

## **APPENDIX B**

# **DRAFT IMPLEMENTATION MANUAL FOR THE FY 2011-12 CLEAN VEHICLE REBATE PROJECT (CVRP)**

**July 25, 2011**



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## EXECUTIVE SUMMARY

The Clean Vehicle Rebate Project (CVRP) is intended to encourage and accelerate zero-emission, on-road vehicle deployment and technology innovation. This project benefits the citizens of California by providing immediate air pollution emission reductions and stimulating development and deployment of the next generation of zero-emission and plug-in hybrid light-duty vehicles. The project provides rebates of up to \$2,500 for California purchasers or lessees of light-duty zero-emission vehicles and plug-in hybrid electric vehicles (PHEV). The CVRP is administered and implemented through a partnership between the Air Resources Board (ARB) and a Grantee, selected via a competitive ARB grant solicitation. A minimum of ninety-three percent of CVRP funds are for rebates for purchasers of new eligible on-road vehicles.

The CVRP Implementation Manual, in conjunction with the Air Quality Improvement Program (AQIP) Guidelines and AQIP Funding Plan for Fiscal Year (FY) 2011-12, identifies the minimum requirements for administration, implementation, and oversight of the CVRP. 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 ARB's website at <http://www.arb.ca.gov/msprog/aqip/cvrp.htm> as well as the CVRP rebate webpage.

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- A. Vehicle Eligibility Application
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## **1 INTRODUCTION**

In 2007, Governor Schwarzenegger signed into law the *California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007* (AB 118, Statutes of 2007, Chapter 750). AB 118 created the AQIP, a voluntary incentive program administered by ARB, to fund clean vehicle and equipment projects, air quality research, and workforce training. In July 2011, ARB approved the AQIP Funding Plan for FY 2011-12 (Funding Plan), allocating an additional \$15 million in funding for the CVRP, supplementing the \$9 million allocated in previous Funding Plans and the \$2 million provided by the Alternative and Renewable Fuel and Vehicle Technology Program through an Interagency Agreement with the California Energy Commission. The Funding Plan focuses the AQIP on supporting development and deployment of the advanced technologies needed to meet California's longer-term, post 2020 air quality goals.

This document constitutes ARB's and the Grantee's Implementation Manual for the CVRP (Implementation Manual) for FY 2011-12. The purpose of this incentive project is to encourage and accelerate zero-emission vehicle deployment and technology innovation. The project provides rebates of up to \$2,500 to qualified individuals, businesses, public agencies and entities, and nonprofit organizations for the purchase or lease of eligible vehicles. The Implementation Manual, in conjunction with the AQIP Guidelines and AQIP Funding Plan, identifies the minimum requirements for administration, implementation, and oversight of the CVRP. Definitions of key program parameters are located in Section 5 of this manual.

## **2 PROJECT IMPLEMENTATION**

### **2.1 Project Framework**

The CVRP enables the purchaser or lessee of an eligible vehicle to receive a rebate of up to \$2,500. After the purchaser takes ownership and registers the eligible vehicle or, if leased, the lessee has obtained registration on the eligible vehicle, they are eligible for the rebate. Applications will be submitted online or available through contacting the Grantee directly.

Information on the CVRP will be centrally available to the public and other interested parties. In order to achieve this, the CVRP website will include an up-to-date list of eligible vehicles as well as the rebate amount for each vehicle, an online rebate application, all supporting documentation and forms, a real-time running total of available funds remaining in the program, as well as amount of rebates by vehicle type. The website will enable the program to be streamlined and provide project transparency.

The CVRP website will provide the date at which a vehicle must be purchased or leased on or after in order to be eligible for a rebate. For the purposes of the CVRP, the date

of purchase is the day of sale. Typically, a sale is deemed completed when the purchaser of the vehicle has paid the purchase price, or, in lieu thereof, has signed a purchase contract or security agreement and taken physical possession or delivery of the vehicle. For purposes of the CVRP, a vehicle is deemed to be leased on the date upon which the lease of the vehicle commences, which is typically specified in a signed lease agreement. With the exception of vehicles purchased under the special provisions of section 2.6, owned and leased vehicles must be operated and registered in California for a minimum of 36 consecutive months. Vehicle purchaser and lessee requirements regarding operating and ownership are found in detail in section 3.3 of this Implementation Manual. ARB reserves the right to allow for a prorated rebate for Type IV or V ZEVs with leases of 24 months or greater.

Key milestones for CVRP development and implementation are identified in Table 1.

**Table 1: CVRP Development and Implementation Timeline**

| Action Item   | Date or Time Period   |
|---|-----------------------|
| Grantee selected as Grantee for FY 2011-12  | August-September 2011 |
| Grantee develops project webpage, conducts outreach. Implementation Manual and online application finalized.  | To Be Determined      |
| Launch of official CVRP webpage at <a href="http://www.cvrp.energycenter.org">www.cvrp.energycenter.org</a>   | To Be Determined      |
| FY 2011-12 vehicle funding becomes available<br>Online applications available at <a href="http://www.cvrp.energycenter.org">www.cvrp.energycenter.org</a> | To Be Determined      |
| Status Reports to ARB Project Liaison   | To Be Determined      |

This timeline may be changed at ARB's sole discretion.

## 2.2 Eligible Vehicles

This section discusses the categories of vehicles eligible for grant funding under the CVRP and the specific criteria that a vehicle model must meet to be considered eligible. Vehicle models will be approved by ARB on a model year basis and placed on a List of Eligible Vehicle Models for rebates. Only 2011 and more current model year vehicles are eligible for rebates. Pre-2011 model year vehicles are not eligible even if they are purchased as new vehicles. A continuously updated list of eligible vehicles and rebate amounts will be maintained on the designated CVRP website. Vehicle manufacturers must submit a Vehicle Eligibility Application (Attachment A) to ARB to have their vehicles considered. The vehicle manufacturer is responsible for providing all the required documentation described on the application. ARB will coordinate with the vehicle manufacturers to request any additional documentation needed for eligibility determinations. ARB is responsible for providing the Grantee the current list of eligible vehicles and the corresponding rebate amounts.

There are four categories of vehicles eligible for grant funding under the CVRP: (1) light-duty zero-emission vehicles, (2) light-duty plug-in hybrid electric vehicles, (3) neighborhood electric vehicles, and (4) zero-emission motorcycles.

### **2.2.1 Light-Duty Zero-Emission Vehicles (ZEVs)**

Vehicles in the ZEV category include electric-drive, zero-emission vehicles up to 8,500 pounds gross vehicle weight rating (GVWR). For the purposes of the CVRP, ZEVs are categorized into six Types (see Table 2) based on vehicle range and refueling capability as defined in the California Zero-Emission Vehicle Regulation sections 1962 and 1962.1, Title 13, CCR.

### **2.2.2 Light-Duty Plug-in Hybrid Electric Vehicles (PHEVs)**

PHEVs are hybrid electric vehicles that have zero emission vehicle range capability, an on-board electrical energy storage device, an on-board charger, and are rechargeable from an external connection to an off-board electrical source.

### **2.2.3 Neighborhood Electric Vehicles (NEVs)**

Vehicles in the NEV category are low speed zero-emission vehicles. California Vehicle Code (CVC) section 385 defines a low speed vehicle as a motor vehicle with four wheels on the ground, having an unladen weight of 3,000 pounds or less, and is capable of propelling itself at a minimum speed of 20 miles per hour with a maximum speed of 25 miles per hour on a paved level surface. NEVs may be legally operated on public streets with posted maximum speed limits of 35 mile per hour or lower. Low speed vehicles are subject to the Department of Transportation (DOT) safety standard (49 CFR 571.500) that requires ten specific items of safety equipment.

