing the voucher request and redemption forms with the dealer and for paying the non-voucher portion of the vehicle cost. To receive an HVIP voucher, a vehicle purchaser must:

- a. Be a business, non-profit, or government entity which is based in California or has a California-based affiliate. Personal use vehicles are not eligible for HVIP funding. A truck or bus leasing/rental agency based outside of California is also eligible if the vehicle is leased/rented to an entity that will meet all HVIP operational, reporting, and other applicable requirements.
- b. Upon CARB case-by-case approval, a vehicle manufacturer or dealer may request no more than two vouchers in any 12 month period for their own use. This applies to vehicles the manufacturer produces, vehicles the dealer makes available for sale, and demonstration vehicles. Vehicle manufacturers and dealers will be required to provide CARB additional information including, but not limited to, intended use of vehicle, manufacturing costs and dealer invoice or acquisition costs. The vehicle may have no more than 3,500 miles on the odometer at the time of voucher request and cannot be registered. If a vehicle manufacturer or dealer chooses to purchase a vehicle they do not produce or sell, then this condition will not apply.
- c. Maintain insurance as required by law. If the purchased vehicle is destroyed or otherwise permanently inoperable due to a crash or for any other reason,

- the vehicle or low NOx engine purchaser must notify the Grantee. The notification must provide proof that the specific funded vehicle has become inoperable, including photographs of the inoperable vehicle with license plates or other identifying markings, as well as any applicable insurance or police documentation.
- d. Commit to operate the vehicle in California for at least three years after the voucher redemption date. Vehicles registered in a California county that borders another state or Mexico and emergency response vehicles may be granted permission to accrue up to 25 percent of their mileage each year for the three-year reporting period outside of California if requested and approved by CARB in writing prior to the vehicle being deployed out of state. Requests must be made in writing to CARB Project Liaison. Class 8 freight trucks, including port drayage trucks, may accrue up to 50 percent of their mileage each year outside of California without prior approval, as long as goods are being transported to or from California. All other vehicles must operate 100 percent within California for at least three years.
 - e. Not make or allow any modifications to the vehicle's emissions control systems, hardware, software calibrations, or hybrid system (Vehicle Code Section 27156).
 - f. Submit annual activity reports for three years. Activity reports will be provided by CARB or Grantee for completion by the vehicle or low NOx engine purchaser. CARB reserves the right to bar a fleet that does not provide timely and accurate HVIP usage surveys/questionnaires, including the Annual Purchaser Survey, from future incentives participation,
 - g. Agree to Telematics requirements specified in Section C(1)(m), except vehicles equipped with low NOx engines.
 - h. Allow CARB, the Grantee, or their designee to verify the vehicle registration with the DMV.
 - i. Be available for follow-up inspection if requested by the Grantee, CARB, or CARB's designee.
 - j. Military vehicles are not subject to sections d, f, g, h above.
 - k. Disclose all sources of public funding used in combination with HVIP funds.

The vehicle or low NOx engine purchaser is responsible for ensuring the accuracy of the vehicle, low NOx engine and purchaser information on the voucher request and redemption forms. Submission of false information on either of these forms may be considered a criminal offense and is punishable under penalty of perjury under the laws of the State of California.

Vehicle or low NOx engine purchasers must keep written records of the vehicle or low NOx engine purchase for vehicles or low NOx engines funded with an HVIP voucher – including the vehicle invoice, proof of purchase, and DMV records – for three years after the vehicle or low NOx engine purchase transaction. A vehicle or low NOx engine purchaser must provide CARB (or its designee) with all requested information related to any vehicle or low NOx engine purchased with an HVIP voucher within ten days of CARB’s written request for such information. Requested information may include but is not limited to purchase orders or agreements, vehicle payment information and related bank records, and purchaser fleet information. Vehicle or low NOx engine purchasers that submit false information to the Grantee or CARB may be required to return the full voucher amount to the Grantee or CARB, and may be excluded from future participation in HVIP. In addition, CARB may pursue other remedies available under the law.

3. Resale of Vehicles

Vehicle or low NOx engine purchasers participating in HVIP are expected to keep the vehicle and meet all applicable project requirements for a minimum three year period after the vehicle or low NOx engine purchase date. However, resale of a vehicle may be allowed within this three year period if necessitated by unforeseen or unavoidable circumstances. Resale of an HVIP funded vehicle must receive CARB written approval prior to resale. A vehicle or low NOx engine purchased with an HVIP voucher may not be resold more than once within three years of the original purchase date.

For vehicles resold within three years of the original vehicle or low NOx engine purchase date (and after CARB provides written approval), the original vehicle or low NOx engine purchaser must inform the new purchaser in writing about the voucher rebate amount and applicable voucher project requirements. The new vehicle or low NOx engine purchaser must agree in writing to meet all applicable HVIP requirements of original vehicle or low NOx engine purchasers.

If the vehicle is moved out of the State or resold, and the new vehicle or low NOx engine purchaser does not agree in writing to meet all applicable HVIP requirements of the original vehicle or low NOx engine purchasers, the vehicle or low NOx engine purchaser or lessee must refund promptly to the Grantee a prorated portion of their voucher, in an amount equivalent to the original voucher amount divided by 36 months and then multiplied by the number of months remaining in the original 36 month period (rounded to the nearest month): $(\text{Original Voucher Amount} \div 36 \text{ Months}) \times (36 - \text{months since vehicle or low NOx engine purchase or lease date})$.

The original vehicle or low NOx engine purchaser must notify CARB Project Liaison in writing of its intent to sell the vehicle at least seven calendar days prior to the vehicle resale. Within seven calendar days after the vehicle resale, the original vehicle or low NOx engine purchaser must notify the Grantee that the vehicle has been resold and provide the mailing address, phone number and email (if any) of the purchaser as well as the vehicle resale price. Within thirty calendar days after the vehicle resale, the entity buying the vehicle from the original vehicle or low NOx engine purchaser must also provide the Grantee with: 1) their mailing address, phone number and email (if

any); 2) a copy of the new DMV title documenting of the vehicle resale; 3) a written commitment to meet the terms and conditions identified on the original voucher; and 4) a written commitment to complete and return the annual usage survey/questionnaire as required by the original voucher. CARB reserves the right to pursue all remedies available under the law for noncompliance with these requirements.

4. Vehicle Lease or Rental Agencies

For the purposes of HVIP, any fleet that enters into a rental or lease agreement of three or more years with a vehicle leasing or rental agency within six months of when an HVIP voucher is redeemed shall be considered the vehicle or low NOx engine purchaser. The vehicle domicile address shall be listed as the lessee fleet address. Conversely, any vehicle lease or rental entity that receives an HVIP funded vehicle or low NOx engine but does not enter into such an agreement within six months of voucher redemption/vehicle or low NOx engine purchase shall be considered the vehicle or low NOx engine purchaser. Any vehicle lease or rental entity that leases or rents a vehicle or low NOx engine purchased with an HVIP voucher within three years of HVIP voucher redemption date must disclose the voucher amount and voucher terms to the vehicle renter or lessee. The lease or rental agreement must include all commitments needed from the lessee or renter to ensure that 1) the vehicle operates 100 percent in California as required by the voucher redemption form and 2) all required annual activity reports will be submitted to CARB.