### **2.2.4 Zero-Emission Motorcycles (ZEMs)**

Vehicles in the ZEM category include fully-enclosed zero emission vehicles designed to travel on three wheels and two-wheel electric motorcycles meeting the provisions of CVC section 400 and the ZEM evaluation procedures in Attachment C.

## **2.3 Vehicle Eligibility Criteria**

Vehicles must meet the following criteria to be eligible for a rebate:

### **2.3.1 Be new-**

The vehicle must be a new vehicle as defined in CVC section 430.<sup>1</sup> The Original

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<sup>1</sup> 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.

Equipment Manufacturer (OEM) or its authorized licensee must manufacture the vehicle. Vehicles considered new vehicles solely for determination of compliance with state emissions standards pursuant to Health and Safety Code, Article 1.5, Prohibited Transactions, (sections 43150-43156) and CVC section 4000.2, Registration of Out-of-State Vehicles, are not eligible vehicles. If the vehicle is not new, has been re-leased, is the subject of a lease assumption or has been transferred into California after previously having been registered out-of-state, the vehicle is not eligible for a rebate through the CVRP. Aftermarket plug-in hybrid electric vehicle conversions are not eligible for CVRP funding.

### **2.3.2 Be ARB approved/certified-**

With the exception of ZEMs, the vehicle model must be certified by ARB as a new, zero-emission or plug-in hybrid vehicle as defined in the California ZEV Regulation, section 1962.1(d)(5)(A), Title 13, CCR for 2009 and subsequent model years. 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 (NHTSA). A table summarizing the Federal Motor Vehicle Safety Standards (FMVSS) for a number of vehicle categories is provided in Attachment B. The FMVSS are found in Title 49 of the Code of Federal Regulations (CFR) Part 571. If a written statement and documentation have been previously provided to ARB in the course of applying for ARB certification of the vehicle model, no additional written statement is required.

### **2.3.3 Meet prescribed performance, emissions, and service thresholds:**

- **ZEVs** must be certified as Type I, I.5, II, III, IV, or V ZEVs as defined in the applicable California ZEV Regulation.
- **PHEVs** must meet the Enhanced AT-PZEV definition as defined in the California ZEV Regulation section 1962.1(i), Title 13, CCR, including the SULEV, evaporative emissions, onboard diagnostics, extended warranty, zero-emission Vehicle Miles Traveled (VMT), and advanced componentry PZEV allowance standards as defined in section 1962.1(c).
- **NEVs** must meet the “Neighborhood Electric Vehicle” definition in Section 5 of this Implementation Manual, have been evaluated for baseline performance in accordance with United States Department of Energy (U.S. DOE) NEV America guidelines (successful completion of the NEV America assessment), be equipped with sealed, maintenance free batteries, and be covered by a minimum level of after sales service as described below.
  - Successful completion of the NEV America assessment means the NEV meets: (1) all of the minimum vehicle requirements specified in the NEV America Technical Specifications (Revision 3, effective September 21, 2007), and (2) the acceleration, top speed, and constant speed range performance specification in sections 5.1 through 5.3 of the same document. NEVs that successfully completed the NEV America assessment prior to Revision 3 of the Technical Specifications are still eligible for a rebate provided that the vehicle model applying for incentives is sufficiently similar to the vehicle

model that completed the assessment. The Specifications are available at: <http://avt.inl.gov/pdf/nev/nevtechspec.pdf> .

- Each manufacturer must demonstrate to ARB that they have a program to offer convenient and time-sensitive warranty and maintenance service to the vehicle owner. An acceptable service program will have readily available parts, trained service technicians, and the ability to either send a technician to an owner's home or pick up and transport the vehicle to an authorized repair facility.
- **ZEMs** must meet the "Zero-Emission Motorcycle" definition in Section 5 of this Implementation Manual, successfully complete the Zero-Emission Motorcycle Evaluation Procedure (Attachment C), have sealed batteries, and be covered by a minimum level of after sales service as described below.
  - Successful completion of the Zero-Emission Motorcycle Evaluation Procedure means that a recognized third-party vehicle standards organization has evaluated the ZEM using the procedures contained in Attachment C and ARB has verified that the ZEM meets the specified range and acceleration requirements.
  - Each manufacturer must demonstrate to ARB that they have a program to offer convenient and time-sensitive warranty and maintenance service to the vehicle owner. An acceptable service program will have readily available parts, trained service technicians, and the ability to either send a technician to an owner's home or pick up and transport the vehicle to an authorized repair facility.

#### 2.3.4 Warranty Provisions

The vehicle drive train, including applicable energy storage tanks or a battery pack, must be covered by a manufacturer warranty. Prior to approving a vehicle model for addition to the List of Eligible Vehicles, ARB may request that the manufacturer provide copies of representative vehicle and battery warranties and a description of the manufacturer's plans to provide warranty and routine vehicle service. Warranty provisions must meet the following requirements:

- **ZEVs** must have, at a minimum, a warranty of 36 months; the first 12 months of the coverage period shall be a full warranty. If the warranty for the remaining 24 months is prorated, the percentage of the battery pack's original value to be covered or refunded must be at least as high as the percentage of the prorated coverage period still remaining. For the purpose of this computation, the age of the battery pack must be expressed in increments no larger than three months.
- **PHEVs** must meet the extended warranty requirements applicable to partial ZEV allowance vehicles (PZEVs) as described in section 1962.1(c)(2)(D), Title 13, CCR.
- **NEVs and ZEMs** must require, at a minimum, a warranty of 24 months. At least four months of the first 12 months of the NEV/ZEM coverage period shall be a full warranty; the remainder of the first 12 months and all of the second 12 months of the coverage period may be covered under optional (available for purchase) extended warranties and may be prorated. If the

extended warranty is prorated, the percentage of the battery pack's original value to be covered or refunded must be at least as high as the percentage of the prorated coverage period still remaining. For the purpose of this computation, the age of the battery pack must be expressed in intervals no larger than three months. Alternatively, a manufacturer may cover 50 percent of the original value of the battery pack for the full period of the extended warranty.

#### **2.4 Development of List of Eligible Vehicle Models**

The CVRP List of Eligible Vehicle Models will be periodically updated as manufacturers submit applications and vehicle models are approved. In order for a vehicle to be eligible for a rebate, the vehicle manufacturer must submit to ARB the Vehicle Eligibility Application in Attachment A and all supporting documentation. ARB will work with the vehicle manufacturer to ensure that all the required documentation is received and request any additional information needed to make an eligibility determination. If the vehicle meets the eligibility requirements set forth in Section 2.3 of this Implementation Manual, then ARB will add the vehicle to the List of Eligible Vehicle Models, calculate the rebate amount, and provide the updated list to the Grantee. Vehicles purchased prior to the vehicle being added to the List of Eligible Vehicle Models are not eligible for a rebate.

#### **2.5 Vehicle Rebate Amounts**

ARB will establish a rebate amount for each eligible vehicle model equal to either 10 percent of the manufacturer's suggested retail price (MSRP) or 50 percent of the incremental difference in cost between the eligible vehicle and a comparable internal combustion engine (ICE) vehicle, whichever is greater, up to the maximum rebate amount for that vehicle type listed in Table 2. Specific rebate amounts for each eligible vehicle model will be included in the List of Eligible Vehicle Models and available on the project webpage. ARB reserves the right to reduce or eliminate the rebate if the actual sales price makes the established rebate amount greater than the incremental cost versus an ICE equivalent vehicle.

Table 2 summarizes the maximum per vehicle rebate amount and the maximum project funding (or funding limit) for each vehicle type. Total rebates issued for the vehicle types must not exceed the maximum project funding listed in Table 2.

**Table 2: CVRP Maximum Rebate Amounts**

| <b>Vehicle Type</b>                        | <b>Maximum Rebate Amount</b> |
|--|------------------------------|
| Light-Duty Zero-Emission Vehicle           |                              |
| Type II, III, IV, or V                     | \$2,500                      |
| Type I.5                                   | \$2,000                      |
| Type I                                     | \$1,500                      |
| Light-Duty Plug-in Hybrid Electric Vehicle | \$1,500                      |
| Neighborhood Electric Vehicle              | \$900                        |
| Zero-Emission Motorcycle                   | \$900                        |

Opportunities for Additional Vehicle Cost Buy-Down

Participation in the CVRP does not preclude a vehicle purchaser or lessee from taking advantage of other incentive opportunities. Rebates could be combined with federal, state, or local agency incentives as well as Grantee match funding to help further buy-down an eligible vehicle's incremental cost; however, these combined funds may not exceed the vehicle's incremental cost. For simplicity purposes, the rebate amount determined by ARB will be considered one-third of the incremental cost, such that the maximum incentives a vehicle purchaser or lessee could obtain for an eligible vehicle would be triple that of the ARB rebate. The vehicle purchaser or lessee must disclose all other incentives received to Grantee. State or federal tax credits are not required to be considered under this provision; however, the total in both incentives and tax credits may not be more than the vehicle purchase price.

**2.6 Special Provisions for Rental and Car Share Fleets**

Rental and car share fleets provide a unique opportunity for introducing eligible vehicles to a large consumer base. As such, special provisions are warranted to allow for these fleets to be eligible for rebates. These fleets could be eligible for rebates if they are placing an eligible vehicle in California for a minimum of one year (twelve consecutive months) but less than three years. Vehicles must be rented from a California rental location for the minimum twelve consecutive month term.

Vehicles rebated under this provision are eligible for the rebate amounts identified in Table 3.

**Table 3: CVRP Rebate Amounts for Rental and Car Share Fleets Using the Special Provision**

| <b>Vehicle Type</b>                        | <b>Maximum Rebate Amount</b> |
|--|------------------------------|
| Light-Duty Zero-Emission Vehicle           |                              |
| Type II, III, IV, or V                     | \$750                        |
| Type I.5                                   | \$600                        |
| Type I                                     | \$450                        |
| Light-Duty Plug-in Hybrid Electric Vehicle | \$450                        |
| Neighborhood Electric Vehicle              | \$270                        |
| Zero-Emission Motorcycle                   | \$270                        |

## **2.7 Distribution of Rebates**

At any time following a vehicle purchase or lease transaction, the purchaser or lessee may submit a rebate application. Applications can be submitted online at the CVRP website. Applicants without internet access can contact the Grantee in order to receive a rebate application by mail.

Rebates will be distributed on a first-come, first-served basis. Available rebate funds will be immediately reserved by the Grantee following submission of an online application or upon receipt of a mailed application. After an application is accepted by the Grantee, the required supporting documentation must be mailed by the purchaser or lessee to the Grantee within 14 calendar days (as determined by U.S. mail postmark).

If the purchaser or lessee does not submit the required documentation within the specified 14 calendar days, the funds will be released back to the project and the purchaser or lessee will be required to submit a new rebate application. Required documentation will include, at a minimum, the following:

- For applicants who request applications by phone, a complete application with signature and date. For online applicants, a hard copy of the submitted application signed by the vehicle purchaser, lessee, or authorized representative.
- Proof of temporary or permanent vehicle registration. A copy of the Application for New Vehicle Registration submitted by the dealer to the California Department of Motor Vehicles (DMV) is acceptable proof of temporary vehicle registration if submitted within one year of sale. Local, state, and federal agencies and entities may submit other documents with the prior approval of the Grantee.
- A copy of the sales or lease contract signed by all parties with an itemization of credits, discounts, and incentives received, if applicable.
- For individuals, a copy of a utility or cable bill from within the last 3 months or other valid form of California residency as approved by the Grantee. Other forms of valid proof include a signed, dated, and notarized rental agreement or a copy of a current DMV registration. A California driver license is not an acceptable proof of residency.

- For a business or nonprofit, a copy of the formation document filed with the California Secretary of State or other documentation as approved by the Grantee. Sole proprietors may submit a copy of a utility or cable bill from within the last 3 months, a current vehicle DMV registration or a notarized rental agreement.
- For ZEMs and NEVs, evidence of sealed maintenance-free batteries and a 24-month warranty.

Once the Grantee has verified the documentation, a rebate check will be issued to the vehicle purchaser or lessee.

The rebate for an eligible vehicle will be issued to the qualified recipient in a single allotment. The distribution of this rebate will be made in a timely manner, but no later than 60 days after receipt and verification of the documentation required for approval of the rebate.

## **2.8 Maximum Rebates per Entity**

Except for rental and car share fleets, no single entity is eligible to receive more than 20 CVRP rebates either via direct purchase and/or lease in each calendar year. Traditional rental car fleets are capped at 50 rebates per calendar year. Car share fleets are not subject to this provision due to the increased opportunity they provide for reaching a large consumer base. To be eligible for this exclusion, the rebated car share vehicles must be used exclusively for car share purposes.

For the purposes of the CVRP, vehicles under common ownership or fiduciary control of a fleet – including, but not limited to, entities sharing a common Taxpayer Identification Number (TIN) -- are considered part of a single fleet even if they are part of different subsidiaries, divisions, or other organizational structures of a company, government agency, or other entity. All entities, other than individuals, are required to disclose their TIN at the time of rebate application. ARB or its designee may seek financial reimbursement and/or civil and criminal penalties from a vehicle purchaser/lessee for non-disclosure or inaccurate disclosure of its TIN or other information relating to common ownership or fiduciary control of the purchasing entity. Questions regarding common ownership or fiduciary control of an organization should be directed to the ARB Project Liaison at [mmiles@arb.ca.gov](mailto:mmiles@arb.ca.gov).

## **2.9 Car Share Set-Aside**

Car sharing provides a reliable and flexible alternative to car ownership, particularly in urban settings where it is part of a larger public transportation network. Ten percent of CVRP vehicle rebate funding will be set aside specifically for car share fleets. ARB will monitor the drawdown of these funds throughout the fiscal year with unused funds rolling back into the general CVRP vehicle rebate account if unused. ARB in coordination with the Grantee will further define this provision prior to finalizing this Implementation Manual.

## **2.10 Waiting List**

ARB will review the progress of the CVRP as well as development of the FY 2012-13 Funding Plan to determine if a waiting list is necessary and appropriate. If necessary, ARB will coordinate the development of a waiting list with the Grantee.

## **3 DUTIES AND REQUIREMENTS**

### **3.1 Air Resources Board**

ARB is responsible for:

- Finalize the Implementation Manual in consultation with the Grantee.
- Evaluating and approving vehicles for CVRP List of Eligible Vehicle Models and providing the Grantee an up-to-date list. ARB is responsible for working closely with vehicle manufacturers in order to determine vehicle eligibility.
- Determining vehicle rebate amounts and providing this information to the Grantee.
- Participating in regular meetings with the Grantee to discuss project refinements and guide project implementation.
- Review and approval of project elements provided by the Grantee, such as the CVRP webpage, rebate payment verification, and progress reports.
- Distribution of project funds to the Grantee.
- Project oversight and accountability (in conjunction with the Grantee).
- Verify vehicle ownership through checking vehicle identification numbers (VIN) with the California DMV.
- Follow up with rebate recipients to reaffirm project requirements.
- Meet all applicable requirements of statute, the AQIP Guidelines and Funding Plan, the CVRP solicitation, the grant agreement with the Grantee, and the CVRP Implementation Manual. The AQIP Guidelines and Funding Plan are available at: [www.arb.ca.gov/msprog/aqip/aqip.htm](http://www.arb.ca.gov/msprog/aqip/aqip.htm) .

ARB shall also designate an ARB Project Liaison as the contact person for coordination with Grantee. The ARB Project Liaison for the CVRP is Ms. Meri Miles. Ms. Miles may be reached by e-mail at [mmiles@arb.ca.gov](mailto:mmiles@arb.ca.gov) or by telephone at (916) 322-6370.