CARB or its designee reserve the right to review lease or rental agreements to confirm appropriate disclosures are made regarding HVIP voucher amount received and vehicle activity and reporting requirements. Vehicle or low NOx engine purchasers must provide CARB (or its designee) all requested information related to any vehicle or low NOx engine purchased with an HVIP voucher (including lease or rental agreements) within ten days of CARB's written request for such information. The vehicle or low NOx engine purchaser (i.e. the lessee for lease agreements of three or more years as described above) is responsible for ensuring annual activity reports are accurate and are submitted as required. An HVIP voucher can be provided at time of vehicle or low NOx engine purchase only, and is not provided at the time a vehicle is leased or rented.

In the instance of a Waitlist, any waitlisted voucher requests for vehicles that will be leased require an operator / lessee to be named on the request.

5. Battery Leasing

Arrangements in which a vehicle, with the exception of the battery, is purchased and the battery is leased to the vehicle purchaser may be allowed by CARB Project Liaison on a case-by-case basis if the battery lease term is a minimum of three years.

6. School Buses

a. Eligible Applications for School Bus Funding

Public school districts in California that own their own school buses are eligible to participate in HVIP. This includes public school districts that own their school buses but contract with a County Office of Education or private contractor for maintenance and operations. Where several public school districts have formed a Joint Powers Authority (JPA), and the JPA holds ownership of the school buses, then the JPA is also eligible to participate. Public charter schools that own their own school buses and County Offices of Education that own their own school buses are also eligible to participate.

Private transportation providers that own their own school buses and contract with public school districts to provide transportation services for public school children are also eligible to participate in HVIP.

b. School Buses Eligible for All-Electric Conversions

School buses with current California Highway Patrol (CHP) safety certifications qualify for all-electric school bus conversion voucher funding if all other requirements in HVIP are met.

E. OVERSIGHT AND ACCOUNTABILITY

Through administration of longstanding incentive programs such as the Carl Moyer Program, CARB has found that project evaluations and program reviews are essential to ensure that incentive program funds are run in accordance with statutory requirements and that State funds are spent transparently and efficiently. The Grantee is responsible for working closely with vehicle manufacturers, dealers and CARB to safeguard HVIP funds from misuse as it implements HVIP. Vehicle dealers and purchasers participating in HVIP must provide CARB or its designee and the Grantee access to all requested files and relevant information related to vehicle or low NOx engine purchases involving an HVIP voucher.

CARB holds the overarching responsibility for HVIP fund oversight and project accountability and has final authority and sole discretion over all aspects of HVIP, including applicant and vehicle and low NOx engine eligibility, and all program requirements. As such, CARB is responsible for monitoring and reviewing the Grantee's implementation of HVIP. The Grantee shall allow CARB, the Bureau of State Audits, or their designated representative the right to review and to copy any records and supporting documentation pertaining to its development or implementation of HVIP. The Grantee must maintain such records for a possible audit for a minimum of three years after final payment from CARB. The Grantee must allow CARB or its designee access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records.

Responsibilities for HVIP oversight are as follows:

1. CARB has primary oversight responsibility for HVIP to ensure transparent and efficient implementation, and that AQIP funds are spent consistent with the requirements of statute, the AQIP Guidelines and Funding Plan, HVIP solicitation and grant agreement with the Grantee, and this Implementation Manual. CARB reserves the right to conduct a site visit, evaluation, review, or audit HVIP for the life of the project grant.
2. If the Grantee detects any potentially fraudulent activity by a vehicle dealer or purchaser, they shall notify CARB as soon as possible and work with CARB to determine an appropriate course of action.
3. CARB staff or its designees have primary responsibility for conducting project reviews and/or fiscal audits of HVIP administration and implementation.
4. Voucher recipients and the Grantee and its subcontractors shall allow CARB, the California Department of Finance, the California Bureau of State Audits, or any authorized designee access, during normal business hours, to conduct HVIP reviews and fiscal audits or other evaluations. Granting of access includes, but is not limited to, reviewing project records, site visits, and other evaluations as needed. Project evaluations or site visits may occur unannounced as CARB staff or its designee deems necessary.

F. PROJECT NON-PERFORMANCE

CARB or its designee has the authority to recoup HVIP funds which were received based upon misinformation or fraud, or for which the Grantee or its subcontractors, a dealer, manufacturer, or vehicle or low NOx engine purchaser is in significant or continual non-compliance with this Implementation Manual or State law. CARB also retains the authority to prohibit any entity from participating in HVIP due to non-compliance with project requirements.

G. DEFINITIONS

“CARB-Certified” for the purposes of HVIP means a vehicle that has been certified and issued an Executive Order by CARB.

“CARB Project Liaison” for the purposes of this program is CARB staff person named in this Implementation Manual that serves as the point of contact for coordination with HVIP Grantee.

“Commercial vehicle” for the purposes of this program means any vehicle used by a business, public or governmental agency, or non-profit to carry people, property, or hazardous materials.

“Common ownership or control” for the purposes of this program means being owned by the same person, corporation, partnership, limited liability company, or association. In addition, vehicles managed day to day by the same directors, officers, or managers, or by corporations controlled by the same majority stockholders are considered to be under common control even if their title is held by different business entities. See Appendix D of this Implementation Manual for more information.

“Dealer” for the purposes of HVIP means the vendor of the fully assembled and completed vehicle (not the vendor of the vehicle chassis) or vendor that sells and installs low NOx engines in existing vehicles and includes dealers, manufacturers, and TEMs that sell new medium- or heavy-duty vehicles directly to a vehicle purchaser.

“Disadvantaged Communities” for the purposes of this program are identified by the California Environmental Protection Agency (CalEPA).⁷ To determine whether a project qualifies as located in a disadvantaged community, the Grantee must use the criteria in Assembly Bill 1550.⁸

“Earned interest” for the purposes of this program means any interest generated from State AQIP funds provided to the Grantee and held in an interest-bearing account.

“Expend” for the purpose of this program means the payment of funds on an invoice for an eligible vehicle.

“Exportable power” for the purposes of the program means AC electrical power generated by a commercial plug-in vehicle, typically to power electric tools, lighting, or other accessories at a job site.

⁷ The identified disadvantaged community census tracts are available at: <http://www.calepa.ca.gov/EnvJustice/GHGInvest/> .

⁸ Assembly Bill 1550 Implementation, contains the criteria for determining whether a project is located within a disadvantaged community. This Guidance is available at: <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>

“Fleet” Fleet means vehicles traveling in California owned by a person, business, non-profit or government agency and consists of one or more vehicles. Vehicles under common ownership or control that share a common TIN or CA # are considered part of a single fleet even if they are part of different subsidiaries, divisions, or other organizational structures of a company or government agency.