### **3.2 The Grantee**

The Grantee is responsible for the on-the-ground project implementation of distributing rebate payments for eligible vehicles, including, but not limited to, the following tasks:

- Finalize the Implementation Manual in consultation with ARB.
- Prepare outreach and educational materials in consultation with ARB and conduct the statewide public outreach necessary for the project to be successful.
- Develop a user-friendly public webpage which must include, at a minimum:
  1. The List of Eligible Vehicle Models and each vehicle's rebate amount.

2. Ability to submit online rebate applications.
  3. Ability to track total CVRP funds, both available and expended, in real-time.
  4. All documents and forms related to the project.
- Ensure purchasers and lessees meet all applicable CVRP requirements.
  - Use the criteria in this Implementation Manual to review and approve or disapprove rebate applications.
  - Distribute rebate payments to eligible vehicle purchasers and lessees.
  - Track expenditure of CVRP funding.
  - Closely communicate with ARB to ensure that the most current list of eligible vehicles is being used.
  - Be able to establish a waiting list if the project becomes oversubscribed and ARB determines a waiting list is appropriate. See section 2.10.
  - Respond to public inquiries regarding the CVRP.
  - Provide Status Reports to ARB detailing rebates redeemed for purchased vehicles. ARB may specify an electronic format for quarterly reporting as needed for transparent and effective data tracking.
  - Provide ARB with a CVRP Final Report that summarizes and evaluates total fund expenditures (including match and in-kind funds), vehicles funded, outreach efforts, and implementation challenges, and recommends potential program improvements.
  - Provide information, upon request, to individuals or organizations that wish to appeal a rebate denial to the Project Liaison.
  - Provide ARB with all webpage(s), software or other intellectual property developed or purchased by the Grantee for the purposes of administering or implementing the CVRP, if requested.
  - Meet all applicable requirements of statute, the AQIP Guidelines and Funding Plan, ARB's CVRP solicitation, the CVRP grant agreement with ARB, and this Implementation Manual.

The Grantee's responsibilities encompass three phases to ensure the efficient and proper distribution of rebates for eligible vehicles – project development, project implementation, and project reporting.

#### Conflict of Interest

The Grantee may have no interest, and shall not acquire any interest, direct or indirect, which will conflict with its ability to impartially complete the project tasks described above. All applicants must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest with its duties at the time of the CVRP Grantee solicitation. Although applicants are not automatically disqualified due to a potential or appearance of a conflict of interest at the time of the CVRP Grantee solicitation, ARB may consider the nature and extent of any potential or apparent conflict of interest in evaluating the proposal. The Grantee must immediately advise ARB in writing of any potential new conflicts of interest throughout the grant term.

### 3.3 Vehicle Purchaser or Lessee

The vehicle purchaser or lessee is responsible for submitting the rebate application and providing the Grantee all required documentation. Eligible vehicle purchasers or lessees must accept the rebate directly – the CVRP does not provide an option to assign the rebate to a lessor (i.e. vehicle dealer or manufacturer). To receive a CVRP rebate, a vehicle purchaser or lessee must:

- Be an individual, business, nonprofit, or government entity that is based in California or has a California-based affiliate. All businesses must be licensed to operate in California.
- Purchase or lease a new eligible vehicle as specified in section 2 of this Implementation Manual.
- Submit the application form and mail in all required supporting documentation within 14 calendar days of application submittal as specified in Section 2.7 of this Implementation Manual.
- Application must be received and approved by the Grantee prior to exhaustion of available funds.
- Except for vehicles purchased under the provisions of section 2.6, retain ownership of the eligible vehicle for a minimum of 36 consecutive months after vehicle purchase or lease date. Purchasers or lessees under section 2.6 must retain ownership of the vehicle for a minimum of 12 consecutive months after vehicle purchase or lease date.
- Except for vehicles purchased under the provisions of section 2.6, register the vehicle with the California DMV and operate the vehicle for a minimum of 36 consecutive months for use in California. Any government owned vehicle not registered with the California DMV is still required to operate within California for 36 consecutive months immediately after the vehicle purchase or lease date. Purchasers or lessees under section 2.6 must register the vehicle with the California DMV and operate the vehicle for a minimum of 12 consecutive months after vehicle purchase or lease date.
- Maintain insurance as required by law.
- Notify the Grantee of new address if there is an address change within the 36 month period after the date of purchase or lease.
- Notify the Grantee if the vehicle is sold or the lease is terminated within the 36 month period after the date of purchase or lease.
- Not make or allow any modifications to the vehicle's emissions control systems, hardware, software calibrations, or hybrid system (Violation, CVC 27156).
- Commit that any emission reductions generated by the purchased vehicle will not be used as marketable emission reduction credits, to offset any emission reduction obligation of any person or entity, or to generate a compliance extension or extra credit for determining regulatory compliance.
- Be available for follow-up inspection if requested by the Grantee, ARB, or ARB's designee for the purposes of project oversight and accountability.

The vehicle purchaser or lessee is responsible for ensuring the accuracy of the

information on all rebate applications and required documentation submitted to the Grantee. Submission of false information on any required documents may be considered a criminal offense and is punishable under penalty of perjury under the laws of the State of California.

With the exception of vehicles purchased under the special provisions in section 2.6, vehicle purchasers and lessees participating in the CVRP are required to keep the vehicle and meet all applicable project requirements for a minimum 36 month period after the vehicle purchase or lease date. If a vehicle purchaser or lessee sells or returns to the dealer the rebated vehicle, ARB or its designee reserves the right to recoup all or part of the original rebate amount from the original vehicle purchaser identified on the rebate form and may pursue other remedies available under the law.

However, resale of a vehicle or return to a dealer is allowed within this 36 month period if necessitated by unforeseen or unavoidable circumstances. To employ this provision, ARB must approve the circumstances and sale in advance. If the vehicle is resold, the vehicle purchaser or lessee must assign a prorated portion of their rebate, in an amount equivalent to the original rebate 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), to the new owner or lessee of the vehicle. The new owner or lessee of the vehicle must be a CVRP eligible vehicle purchaser or lessee and agree in writing to ARB or its designee to abide by the terms and conditions of the CVRP including, but not limited to, operating and registering the vehicle in California for the remaining rebate term. If the vehicle is returned to the dealer, the same prorated portion of the rebate must be returned to the ARB or its designee.

Purchase of a CVRP eligible vehicle with the intent to resell the vehicle for financial gain within 36 months is not allowed. In these cases, ARB or its designee reserves the right to recoup CVRP funds from the original vehicle purchaser identified on the rebate form and may pursue other remedies available under the law.

## **4 PROJECT ADMINISTRATION**

### **4.1 Background**

This section defines the respective roles of ARB and the Grantee in administering the CVRP.

### **4.2 Disbursement of Project Funding**

#### **4.2.1 Vehicle Funding**

The success of the CVRP is contingent upon the ability of vehicle purchasers and lessees to take advantage of the rebates quickly after purchasing or leasing an eligible vehicle. The Grantee will receive an initial disbursement of ten percent of CVRP vehicle rebate funding as seed money prior to rebates being available in order to turn around rebate applications quickly once the grant agreement has been signed.

In order to ensure adequate project funds are available in the Grantee's account to cover the cost of rebates, the Grantee may request subsequent disbursements by submitting a Status Report documenting the rebates issued. ARB will provide subsequent disbursements to cover the cost for the amount of rebates issued plus any additional funds necessary to ensure that not more than ten percent of funds are available in the Grantee's account. Additional funds may be disbursed, if necessary and at ARB's sole discretion, to reflect an increase in market introduction of vehicles.