“g/bhp-hr” for the purposes of this program means grams/brake horsepower-hour.

“Grantee” for the purposes of this program means the entity selected by CARB via competitive solicitation to administer HVIP. The responsibilities of the Grantee are described in this Implementation Manual and in the grant agreement between CARB and the Grantee. The Grantee is responsible for ensuring it and its HVIP subcontractors meet all project requirements.

“Gross vehicle weight rating (GVWR)” for the purposes of this program means the vehicle weight described on the VIN tag or original manufacturer Line Setting Ticket provided to the vehicle dealer.

“Hybrid vehicle” for the purposes of this program means any vehicle that can draw propulsion energy from both of the following on-vehicle sources of stored energy: 1) consumable fuel, and 2) a rechargeable energy storage system.

“Hybrid vehicle conversions” for the purpose of this program means installing a hybrid driveline and other advanced technology to a newly manufactured vehicle or chassis.

“Hydrogen Fuel Cell Vehicle” for the purposes of this program means a ZEV that is fueled primarily by hydrogen, but may also have off-vehicle charge capability.

“Low NOx Engines” for the purposes of this program means any engine meeting the Optional Low NOx emission standards approved by CARB.

“Incremental cost” for the purposes of this program for new vehicle means the difference in cost between HVIP eligible vehicle and a comparable new conventionally fueled vehicle that would be purchased to perform the same function. For low NOx engine vouchers, the incremental cost means the difference in cost between a baseline vehicle/engine and vehicle/engine certified to the low NOx standard utilizing the same fuel type.

This cost is determined on a case-by-case basis based upon a manufacturer’s HVIP eligibility application submittal, HVIP voucher redemption data, discussions with fleets and other stakeholders, and other relevant data and information. The additional incentive of up to \$10,000 for a fleet’s first three vouchers is not included in incremental cost calculations.

“In-kind services” for the purposes of this program means payments or contributions made in the form of goods and services, rather than direct monetary contributions.

“Line setting ticket” for the purposes of this program means the factory build or construction sheet created when the vehicle order is sent to the vehicle manufacturer. The Line Setting Ticket typically includes the new vehicle’s VIN, all the codes for standard equipment and options the salesman used to create this vehicle for his purchaser. After the factory assembles the vehicle and the vehicle is shipped and sold, the Line Setting Ticket identifies such things as the gross vehicle weight rating, engine type, transmission type, drive line, paint codes, gear ratio, and standard and optional equipment, specific to that vehicle.

“Match funding” for the purposes of this program, means those funds contributed by the Grantee directly to HVIP for the sole purposes of funding additional vehicles or low NOx engines or increasing the vehicle or low NOx engine voucher amount.

“Non-profit agency” for the purposes of this program means an agency or corporation that does not distribute corporate income to shareholders and is exempt from federal income taxes under Section 501 of the Internal Revenue Code (26 U.S.C.A. § 501).

“Plug-in hybrid electric vehicle” (also known as a Grid-connected HEV or GHEV) means a hybrid electric vehicle that has:

- zero emission vehicle range capability
- on-board electrical energy storage device with useful capacity equivalent to greater than or equal to ten miles of Urban Dynamometer Driving Schedule range on electricity alone is equipped with an on-board charger, and is rechargeable from an external connection to an off-board electrical source

“Public fleet” for the purposes of this program includes all federal, state, city and government fleets plus public universities, public airports, public school districts, California public ports and special districts such as water, utility, and irrigation districts.

“Public transit bus” for the purposes of this program means an on-road vehicle greater than 8,500 pounds GVWR normally powered by a heavy-duty engine fueled by diesel or alternative fuel, owned or operated by a public transit agency that provides transit services to the public, and which is not an urban bus. Public transit includes paratransit services operated by a public transit agency, but not shuttle buses with restricted services including but not limited to airport shuttles, university shuttles, and prisoner transport shuttles.

“Manufacturer recommended minimum state-of-charge” for the purposes of this program means the minimum allowable battery capacity recommended by the battery manufacturer to ensure the most efficient and durable battery operation, as a percent of the maximum battery capacity.

“Renewable fuel” for the purposes of this program is comprised of definitions of alternative fuels from the Low Carbon Fuel Standard (LCFS), California Code of

Regulations Section 95481. Section 95481(79) defines transportation fuel as any fuel used or intended for use as a motor vehicle fuel or for transportation purposes in a non-vehicular source. For HVIP, transportation fuel, as defined above, must satisfy Section 95481(11) that defines Bio-CNG as biogas-derived biomethane which has been compressed to CNG. Additionally, fuel may be produced out-of-state as defined in Section 95481(66) that defines Producer as the entity that made or prepared the fuel. This definition of Producer includes “out-of-state” producers where the production facility is out of the State of California and the entity has opted into the LCFS pursuant to section 95483.1. As more engines that use renewable fuels other than renewable natural gas become available, CARB will expand this definition to include those renewable fuels.

“Repower” for the purposes of this program means the replacement of an existing engine with a new engine certified to any tier of the Optional Low NOx emission standard approved by CARB instead of rebuilding the existing engine to its original specifications.

“Telematics” for the purposes of this program means a data acquisition system capable of collecting vehicle GPS data, vehicle mileage and hours of operation.

“Truck Equipment Manufacturer (TEM)” for the purposes of this program means a company that installs equipment on a truck or bus chassis. The TEM bears full responsibility for any vehicle defects under federal law and is responsible for certifying that the vehicle meets all applicable federal safety standards.

“UDDS” means urban dynamometer driving schedule as set forth Appendix I of title 40, Code of Federal Regulations, Part 86.

“Zero-emission power take-off (ePTO)” for the purposes of this program means a method for taking power from an on-vehicle source (typically a battery) that produces no emissions of pollutants (including carbon dioxide, carbon monoxide, hydrocarbons, oxides of nitrogen, and particulates) and which can be used to power truck mounted hydraulic, pneumatic or electric work equipment utilized for performing stationary work.

“Zero-emission vehicle (ZEV)” means a vehicle that itself produces no emissions of pollutants (including carbon dioxide, carbon monoxide, hydrocarbons, oxides of nitrogen, and particulates) when stationary or operating.

“Zero-Emission Vehicle Conversions” for the purpose of this program means removing any type of existing propulsion system and replacing it with a zero-emission propulsion system, such as battery or hydrogen fuel cell powered electric drive train.