#### **4.2.2 Administrative Funding**

The Grantee may use up to seven percent of CVRP funds, or \$1,050,000, for project administration and outreach (costs associated with promoting and redeeming rebates). The Grantee shall receive funding for project administration on the following schedule:

- 50 percent of project administration funds (\$525,000) at the time the Grant Agreement is signed for outreach, webpage development, finalizing the CVRP Implementation Manual, and for other start-up costs.
- 10 percent of administration funding after 10 percent of vehicle funding is expended and the Grantee provides ARB with documentation for the first 60 percent of project administration funding expended.
- 20 percent of administration funding after 40 percent of vehicle funding is expended and a complete and accurate Status Report documenting fund expenditures for these vehicles has been supplied to ARB.
- 10 percent of administration funding after 80 percent of vehicle funding is expended, a complete and accurate Status Report demonstrating fund expenditures for these vehicles has been supplied to ARB, and the Grantee provides documentation describing expenditure of all in-kind services committed to in the project application.
- 10 percent of administration funding after 100 percent of vehicle funding is expended and ARB has received all intellectual property and data needed to ensure continued smooth implementation of the CVRP (see Sections 4.4 and 4.5) and received a Final Report documenting vehicles paid for by the project and fulfillment of all project commitments.

The ARB will have sole discretion to accelerate the timeline for allowable disbursements of administration funds identified above, (with the exception of the final project administration disbursement), necessary to assure the goals of the project are met. With the exception of the initial 50 percent of administrative funding provided for project start-up, all administrative funding provided to the Grantee shall be on a reimbursement basis and requires administrative cost summaries approved by ARB for completed tasks and/or eligible expenses. The Grantee must provide invoices for the first 50 percent of administration funding before additional administration funding will be provided.

Invoices used to justify an additional increment of administration funding from ARB must describe costs for work completed in the following categories: 1) labor expenses

(including total staff time and labor costs); 2) external consultant fees for completed work (if applicable); 3) printing, mailing, travel, and other outreach expenses; and 4) indirect costs. Additional invoices may be provided to ARB if warranted. Documentation substantiating these costs must be maintained by the Grantee and provided to ARB upon request, as described in Sections 4.6 and 4.11 of this Implementation Manual.

### **4.3 Accounting of State Funds**

The Grantee must provide ARB with documentation accounting for the proper expenditure of State funds. The documentation must be provided in Status Reports submitted at least every three months to ARB and a Final Report submitted after all vehicle funding has been expended and prior to the Grantee receiving their last disbursement of administrative funding.

#### **4.3.1 Status Report**

The Grantee must provide a Status Report to ARB detailing the vehicles and associated rebate amounts assigned and redeemed to date. The Status Report must include the following components per source of funding (e.g. ARB and potentially Energy Commission funds):

- 1) Excel spreadsheet of vehicles funded for the reporting period- format and data fields to be agreed upon by the Grantee and ARB. Data fields will include, but not limited to, VIN, city and zip code of where rebate check was mailed, Air District, vehicle type, make and model, and purchase/lease date.
- 2) Summary report-
  - a. Number of rebates received, approved, disapproved, in-process, and pending.
  - b. Number and dollar amount of rebates issued by fleet type (i.e. individual, business, state government agency, or non-profit organization).
  - c. Number, dollar amount, and percentage of rebates issued by vehicle type, model, purchase price and rebate amount.
  - d. Number of rebates per Air District.
  - e. Other financial incentives received (other than tax rebates), if applicable.
  - f. Remaining grant funding available.
- 3) Grantee administrative cost summaries.
- 4) Identified problems or concerns and proposed solutions, if applicable.

The Status Report provides a mechanism for the Grantee to justify a need for additional CVRP funding from ARB. The Status Report must be submitted at least every three months, but may be provided on an as needed to justify additional funding from ARB. The first Status Report must be submitted three months after the grant agreement is fully executed or when requesting additional disbursement of funds, whichever is sooner.

#### **4.3.2 Final Report**

The Grantee must submit a Final Report to ARB after all vehicle funding has been

expended. The Final Report must include the following components per source of funding (e.g. ARB and potentially Energy Commission funds):

The Final Report must include, at a minimum:

- Total fund expenditures (including match and in-kind funds).
- Excel spreadsheet of any vehicles funded not previously included in a Status Report (see Status Report).
- Summary report of all vehicles funded by the CVRP for the period covered by the Grant Agreement (may be provided as summaries or previously submitted Status Reports - see Status Report).
- Identification of vehicle rebates by funding source (e.g., ARB and potentially Energy Commission funds).
- Vehicle Identification Number (VIN) for each vehicle purchased.
- City and ZIP code of where the rebate check was mailed.
- Outreach efforts.
- Implementation challenges.
- Recommendations for potential program improvements.

#### **4.4 Intellectual Property**

The Grantee is responsible for implementation of the CVRP approved by the Board as part of the AQIP Funding Plan for FY 2011-12. Should the CVRP receive additional funding in FY 2012-13, the ARB is required to select a grantee for these future year's funds via a separate competitive solicitation. The Grantee is eligible to apply to implement the CVRP in subsequent funding years.

Any webpage(s), software or other intellectual property developed or purchased by the Grantee for the purposes of administering or implementing the CVRP are the property of ARB. Should a different grantee be selected to manage the CVRP in subsequent funding years, it will be the Grantee's responsibility to turn over this property and information to the new grantee and provide all reasonable and necessary assistance needed to ensure a smooth transition. It is ARB's intention that access to and redemption of rebates be seamless to vehicle purchasers and lessees as the CVRP transitions to each new fiscal year.

#### **4.5 Vehicle Activity Reporting**

ARB reserves the right to request vehicle usage information within the 36 months after the rebate is issued. ARB will coordinate with the Grantee to identify survey parameters and determine the most effective mechanism for obtaining information. No additional funds will be provided to the Grantee or vehicle purchaser or lessee to complete this task.

#### **4.6 Documentation of Administrative Costs**

Administrative funds shall only be used for costs associated with project implementation related tasks outlined in the AQIP Funding Plan, the project solicitation, the Implementation Manual, or grant agreement. Administrative funds shall be used for

CVRP administration and outreach including: the Grantee staff time; consultant fees (if pre-approved by ARB); printing, mailing, and travel costs; project monitoring and compliance expenses; and indirect costs such as general administrative services, office space, and telephone services.

The Grantee must maintain documentation of CVRP funds used for administration and outreach, including:

- Personnel documentation must make use of timesheets or other labor tracking software. Duty statements or other documentation may also be used to verify the number of staff and actual hours or percent of time staff devoted to CVRP administration and outreach.
- Fees for external consultants must be documented with copies of the consultant contract and invoices. All external consultant fees must be pre-approved by ARB.
- Printing, mailing, and travel expenses must be documented with receipts and/or invoices.
- Any reimbursement for necessary travel and per diem shall be at rates not to exceed those amounts paid to the State's represented employees. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from ARB. The State's travel and per diem reimbursement amounts may be found online at <http://www.dpa.ca.gov/personnel-policies/travel/hr-staff.htm> . Reimbursement will be at the State travel and per diem amounts that are current as of the date costs are incurred by the Grantee.
- If indirect costs are used to document project administrative costs funded by the CVRP, the Grantee must have an official written policy regarding calculation of these costs. The Grantee must maintain documentation for all costs referenced in the indirect cost calculation formula.

The above documentation, records, and referenced materials must be made available for review during ARB, or its designee, monitoring visits and audits. These records must be retained for a minimum of three years after submittal of the final CVRP invoice to ARB.

If the Grantee charges unallowable costs for project administration or outreach, it shall be required to substitute eligible administration and outreach expenses equal to the dollar amount found ineligible, or return the funds for the unallowable cost to the ARB.

#### **4.7 In-Kind Services**

The Grantee is encouraged to contribute in-kind services to improve the CVRP's effectiveness. Funds expended on in-kind services must meet all the requirements of Section 4.6 of this Implementation Manual and must be documented in the CVRP Final Report to ARB.