H. LIST OF ACRONYMS

AC	Alternating Current
AQIP	Air Quality Improvement Program
CARB	California Air Resources Board
CA #	California Carrier Identification Number
CCR	California Code of Regulations
CFR	Code of Federal regulations
CMAQ	Congestion Mitigation and Air Quality
DC	Disadvantaged Community
DMV	Department of Motor Vehicles
DOC	Diesel Oxidation Catalyst
DPF	Diesel Particulate Filter
ePTO	Electric Power Take-Off
FTA	Federal Transportation Authority
FY	Fiscal Year
GGRF	Greenhouse Gas Reduction Fund
GVWR	Gross Vehicle Weight Rating
HSC	Health and Safety Code
HVIP	Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project
JPA	Joint Powers Authority
LESBP	Lower-Emission School Bus Program
MY	Model Year
PEMS	Portable emissions measurement system
NOx	Oxides of Nitrogen
OBD	On-Board Diagnostics
SCR	Selective Catalytic Reduction
TEM	Truck Equipment Manufacturer
USC	United States Code
VIN	Vehicle Identification Number
VIP	Voucher Incentive Program
VPC	Voucher Processing Center
ZEV	Zero-Emission Vehicle

APPENDIX A: HVIP Vehicle Eligibility List

The current list of HVIP eligible vehicles, as well as a historical record of some previously-eligible vehicles, can be found on the California HVIP website at:

www.californiahvip.org/how-to-participate/#Eligible-Vehicle-Catalog

APPENDIX B: Vehicle Eligibility Applications

Vehicle Eligibility Application Submittal Instructions for Original Vehicle Manufacturers

Applications for original vehicle manufacturers to have heavy-duty vehicles, ePTO systems, and low NOx engines approved by the California Air Resources Board (CARB) as eligible for HVIP vouchers should be mailed to:

Via US Postal Service must be mailed to the following address:

Patrick Chen
Air Resources Board
Mobile Source Control Division
9480 Telstar Avenue
#4 - 1st Floor
El Monte, California 91731

In person or via another delivery service may be delivered to the following address:

Patrick Chen Air Resources Board
Mobile Source Control Division
9480 Telstar Avenue
#4 - 1st Floor
El Monte, California 91731

Please notify Patrick Chen by e-mail at Patrick.Chen@arb.ca.gov when the application is mailed and provide an electronic copy of the application. There is no deadline for application submittal. Vehicle eligibility applications will be evaluated in the order hardcopies are received.

Questions regarding submittal of the vehicle eligibility application or application requirements should be directed to Patrick Chen at the above e-mail address or at (626) 350-6520.

APPENDIX B1: NEW ZERO-EMISSION VEHICLE/ZERO-EMISSION COMMERCIAL VEHICLE CONVERSION ELIGIBILITY APPLICATION

This is an application for new zero-emission and zero-emission vehicle conversion commercial vehicles to be included on the list of vehicles eligible for HVIP. This application must be completed along with the Zero-Emission Vehicle/Zero-Emission Commercial Vehicle Conversion Vehicle Component Cost supplemental application form. Vehicle must receive approval by CARB prior to the vehicle being eligible for a voucher.

CARB reserves the right to request additional information or clarification of information provided in this application. This application applies to and must be completed by the original vehicle manufacturer or its legal representative.

Please check the box that applies:

- New zero-emission commercial vehicle
- Zero-emission vehicle conversion commercial vehicle

Part I: Vehicle Manufacturer Information

1. Manufacturer Name:		
2. Staff Contact Name and Title:		
3. Business Mailing Address and Contact Information		
Street:		
City:	State:	Zip Code:
Phone: ()	E-mail:	

Please identify the zero-emission vehicle and its baseline (gasoline or diesel-powered) equivalent in Tables 1 and 2, respectively. These vehicles must be of the same make, model, drive configuration (4 x 2 or 4 x 4), frontal area, and gross vehicle weight.

Table 1: Zero-Emission Vehicle Information

Vehicle MY	Vehicle Make and Model (vehicle type, vehicle model, drive configuration (4 x 2 or 4 x 4), and frontal area)	Gross Vehicle Weight Range

Table 2: Baseline Vehicle Information

Vehicle MY	Vehicle Make and Model (vehicle type, vehicle model, drive configuration (4 x 2 or 4 x 4), and frontal area)	Gross Vehicle Weight Range

What is the typical California pre-tax cost of the zero-emission vehicle (identified in Table 1) with normal dealer profit? \$_____

What is the typical California pre-tax cost of this equivalent baseline vehicle (identified in Table 2 with normal dealer profit \$_____

Part II: Verification of Vehicle Eligibility

A. For vehicle models not currently on the list of eligible vehicles:

Please provide the following information as attachments to this form for each vehicle model listed in Table 1. CARB reserves the right to request additional information to complete the vehicle eligibility evaluation.

- CARB Executive Order (EO) for new zero-emission commercial vehicles.
- For conversions of any type of vehicle to zero-emission, the aftermarket conversion kits must receive an exemption EO from CARB
- Warranty provisions
- After sales service provisions
- MSRP price sheets
- Proof of compliance with the all-electric range requirements identified in Section C(3)(d) of HVIP Implementation Manual
- Briefly describe information provided to vehicle dealers/purchasers regarding proper disposal of both the propulsion and auxiliary vehicle battery and how this information is conveyed

B. For vehicle models currently on the list of eligible vehicles (addition of new model years):

Please check box below if the following statement is true.

- I certify that the vehicle(s) listed in Table 1 have not been modified from the vehicle(s) that were previously approved by CARB for inclusion on the List of Eligible Vehicles including warranty and after sales service provisions.

Please provide the following information for each vehicle model listed in Table 1.

- MSRP price sheets
- CARB EO for new zero-emission commercial vehicles.
- For conversions of any type of vehicle to zero-emission, the aftermarket conversion kits must receive an exemption EO from CARB

Part III: Applicant Signature

I certify under penalty of perjury that all information provided in this application and any attachments are true and correct. Additionally, the vehicle manufacturer agrees to the telematics requirement as stated in Section C(1)(l) of HVIP Implementation Manual.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:
City:	State:

**APPENDIX B2 – ZERO-EMISSION/ZERO-EMISSIONCONVERSION
COMMERCIAL VEHICLE COMPONENT COST FORM**

This is a supplemental application form for new zero-emission and zero-emission vehicle conversion commercial vehicles to be included on the list of vehicles eligible for the HVIP. This application must be completed and submitted to CARB along with the New Zero-Emission Vehicle/Zero-Emission Vehicle Conversion Eligibility Application for vehicle eligibility approval. CARB reserves the right to request additional information or clarification of information provided in this application. This application applies to and must be completed by the original vehicle manufacturer or its legal representative.

Please check the box that applies:

- New zero-emission commercial vehicle
- Zero-emission vehicle conversion commercial vehicle

1 Part I: Vehicle Manufacturer Information

1. Company Name/Organization Name/Individual Name:		
2. Contact Name and Title:		
3. Business Mailing Address:		
City:	State:	Zip Code:
Phone:	E-mail:	

Part II: Zero-Emission Vehicle/Zero-Emission Vehicle Conversion Component Costs

Zero-Emission Vehicle Information

Vehicle MY	
Vehicle Make and Model	
California Pre-Tax Cost of Vehicle	
Gross Vehicle Weight Rating (GVWR)	
Length of Vehicle (for buses only)	
Zero-Emission Driving Range	

Component Information and Costs

Battery Manufacturer	
Battery Chemistry	
Battery Capacity (kWh)	
Battery System Cost	
Battery Cost (\$/kWh)	
Fuel Cell Cost (FCEV only)	
Hydrogen Storage Tank Size (FCEV only)	
Hydrogen Storage Tank Cost (FCEV only)	
Electric Traction Motor Manufacturer	
Electric Traction Motor Power (kW)	
Electric Traction Motor Cost (Total)	
Electric Traction Motor Cost (\$/kW)	
Onboard Charger Cost	
Power Electronic Controller Cost	
Vehicle Chassis/Glider Kit Cost	

Please check the box that applies:

- The information above and any additional documentation provided are confidential and contains proprietary information
- All of the information and documentation provided as part of this supplemental application form are not confidential and may be subject to Public Records Act requests

Part III: Applicant Signature

I certify under penalty of perjury that all information provided in this application and any attachments are true and correct.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:
City:	State:

APPENDIX B3: NEW PLUG-IN HYBRID VEHICLE/HYBRID VEHICLE CONVERSION ELIGIBILITY APPLICATION

This is an application for new plug-in hybrid vehicle manufacturers to have a plug-in hybrid vehicle with all-electric range make/model listed as eligible for the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP). This application must be completed and submitted to CARB, and the vehicle must receive written approval from CARB prior to the vehicle being eligible for a voucher.

This application must be completed by the original vehicle manufacturer or its legal representative. An application must be submitted for each combination of vehicle engine and model years (i.e. a 2020 MY vehicle with a 2019 MY engine and one with a 2020 MY engine require separate applications). CARB reserves the right to request additional information or clarification of responses provided in this application. CARB may require additional information from the vehicle manufacturer or Final Stage Vehicle Manufacturer before listing a vehicle as eligible for funding.

Part I: Original Manufacturer Information

1. Company Name/Organization Name/Individual Name:		
2. Contact Name and Title:		
3. Business Mailing Address and Contact Information		
Street:		
City:	State:	Zip Code:
Phone: ()	E-mail:	

Part II: Vehicle Description

Please identify the plug-in hybrid vehicle and its baseline (non-hybrid) equivalent in Tables 1 and 2, respectively. These vehicles must be of the same make, model, drive configuration (4 x 2 or 4 x 4), frontal area, and gross vehicle weight and use the same CARB-certified engine.

Table 1: Hybrid Vehicle Information

Vehicle MY	Engine MY	Hybrid Vehicle Description (vehicle type, vehicle model, drive configuration (4 x 2 or 4 x 4), frontal area, engine model, and hybrid system)	Gross Vehicle Weight Range

Table 2: Baseline Vehicle Information

Vehicle MY	Engine MY	Equivalent Non-Hybrid Vehicle Description (vehicle type, vehicle model, drive configuration (4 x 2 or 4 x 4), frontal area, and engine model)	Gross Vehicle Weight Range

What is the typical California pre-tax cost of the hybrid vehicle (identified in Table 1) with normal dealer profit?

\$ _____

What is the typical California pre-tax cost of this equivalent baseline vehicle (identified in Table 2) with normal dealer profit?

\$ _____

Part III: Application Attachments to be Provided by Original Vehicle Manufacturer

A. For vehicle models not currently on the list of eligible vehicles

- CARB Executive Order (EO) for new plug-in hybrid commercial vehicles.
- Provide in-use or chassis dynamometer criteria testing data to ensure the hybrid vehicle does not result in increased NOx emissions compared to an equivalent baseline vehicle. Only vehicles for which the hybrid platform, engine, and after-treatment system continue to function as required will be approved. NOx emissions testing data must demonstrate no increase in NOx emissions compared to an equivalent baseline vehicle.
- Provide proof of compliance with the all-electric range (AER) requirements identified in the HVIP Implementation Manual.
- Minimum warranty provisions.
- After sales service provisions.
- MSRP price sheets.
- Briefly describe what information is provided to plug-in hybrid vehicle dealers/purchasers regarding proper disposal of the plug-in hybrid vehicle battery and how this information is conveyed.

B. For vehicle models currently on the list of eligible vehicles (addition of new model years):

Please check box below if the following statement is true.

- I certify that the vehicle(s) listed in Table 1 have not been modified from the vehicle(s) that were previously approved by CARB for inclusion on the List of Eligible Vehicles including warranty and after sales service provisions.

Please provide the following information for each vehicle model listed in Table 1.

- CARB Executive Order (EO) for new plug-in hybrid commercial vehicles.
- Minimum warranty provisions.
- After sales service provisions.
- MSRP price sheets.
- Briefly describe what information is provided to plug-in hybrid vehicle dealers/purchasers regarding proper disposal of the plug-in hybrid vehicle battery and how this information is conveyed.

Part V: Applicant Signature

I certify under penalty of perjury that all information provided in this application and any attachments are true and correct.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:
City:	State:

APPENDIX B4: WORK VEHICLE WITH ePTO ELIGIBILITY APPLICATION

Part I: Original Manufacturer Information

1. Company Name/Organization Name/Individual Name:		
2. Contact Name and Title:		
3. Business Mailing Address:		
City:	State:	Zip Code:
Phone:	E-mail:	

Part II: Vehicle Description

Please identify the vehicle and its applicable ePTO system proposed for HVIP eligibility in Tables 1 and 2, respectively.

Table 1: Aerial Boom Vehicle Information

Vehicle MY	
Vehicle Make and Model	
Engine Make and Model	
Boom Maximum Working Height (ft)	
Gross Vehicle Weight Range (lbs)* * including ePTO system.	

Table 2: ePTO Information

Battery Manufacturer	
Battery Chemistry	
Battery Capacity (kWh)	
Battery Manufacturer Recommended Minimum State-of-ePTO Make and Model	
Regenerative Braking	<input type="checkbox"/> Yes <input type="checkbox"/> No
Alternator Charging	<input type="checkbox"/> Yes <input type="checkbox"/> No
Battery State-Of-Charge (SOC) at Engine Auto-Start	

What is the typical California pre-tax cost with normal dealer profit of the truck identified in Table 1 with traditionally powered PTO (i.e. vehicle engine idles to power bucket)?
\$ _____

What is the typical California pre-tax cost with normal dealer profit of the bucket truck identified in Table 1 when equipped with the ePTO system identified in Table 2?
\$ _____

Make and model of vehicle telematics system: _____

Part III: Self-Certification of Vehicle, Engine and ePTO Parameters

Please check the box next to each statement if the statement is correct. **Do not check the box if the statement is not correct.**

- The vehicle complies with applicable air quality provisions of California and federal law.
- The vehicle complies with motor vehicle safety provisions of 49 USC Sections 30101 through 30169.
- The vehicle meets the original engine manufacturer’s build requirements.
- No modifications have been made to the engine hardware or after-treatment device(s).
- No modifications have been made to the engine’s original software calibrations.