#### **4.8 Match Funding**

Match funding can only be used in two ways – to increase the number of eligible vehicles funded or to increase the rebate amount provided to eligible vehicles. Match funding must meet the following criteria:

- Funding from other state or federal revenue sources, such as the Carl Moyer Program or other AB 118 programs, may not be counted as match.
- The combination of CVRP and match funding may not exceed a vehicle's incremental cost (See Section 2.5 for guidance regarding incremental cost).
- Match funding must meet the same requirements applicable to CVRP funds.
- Vehicles, purchased wholly or in part with match funding, must meet the same requirements as vehicles funded with CVRP funds.

Documentation of match funding must be retained for a minimum of three years after the rebate has been issued.

#### **4.9 Earned Interest**

Interest earned by the Grantee on CVRP funds must be reported to ARB. All interest income on CVRP funds, including both vehicle rebate funds and project administration/outreach funds, must be reinvested in the CVRP to fund additional rebates for eligible vehicles. The Grantee is responsible for reporting to ARB on all vehicles funded with interest earned on CVRP funds.

The Grantee must maintain accounting records (e.g. general ledger) that tracks interest earned and expended on CVRP funds, as follows:

- The calculation of interest must be based on an average daily balance or some other reasonable and demonstrable method of allocating the proceeds from the interest-generating account back into the program.
- The methodology for tracking earned interest must ensure that it is separately identifiable from interest earned on non-CVRP funds.
- The methodology for calculating earned interest must be consistent with how it is calculated for the Grantee's other fiscal programs.
- Earned interest must be fully expended by June 30, 2014.

Documentation of interest earned on CVRP funds must be retained for a minimum of three years after it is generated. Documentation of interest expended on eligible vehicles must be retained for a minimum of three years after the interest-funded rebate has been redeemed.

#### **4.10 Records**

Without limitation of the requirement to maintain project accounts in accordance with generally accepted accounting principles, the Grantee must:

- Establish an official file for the CVRP which shall adequately document all significant actions relative to the project.
- Establish separate accounts which will adequately and accurately depict all amounts received and expended on the CVRP.
- Establish separate accounts which will adequately and accurately depict all income received which is attributable to the CVRP.
- Establish an accounting system which will adequately depict final total costs of the CVRP, including both direct and indirect costs.

#### **4.11 Oversight and Accountability**

ARB holds the overarching responsibility for CVRP oversight and project accountability and has final authority regarding vehicle eligibility and other program parameters. As such, ARB is responsible for monitoring and reviewing the Grantee's implementation of the CVRP.

Responsibilities for CVRP oversight are as follows:

- ARB has primary oversight responsibility for the CVRP to ensure transparent and efficient implementation, and that AQIP funds are spent consistent with the requirements of statute, the AQIP Guidelines and Funding Plan, the CVRP solicitation and grant agreement, and this Implementation Manual. ARB, or its designee, reserves the right to conduct a site visit, evaluation, review, or audit the CVRP for the life of the project grant.
- If the Grantee detects any potentially fraudulent activity by a vehicle dealer, purchaser, or lessee, it shall notify ARB as soon as possible and work with ARB to determine an appropriate course of action.
- ARB staff or its designees have primary responsibility for conducting project reviews and/or fiscal audits of CVRP administration and implementation.
- Rebate recipients and the Grantee must allow ARB, the California Department of Finance, the California Bureau of State Audits, or any authorized designee access, during normal business hours, to conduct CVRP 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. ARB, or its designee, has the right to review and to copy any records and supporting documentation pertaining to development or implementation of the CVRP. Project evaluations or site visits may occur unannounced as ARB staff or its designee deems necessary.

#### Project Non-Performance

ARB or its designee has the authority to recoup CVRP funds which were received based upon misinformation or fraud, or for which the Grantee, dealership, manufacturer, or vehicle purchaser or lessee is in significant or continual non-compliance with this Implementation Manual or State law. ARB also retains the authority to prohibit any entity from participating in the CVRP due to non-compliance with project requirements.

## 5 DEFINITIONS

**“Advanced technology PZEV” or “AT PZEV”** means any PZEV with an allowance greater than 0.2 before application of the PZEV early introduction phase-in multiplier.

**“ARB-Certified”** means a vehicle that has been certified as a ZEV or a PHEV and issued an Executive Order by ARB in accordance with the provisions of the California ZEV Regulation (section 1962(e), Title 13, CCR).

**“ARB Project Liaison”** is the ARB staff person, named in this Implementation Manual and CVRP grant agreement, who serves as the point of contact for coordination with the CVRP Grantee.

**“Battery Electric Vehicle (BEV)”** means any vehicle that operates solely by use of a battery, or that is powered primarily through the use of an electric battery but uses a flywheel or capacitor that also stores energy to assist in vehicle operation.

**“Earned interest”** means any interest generated from State AQIP funds provided to the Grantee and held in an interest-bearing account.

**“Enhanced AT-PZEV”** means any PZEV that has an allowance of 1.0 or greater per vehicle without multipliers and makes use of a ZEV fuel.

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

**“Fleet”** means vehicles under common ownership or fiduciary control, including, but not limited to, entities sharing a common Taxpayer Identification Number (TIN). Vehicles are considered part of a single fleet even if they are part of different subsidiaries, divisions, or other organizational structures of a company, government agency, or other entity. For the purposes of the CVRP, franchises, divisions, or subsidiaries doing business under a common name will be considered one entity even if they do not share a TIN.

**“Grantee”** means the Grantee selected via competitive solicitation to implement distribution of rebates and outreach for Fiscal Year 2011-12 CVRP funds.

**“Gross vehicle weight rating (GVWR)”** means the vehicle weight described on the original manufacturer Line Setting Ticket provided to the vehicle dealer.

**“Hybrid Electric Vehicle (HEV)”** means any vehicle that can draw propulsion energy from both on-vehicle sources of stored energy: 1) consumable fuel, and 2) an energy storage device such as a battery, capacitor, or flywheel.

**“Incremental cost”** means the difference in cost between the new zero-emission or plug-in hybrid electric vehicle and the comparable new gasoline or diesel fueled vehicle that would be purchased to perform the same function.

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

**“Light-duty truck”** means any 2000 and subsequent model motor vehicle certified to the standards in section 1961(a)(1), Title 13, CCR, rated at 8,500 pounds gross vehicle weight or less, and any other motor vehicle rated at 6,000 pounds GVWR or less, which is designed primarily for purposes of transporting property, is a derivative of such a vehicle, or is available with special features enabling off-street or off-highway operation and use.

**“Match funding”** means those funds contributed by Grantee or other organization directly to the CVRP for the sole purposes of funding additional vehicles or increasing the vehicle rebate amount.

**“Neighborhood Electric Vehicle (NEV)”** means a motor vehicle that meets the definition of “low-speed vehicle” either in section 385.5 of the CVC or in 49 CFR 571.500 (as it existed on July 1, 2000) and is certified to zero-emission vehicle standards.

**“Passenger car”** means any motor vehicle designed primarily for transportation of persons and having a design capacity of twelve persons or less.

**“Plug-in Hybrid Electric Vehicle (PHEV)”** (sometimes referred to as an Extended Range Electric Vehicle or E-REV) means a hybrid electric vehicle which:

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

**“Purchase”** means when the purchaser of the vehicle has paid the purchase price, or, in lieu thereof, has signed a purchase contract or security agreement and taken physical possession or delivery of the vehicle.

**“Rental fleet”** means a fleet categorized under the North American Industry Classification System (NAICS) as an establishment engaged in renting passenger cars without drivers, generally for short periods of time (2007 NAICS code 532111).

**“Type I ZEV”** means a ZEV with a UDDS ZEV range of 50 to less than 75 miles.

**“Type I.5 ZEV”** means a ZEV with a UDDS ZEV range of 75 to less than 100 miles.

**“Type II ZEV”** means a ZEV with a UDDS ZEV range of 100 to less than 200 miles.

**“Type III ZEV”** means a ZEV with either (1) a UDDS range of 200 miles or (2) a UDDS ZEV range of 100 to less than 200 miles and is capable of replacing 95 miles of range in 10 minutes or less per CCR section 1962.1(d)(5)(B) of the California ZEV Regulation.

**“Type IV ZEV”** means a ZEV with a UDDS ZEV range of 200 miles or more and is capable of replacing 190 miles of range in 15 minutes or less per CCR section 1962.1(d)(5)(B) of the California ZEV Regulation.

**“Type V ZEV”** means a ZEV with a UDDS ZEV range of 300 miles or more and is capable of replacing 285 miles of range in 15 minutes or less per CCR section 1962.1(d)(5)(B) of the California ZEV Regulation.

**“UDDS”** means urban dynamometer driving schedule as set forth in Appendix I of title 40, CFR, Part 86.

**“Zero-Emission Motorcycle (ZEM)”** means either a fully-enclosed zero-emission vehicle designed to travel on three wheels or a two-wheeled electric motorcycle. ZEMs must meet the provisions of CVC section 400 and be freeway capable.

**“Zero-Emission Vehicle (ZEV)”** means any vehicle certified to zero-emission standards.

**Attachment A**  
**Vehicle Eligibility Application**

**AB 118: CLEAN VEHICLE REBATE PROJECT**  
**VEHICLE ELIGIBILITY APPLICATION**

This is an application for vehicles to be included on the list of vehicles eligible for the California Air Resources Board's (ARB) Clean Vehicle Rebate Project. This application must be completed, submitted to ARB, and vehicle must receive approval prior to the vehicle being eligible for a rebate. If the vehicle receives approval, ARB will notify the Grantee for inclusion on the List of Eligible Vehicle Models.

ARB 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.

**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: (    )                                       | Fax: (    ) |           |
| E-mail:   |             |           |

In Table 1 (below), please provide the year, make, and model for the vehicle(s).

**Table 1: Vehicle Information**

| Model Year | Vehicle Make | Vehicle Model |
|------------|--------------|---------------|
|            |              |               |
|            |              |               |
|            |              |               |
|            |              |               |
|            |              |               |

## **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. ARB reserves the right to request additional information to complete the vehicle eligibility evaluation.

- ARB Executive Order(s), except for zero emission motorcycles
- Warranty provisions
- After sales service provisions
- Neighborhood Electric Vehicles (NEV) only- NEV America technical evaluation (most recent printout from web site)
- MSRP price sheets. Price information on equivalent internal combustion engine vehicles must be submitted to support incremental cost determinations.
- Zero emission motorcycles only - Completion of the Zero Emission Motorcycle Evaluation Procedures (Attachment B of the Implementation Manual) and associated forms
- 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 initial 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 Vehicle Models including warranty and after sales service provisions, and, for NEVs, the NEV America technical evaluation.

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

- MSRP price sheets, including information on equivalent internal combustion engine vehicles.
- ARB Executive Order(s), except for zero emission motorcycles.

I certify under penalty of perjury under the laws of the State of California that the information provided is true, accurate, and complete.

|                                    |        |
|------------------------------------|--------|
| Printed Name of Responsible Party: | Title: |
| Signature of Responsible Party:    | Date:  |

For all vehicles mail this application and all supporting documentation to:

Mark Williams  
Air Resources Board  
Mobile Source Control Division  
P.O. Box 2815  
Sacramento, CA

**Attachment B**

**Table of Federal Motor Vehicle Safety Standards**

| FEDERAL MOTOR VEHICLE SAFETY STANDARDS (FMVSS); APPLICABILITY |               |                     |       |       |            |         |           |           |
|---|---------------|---------------------|-------|-------|------------|---------|-----------|-----------|
| 49 CFR Part 571   | Passenger Car | MPV<br>Lt Truck (1) | Heavy | Bus   | Motorcycle | Trailer | Equipment | Low-speed |
| FMVSS Number  |               |                     |       |       |            |         |           |           |
| <b>100 Series (Crash Avoidance)</b>                           |               |                     |       |       |            |         |           |           |
| 101 Controls and Displays                                     | ●             | ●                   | ●     | ●     |            |         |           |           |
| 102 Transmission Shift Lever Sequence                         | ●             | ●                   | ●     | ●     |            |         |           |           |
| 103 Windshield Defrosting and Defogging Systems               | ●             | ●                   | ●     | ●     |            |         |           |           |
| 104 Windshield Wiping and Washing Systems                     | ●             | ●                   | ●     | ●     |            |         |           |           |
| 105 Hydraulic and Electric Brake Systems                      | ●             | ●                   | ●     | ●     |            |         |           |           |
| 106 Brake Hoses   | ●             | ●                   | ●     | ●     | ●          | ●       | ●         |           |
| 108 Lamps, Reflective Devices and Associated Equipment        | ●             | ●                   | ●     | ●     | ●          | ●       | ●         |           |
| 109 New Pneumatic Tires                                       | (3)           | (4)                 |       | (4)   |            | (4)     | ●         |           |
| 110 Tire Selection and Rims                                   | ●             |                     |       |       |            |         | ●         |           |
| 111 Rearview Mirrors  | ●             | ●                   | ●     | ● (5) | ●          |         |           |           |
| 113 Hood Latch System   | ●             | ●                   | ●     | ●     |            |         |           |           |
| 114 Theft Prevention  | ●             | ●                   |       |       |            |         |           |           |
| 116 Hydraulic Brake Fluids                                    | ●             | ●                   | ●     | ●     | ●          | ●       | ●         |           |
| 117 Retreaded Pneumatic Tires (passenger cars)                |               |                     |       |       |            |         | ●         |           |
| 118 Power-Operated Window Systems                             | ●             | ●                   |       |       |            |         |           |           |
| 119 New Pneumatic Tires for Trucks, Buses etc.                |               | (4)                 | (4)   | (4)   | (4)        | (4)     | ●         |           |
| 120 Tire Selection and Rims for Trucks, Buses etc.            |               | ●                   | ●     | ●     | ●          | ●       | ●         |           |
| 121 Air Brake Systems   |               |                     | ●     | ●     |            | ●       |           |           |
| 122 Motorcycle Brake Systems                                  |               |                     |       |       | ●          |         |           |           |
| 123 Motorcycle Controls and Displays                          |               |                     |       |       | ●          |         |           |           |
| 124 Accelerator Control Systems                               | ●             | ●                   | ●     | ●     |            |         |           |           |
| 125 Warning Devices   |               |                     |       |       |            |         | ●         |           |
| 129 New Non-Pneumatic Tires for Passenger Cars                | (3)           | (4)                 |       |       |            |         | ●         |           |
| 131 School Bus Pedestrian Safety Devices                      |               |                     |       | ● (5) |            |         |           |           |
| 135 Passenger Car Brake Systems                               | ●             | ● (6)               |       |       |            |         |           |           |