- The vehicle meets HVIP minimum three year warranty requirements, as described in Section C(1)(a) of the HVIP Implementation Manual
- The vehicle manufacturer agrees to the telematics requirement as stated in Sections C(1)(m) and C(6)(h) of the HVIP Implementation Manual.
- The ePTO battery is capable of recharging from the manufacturer specified battery cut-off voltage to full charge within twelve hours.
- The battery manufacturer recommended minimum state-of-charge for the ePTO make/model identified in this application equals that in the aerial boom vehicle provided for consumer purchase and intended for the vehicle in-use for a minimum of three years from date of voucher redemption.
- There is at least one service provider for the vehicle in California. Please provide name and city of primary service provider: _____
- The vehicle and ePTO system meet all the requirements of the HVIP, including those identified in this application and the HVIP Implementation Manual.

Part IV: Application Attachments to be Provided by Original Vehicle Manufacturer

- Warranty provisions.
- After sales service provisions.
- MSRP price sheets.
- Manufacturer's vehicle marketing flyer, including vehicle and exportable power specifications and justification for export power usage in proposed vehicle vocation (if requesting HVIP approval of exportable power option).
- If any of the statements in Part III are not true and correct (i.e. if any of the boxes above are not checked), please attach a narrative explaining why.
- Briefly describe what information is provided to vehicle dealers/purchasers regarding proper disposal of the ePTO battery and how this information is conveyed.

Part V: Demonstration of ePTO System

The intent of the ePTO system demonstration is to verify that the ePTO will function entirely on battery power over the course of a typical work day.

The applicant shall work with the CARB Project Liaison or his or her designee to determine an applicable method to demonstrate the ePTO system to ensure that the vehicle completes a typical work day duty cycle without the need for the engine to recharge the battery (i.e. the battery manufacturer recommended minimum state-of-charge is not reached). The use of video conferencing and/or telematics data collection will be required unless specified by the CARB Project Liaison. The CARB Project Liaison may also require in-person demonstration of the ePTO system. The CARB Project Liaison and applicant will agree on the testing method on a case-by-case basis. For more information on ePTO demonstration, see Section C(5) of the Implementation Manual.

The CARB Project Liaison is: Patrick Chen

Telephone: (626) 350-6520
patrick.chen@arb.ca.gov

Part VI: Applicant Signature

I certify under penalty of perjury that all information provided in this application and any attachments are true and correct.

2 Printed Name of Responsible Party:	3 Title:
4 Signature of Responsible Party:	5 Date:
6 City:	7 State:

APPENDIX B5: ELIGIBILITY APPLICATION FOR NEW VEHICLE EQUIPPED WITH LOW NOx ENGINE

This is an eligibility application for new vehicles equipped with low NOx engines. This application must be completed, submitted to CARB, and vehicle must receive approval prior to the vehicle being eligible for a voucher.

Do not use this application for an engine used for a repower.

CARB reserves the right to request additional information or clarification of information provided in this application. This application applies to and must be completed by the original vehicle/ engine manufacturer or its legal representative.

Part I: Vehicle Manufacturer Information

1. Manufacturer Name:		
2. Staff Contact Name and Title:		
3. Business Mailing Address and Contact Information		
Street:		
City:	State:	Zip Code:
Phone: ()	E-mail:	

Please identify the vehicle equipped with a low NOx engine and its baseline equivalent in Tables 1 and 2, respectively. These vehicles must be of the same make, model, drive configuration (4 x 2 or 4 x 4), frontal area, and gross vehicle weight.

Table 1: New Vehicle Information with Low NOx Engine

Vehicle Model Year	
Vehicle Make/Model	
Vehicle Gross Vehicle Weight Range	
Engine Model Year	
Engine Make/Model	
Executive Order Number	

Table 2: Baseline Vehicle Information

Vehicle Model Year	
Vehicle Make/Model	
Vehicle Gross Vehicle Weight Range	
Engine Model Year	
Engine Make/Model	
Executive Order Number	

What is the typical California pre-tax cost of the vehicle equipped with a low NOx engine (identified in Table 1) with normal dealer profit? \$_____

What is the typical California pre-tax cost of this equivalent baseline vehicle (conventional natural gas engine identified in Table 2) with normal dealer profit \$_____

Part II: Verification of Vehicle Eligibility

A. For vehicle models not currently on the list of eligible vehicles:

Please provide the following information as attachments to this form for each vehicle model listed in Table 1. CARB reserves the right to request additional information to complete the vehicle eligibility evaluation.

- CARB low NOx engine Executive Order
- Warranty provisions for engine and vehicle
- After sales service provisions
- MSRP price sheets

B. For vehicle models currently on the list of eligible vehicles (addition of new model years):

Please check box below if the following statement is true.

- I certify that the vehicle(s) listed in Table 1 have not been modified from the vehicle(s) that were previously approved by ARB for inclusion on the List of Eligible Vehicles including warranty and after sales service provisions.

Part III: Applicant Signature

I certify under penalty of perjury that all information provided in this application and any attachments are true and correct.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:
City:	State:

APPENDIX B6: ELIGIBILITY APPLICATION FOR LOW NOx ENGINE USED FOR REPOWER

This is an eligibility application for low NOx engines used for repowers. This application must be completed, submitted to CARB, and the low NOx engine must receive approval prior to the low NOx engine being eligible for a voucher.

Do not use this application for a new vehicle equipped with a low NOx engine.

CARB reserves the right to request additional information or clarification of information provided in this application. This application applies to and must be completed by the original engine manufacturer or its legal representative.

Part I: Vehicle Manufacturer Information

1. Manufacturer Name:		
2. Staff Contact Name and Title:		
3. Business Mailing Address and Contact Information		
Street:		
City:	State:	Zip Code:
Phone: ()	E-mail:	

Please identify the low NOx engine(s) and its baseline (conventional natural gas engine) equivalent in Tables 1 and 2, respectively. The engine(s) must be of the same make, horsepower and displacement.

Table 1: Low NOx Engine Information

Engine Model Year	
Engine Make/Model	
Engine Horsepower	
Engine Displacement	
Executive Order Number	

Table 2: Baseline Engine Information (Natural Gas)

Engine Model Year	
Engine Make/Model	
Engine Horsepower	
Engine Displacement	
Executive Order Number	

What is the typical California pre-tax cost of the low NOx engine (identified in Table 1) with normal dealer profit? \$_____

What is the typical California pre-tax cost of this equivalent baseline engine (conventional natural gas engine identified in Table 2) with normal dealer profit \$_____

Part II: Verification of Engine Eligibility

A. For engine models not currently on the list of eligible engines:

Please provide the following information as attachments to this form for each engine model listed in Table 1. CARB reserves the right to request additional information to complete the vehicle eligibility evaluation.

- CARB low NOx engine Executive Order
- Warranty provisions for engine
- After sales service provisions
- MSRP price sheets

B. For engine models currently on the list of eligible engines (addition of new model years):

Please check box below if the following statement is true.

- I certify that the engine(s) listed in Table 1 have not been modified from the engine(s) that were previously approved by ARB for inclusion on the List of Eligible Engines including warranty and after sales service provisions.

Part III: Applicant Signature

I certify under penalty of perjury that all information provided in this application and any attachments are true and correct.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:
City:	State:

APPENDIX C: Vehicles Under Common Ownership and Control

If vehicles are under common ownership, for the purposes of the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) this means that they are owned by the same person, corporation, partnership, limited liability company, or association. In addition, vehicles managed day to day by the same directors, officers, or managers, or by corporations controlled by the same majority stockholders are considered to be under common control even if their title is held by different business entities.

The examples provided below are intended to further specify, for the purposes of HVIP, the definition of common ownership, corporation, or other entity wishing to purchase or lease an HVIP eligible vehicle or low NOx engine.

Example 1 – Parent/Child Company

The George Corporation forms a new, wholly owned corporation, Sam's Transportation Services, and secures a different federal tax identification number for it. While the George Corporation and Sam's Transportation Services can report and comply separately with the regulation, because they are under common ownership, the total number of vehicles of both must be summed in order to determine the fleet size.

Example 2 – Common Ownership

The ABC Company and the 123 Company are wholly-owned subsidiaries of Alphabet Group Incorporated. They were acquired by Alphabet Group Incorporated in 1950 and 1970, respectively. Alphabet Group Incorporated is located in Nevada, however ABC Company and 123 Company are both located in California and each have their own Federal Tax Identification numbers. In addition, they each have unique motor carrier numbers. Both ABC and 123 are decentralized, with most of the decision making pushed down to the operating company level. However, the corporate office centralizes things like insurance, bonding, cash, and financial statement consolidation.

Because ABC and 123 are under common ownership, the total number of vehicles of this fleet must be determined by adding up all the vehicles for ABC and 123. However, ABC and 123 can report and comply separately with the regulation.

Example 3 – Common Control

Bill Brown owns Brown's Transportation and controls the day to day operation of his fleet. Bonnie Brown is the owner of Bonnie's Transportation, but her vehicles are controlled on a day to day basis by Bill Brown. Mr. Brown makes decisions regarding vehicle use, maintenance, purchases and sales, etc. Because Brown's Transportation and Bonnie's Transportation fleets are under the common control of Mr. Brown, all of the vehicles in both fleets must be summed to determine their fleet size. If, for example, the summed vehicles exceed three, neither could utilize the small fleet provision.

Example 4 – 50/50 Ownership

John Smith owns Company A, and Jane Doe owns Company B. John and Jane also each both own 50 percent of Company C. Because neither John nor Jane have a majority stake in Company C (neither have more than 50 percent), as long as Company C is not under common control with either Company A or B, neither John nor Jane must add Company C's vehicles to their own when determining fleet size. Each fleet - Company A, B, and C would report separately and determine its fleet size separately.

If, however, John controlled both the Company A and Company C fleet on a day-to-day basis (managing the vehicles use, maintenance, purchases and sales, etc.), then Company A and Company C's vehicles would need to be combined when determining fleet size.

CARB enforcement may use organizational documents of fleet owners (such as articles of incorporation) to validate fleet ownership.

Example 5 – Farming Business

Top Grade Dairy owns two dairies in Tulare with 100 milking cows at each location. John Smith, the owner, the president, and CEO of the company manages the day to day operations. Top Grade Dairy owns the land where the dairies are located and also owns 25 acres where sorghum is grown. Mr. Smith formed a limited liability company, where he is the only member, called Top Grade Silage, which is also managed by Mr. Smith, and only supplies silage to Top Grade Dairies. Each company has a different federal tax identification number.

Since Mr. Smith owns both companies, all the vehicles owned by both Top Grade Dairy and Top Grade Silage would be counted to determine fleet size.

For purposes of determining whether each company meets the definition of a farming business, each business entity must be examined separately. Top Grade Dairy clearly meets the definition of a farming business because it is involved in the operation of a farm as an owner. However, Top Grade Silage does not own the land and therefore does not meet the definition of a farming business. If Top Grade Silage had owned the land, or was a tenant, it would meet the definition of a farming business.

APPENDIX D: HVIP Voucher Request and Terms and Conditions Form

FUNDER + FY YEAR: _____ DATE RECEIVED: _____

Purchaser Information

Primary Contact:		TRUCRS ID#:	
Company Name:		Parent Company:	
Mailing address:			
City:		State:	Zip Code:
Phone:		Fax:	Fleet Size:
Primary E-mail:			
TIN:	CA#:	<input type="checkbox"/> Exempt	DOT#:
		<input type="checkbox"/> Exempt	
CA# Reason for exemption (if applicable):			
DOT# Reason for exemption (if applicable):			

Vehicle Operator Information

Operator:		
Street address:		
City:	State:	Zip Code:
Email:		Phone:
Is the address above the vehicle domicile (deployed) location? <input type="checkbox"/> Yes <input type="checkbox"/> No		
If No please indicate domicile address:		
City:	State:	Zip Code:

Dealer Information

Dealer:	Company Name:	
Street address:		
City:	State:	Zip Code:
Email:		Phone:

Vehicle Information

Vehicle Manufacturer:	Vehicle Model Year:	
Engine:	Engine Model Year:	
Engine Family #:	Executive Order #:	
Vehicle Description:		
GVWR:	Preliminary Voucher Amount:	
Number of Vouchers Requested*:		

Additional Funding Sources for this Vehicle: *Information to be provided by purchaser*

Funding Source	Funding Organization	Anticipated Funding Amount	Purpose of Funding	Date or anticipated date of funding

* **NOTE: The fleet/operator location and vehicle type MUST be the same.** If you are purchasing the same vehicle for the same client, but it is being used at a different fleet location, you must submit a new Voucher Request.

HVIP Voucher Request and Terms and Conditions Form– Purchaser/Lessee Terms and Conditions

Purchaser/Lessee:

As a condition for participating in the State of California, Air Resources Board (CARB) Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), the purchaser/lessee must comply with the requirements below:

1. I have read, understand and agree to all provisions within HVIP Implementation Manual;
2. I agree to register the vehicle in California with the Department of Motor Vehicles (DMV). Military and U.S. Postal Service vehicles are not subject to this requirement;
3. I agree to allow CARB, Grantee, or their designee to verify the vehicle registration with the DMV;
4. I agree to maintain vehicle insurance as required by law;
5. I agree to never modify the vehicle's emission control system, engine, or engine software calibrations;
6. I agree to ensure plug-in vehicles purchased with an HVIP voucher, including plug-in hybrid vehicles, plug-in electric vehicles, and work vehicles with zero-emission power take-off, will be plugged in regularly as recommended by the vehicle manufacturer to ensure battery durability, efficiency, and reliability;
7. I agree to provide access to necessary charging equipment at the domicile location, or a copy of their company's charging policy showing plug-in access;
8. I understand that I must be in compliance and remain in compliance with all applicable federal, state, and local air quality rules and regulations, including but not limited to the CARB Truck and Bus Regulation; furthermore I understand that CARB reserves the right to check compliance at any time;
9. I agree to own/lease and operate this vehicle 100 percent in California for a minimum of three years from the date of purchase/lease unless: 1) the vehicle is an emergency response vehicle which may be deployed out of state, 2) the vehicle address identified in this form is in a county which borders Arizona, Nevada, Oregon or Mexico, or 3) the vehicle is a long-haul Class 8 truck conducting business outside of California. In the first two cases only, the vehicle may operate outside of California for up to 25 percent of its mileage. For the third case, the vehicle may operate outside of California for up to 50 percent. A written request to do so is included with this voucher request form and must be approved by CARB, Grantee, or their designee prior to utilizing the vehicles outside of California. Military vehicles are not subject to this requirement;
10. I agree to retain ownership/lease of the vehicle for at least three years from the date of purchase/lease, unless given explicit prior written approval to sell the vehicle from CARB;
11. I agree to keep written records of the vehicle or low NOx engine purchase/lease for three years after the purchase/lease date and provide CARB or its designee with these records within ten days of their request.

These records include but are not limited to the vehicle invoice, proof of purchase, DMV records, vehicle payment information and related bank records, and purchaser/lessee fleet information;

12. For low NOx engines, I agree to have a renewable fuel contract using 100% renewable California-produced fuel for 3 years or more, providing fuel for new vehicles equipped with low NOx engines or existing vehicles repowered with low NOx engines. The 3 year renewable fuel contract will cover the vehicle for 3 years once the vehicle is placed into service or the repowered vehicle is placed back into service. The fuel contract will be reviewed by HVIP Grantee to verify that the above information is included in the contract. I agree to complete and submit the annual questionnaire to the Grantee. If business practices or policies preclude me from having an RNG fueling contract, I will fuel this vehicle at public or private fueling locations exclusively with RNG for at least three years;
13. I agree that the purchased/leased vehicle and emission reductions it generates shall not be used as emission reductions to comply with an enforcement obligation of any person or entity other than CARB;
14. I agree to complete the annual usage survey and questionnaire for three years, as requested by CARB. Military vehicles are not subject to this requirement;
15. I agree that all information associated with this voucher request and voucher redemption, including business name and address, contact information, and sales transaction are public information and subject to release. Information may also be shared with geographically relevant utility provider(s) for the purposes of infrastructure planning and incentive coordination;
16. I agree to disclose all sources of public funding that apply to the purchase of any vehicles for which I request HVIP vouchers;
17. I agree to the Manufacturers Terms and Conditions for usage of the vehicle's telematics device. Additionally, I agree to allow the Manufacturer to have access to the vehicle location and on/off data so the Manufacturer can report to CARB Grantee, or their designee the vehicle operation telematics for each vehicle within disadvantaged communities and zip codes containing disadvantaged communities. Vehicles equipped with low NOx engines, and military vehicles are exempt from this requirement;
18. I agree to be available for a follow-up inspection by CARB, Grantee or their designee, if requested;
19. The information provided in this application is true and all supporting documentation is true and correct and meet the minimum requirements of HVIP;
20. I have the legal authority to apply for incentive funding for the purchasing entity described in this agreement;
21. I agree that failure to comply with the terms of this agreement may result in repayment to CARB of voucher funds received;
22. I understand that this HVIP voucher request is only valid for this specific vehicle or low NOx engine purchased/leased through this specific dealer/manufacturer, and that any voucher provided based on this voucher request will be null and void if the purchaser/lessee, dealer/manufacturer, or

vehicle identified herein change prior to voucher redemption or for noncompliance with applicable HVIP requirements;

23. I understand that CARB reserves all rights and remedies available under the law to enforce the terms of this agreement.

Per #15: I am interested in being contacted regarding infrastructure planning resources: Yes No

Per #16: Additional Public Funding Sources for this Vehicle:

Funding Source	Funding Organization	Anticipated Funding Amount	Purpose of Funding	Date or Anticipated Date of Funding

Is the address above the vehicle domicile (deployed) location? <input type="checkbox"/> Yes <input type="checkbox"/> No		
If No please indicate domicile address:		
City:	State:	Zip Code:

<p>By signing HVIP Voucher Request and Terms and Conditions Form, I acknowledge that I have read and understand, and agree to be bound by, the terms and conditions as outlined above.</p> <p>I certify under penalty of perjury that the information provided is accurate.</p> <p>Name of Vehicle or Low NOx Engine Purchaser/Lessee: _____</p> <p>Signature of Vehicle Purchaser/Lessee: _____ Date: _____</p> <p>_____</p> <p>City: _____ State: _____</p>	
---	--

HVIP Voucher Request and Terms and Conditions Form – Dealer Terms and Conditions

Dealer:

1. I have read, understand and agree to all provisions within HVIP Implementation Manual;
2. The vehicle and vehicle order information identified on this form are true and correct;
3. I certify that this HVIP voucher request corresponds with a real and completed vehicle or low NOx engine order, which has not yet been delivered to the purchaser;
4. I have not inflated the price of the HVIP funded vehicle and agree to deduct 100% of the requested voucher amount from the price of the vehicle or low NOx engine purchase;
5. I agree to be available for a follow-up inspection by the California Air Resources Board, Grantee, or their designee, if requested;
6. I agree to keep written records of the vehicle purchase for three years after the purchase date and provide the California Air Resources Board or its designee with these records within ten days of their request. These records include but are not limited to the vehicle invoice, proof of purchase, California Department of Motor Vehicle records, vehicle payment information and related bank records, and purchaser fleet information;
7. I understand that this HVIP voucher request is only valid for this specific vehicle or low NOx engine purchaser/lessee and vehicle, and that any voucher provided based on this voucher request will be null and void if the purchaser/lessee and vehicle identified herein change prior to voucher redemption or for noncompliance with applicable HVIP requirements;
8. I have the legal authority to participate in HVIP for the Dealer described in this agreement;
9. I understand that any information submitted may be subject to public requests for information.
10. I understand that CARB reserves all rights and remedies available under the law to enforce the terms of this agreement.

By signing HVIP Voucher Request and Terms and Conditions Form, I acknowledge that I have read and understand, and agree to be bound by, the terms and conditions as outlined above.

I certify under penalty of perjury that the information provided is accurate.

Name of Dealer Representative: _____

Signature of Representative: _____

Date: _____

City: _____

State: _____

PLEASE RETURN SIGNED DOCUMENTS TO:

HVIP Voucher Processing c/o Tetra Tech
249 E. Ocean Blvd, Suite 325
Long Beach, CA 90802