| 49 CFR Part 571                                    | Passenger Car | MPV<br>Lt Truck (1) | Heavy | Bus     | Motorcycle | Trailer | Equipment | Low-speed |
|--|---------------|---------------------|-------|---------|------------|---------|-----------|-----------|
| FMVSS Number                                       |               |                     |       |         |            |         |           |           |
| <b>200 Series (Crash Worthiness)</b>               |               |                     |       |         |            |         |           |           |
| 201 Occupant Protection in Interior Impact         | ●             | ●                   |       | ● (1)   |            |         |           |           |
| 202 Head Restraints                                | ●             | ●                   |       | ● (1)   |            |         |           |           |
| 203 Impact Protection for Driver Steering Controls | ●             | ●                   |       | ● (1)   |            |         |           |           |
| 204 Steering Control Rearward Displacement         | ●             | ●                   |       | ●       |            |         |           |           |
| 205 Glazing Materials                              | (7)           | (7)                 | (7)   | (7)     | (7)        |         | ●         | (7)       |
| 206 Door Locks and Retention Components            | ●             | ●                   | ●     |         |            |         |           |           |
| 207 Seating Systems                                | ●             | ●                   | ●     | ●       |            |         |           |           |
| 208 Occupant Crash Protection                      | ●             | ●                   | ●     | ●       |            |         |           |           |
| 209 Seat Belt Assemblies                           | (7)           | (7)                 | (7)   | (7)     |            |         | ●         |           |
| 210 Seat Belt Assembly Anchorage                   | ●             | ●                   | ●     | ●       |            |         |           |           |
| 212 Windshield Mounting                            | ●             | ●                   |       | ● (1)   |            |         |           |           |
| 213 Child Restraint Systems                        | ●             | ●                   |       | ●       |            |         | ●         |           |
| 214 Side Impact Protection                         | ●             | ●                   |       | ● (1)   |            |         |           |           |
| 216 Roof Crush Resistance                          | ●             | ● (8)               |       | ● (8,9) |            |         |           |           |
| 217 Bus Emergency Exits and Window Retention       |               |                     |       | ●       |            |         |           |           |
| 218 Motorcycle Helmets                             |               |                     |       |         |            |         | ●         |           |
| 219 Windshield Zone Intrusion                      | ●             | ●                   |       | ● (1)   |            |         |           |           |
| 220 School Bus Rollover Protection                 |               |                     |       | ● (5)   |            |         |           |           |
| 221 School Bus Body Joint Strength                 |               |                     |       | ● (5)   |            |         |           |           |
| 222 School Bus Seating and Crash Protection        |               |                     |       | ● (5)   |            |         |           |           |
| 223 Rear Impact Guards                             |               |                     |       |         |            |         | ●         |           |
| 224 Rear Impact Protection                         |               |                     |       |         |            | ● (2)   |           |           |
| 225 Child Restraint Anchorage Systems              | ●             | ● (10)              |       | ● (1)   |            |         |           |           |

| 49 CFR Part 571   | Passenger Car | MPV<br>Lt Truck (1) | Heavy | Bus     | Motorcycle | Trailer | Equipment | Low-speed |
|---|---------------|---------------------|-------|---------|------------|---------|-----------|-----------|
| <b>FMVSS Number</b>   |               |                     |       |         |            |         |           |           |
| <b>300 Series (Post Crash Protection)</b>   |               |                     |       |         |            |         |           |           |
| 301 Fuel System Integrity   | ●             | ●                   |       | ● (5)   |            |         |           |           |
| 302 Flammability of Interior Materials  | ●             | ●                   | ●     | ●       |            |         |           |           |
| 303 Fuel System Integrity of Compressed Natural Gas Vehicles  | ●             | ●                   |       | ● (1,5) |            |         |           |           |
| 304 Compressed Natural Gas Fuel Container Integrity   |               |                     |       |         |            |         | ●         |           |
| <b>500 Series (Low-Speed Vehicles)</b>  |               |                     |       |         |            |         |           |           |
| 500 Low-Speed Vehicles  |               |                     |       |         |            |         |           | ●         |
| (1) Gross Vehicle Weight Rating (GVWR) less than or equal to 4,536 Kg (10,000 lb)<br>(2) GVWR greater than 4,536 Kg (10,000 lb)<br>(3) See FMVSS No. 110<br>(4) See FMVSS No. 120<br>(5) Applies to or has different requirements for School Buses<br>(6) GVWR less than or equal to 3,500 Kg (7,716 lb)<br>(7) For use in<br>(8) GVWR less than or equal to 2,722 Kg (6,001 lb)<br>(9) Does not apply to School Buses<br>(10) GVWR less than or equal to 3,855 Kg (8,500 lb) |               |                     |       |         |            |         |           |           |

**Passenger Car:** Motor vehicle with motive power, except a low-speed vehicle, multipurpose passenger vehicle, motorcycle or trailer designed for carrying 10 persons or less.

**Multipurpose Passenger Vehicle:** Motor vehicle with motive power, except a low-speed vehicle or a trailer designed to carry 10 persons or less which is constructed either on a truck chassis or with special features for occasional off-road operation.

**Truck:** Motor vehicle with motive power, except a trailer, designed primarily for the transportation of property or special purpose equipment.

**Bus:** Motor vehicle with motive power, except a trailer, designed for carrying more than 10 persons.

**School Bus:** A bus that is sold, or introduced in interstate commerce, for purposes that include carrying students to and/or from school or related events, but does not include a bus designed and sold for operation as a common carrier in urban transportation.

**Motorcycle:** Motor vehicle with motive power, having a seat or saddle for use of the rider and designed to travel on not more than three wheels in contact with the ground.

**Trailer:** Motor vehicle with or without motive power, designed for carrying persons or property and for being drawn by another motor vehicle.

**Motor Vehicle Equipment:** Individual vehicle components or systems whether installed on a new vehicle or provided as a replacement or accessory that are subject to a FMVSS.

**Low-Speed Vehicle:** 4-wheeled motor vehicle, other than a truck, with a maximum speed greater than 20 and not more than 25 miles per hour.

**Attachment C**

**Zero-Emission Motorcycle Evaluation Procedures**

# CLEAN VEHICLE REBATE PROJECT ZERO-EMISSION MOTORCYCLE EVALUATION PROCEDURES

## 1. Introduction

The Clean Vehicle Rebate Project (CVRP) provides rebates to eligible zero-emission motorcycles (ZEMs). To ensure that these vehicles are robust and offer their purchasers enduring trouble-free performance, the California Air Resources Board (ARB) requires them to successfully complete established baseline performance evaluations.

ZEMs must meet prescribed vehicle requirements based upon zero emission vehicle testing procedures developed by Southern California Edison's (SCE) Electric Vehicle Testing Center. The ARB, in consultation with SCE, has modified the electric vehicle testing procedures to reflect the operating characteristics of ZEMs.

ZEM manufacturers seeking CVRP rebate eligibility must have an ARB-recognized independent third-party vehicle standards organization<sup>2</sup> evaluate vehicle range and acceleration using the procedures contained in this document (data collected will be held confidentially). The ARB will review the evaluation and issue a pass or fail determination. All other applicable legal requirements to certify operation of a motor vehicle on a public roadway must be satisfied before the vehicle is submitted for range certification.

## 2. Vehicle Receipt, Preparation and Inspection

A. Before accepting the vehicle for testing, the following must be satisfied:

1. The vehicle must be licensed for legal operation on public roadways.
2. The vehicle must pass a safety and functionality inspection.
3. The vehicle must have a minimum sustained speed capability of 35 mph on the Pomona Loop course and be able to accelerate from 0 to 50 mph in 10 seconds or less.

B. Complete the following preparation and inspection steps:

1. Fill out the Vehicle Test Equipment and Nameplate Data Sheet (Form MSCD/AFV04).
2. When the tires are "cold", check the air pressure and inflate the tires to the maximum pressure indicated on the tire sidewall using a calibrated tire pressure gage; for consistency, pressure should be checked within one

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<sup>2</sup> The ARB reserves the right to approve or disapprove the proposed vehicle standards organization.

hour of starting the test drive. Tires can be considered “cold” if the vehicle has been parked for at least two hours. Check the pressure before each test at a consistent time relative to the test drive schedule.

3. Check the vehicle fluid levels (coolant, brake fluid, etc.) if applicable before each drive.
4. Fully charge the vehicle’s battery pack in a controlled environment using the supplied battery charger and allow it to cool at least four, and not more than twelve hours before beginning the range or acceleration tests.

### **3. Pomona Loop Range Test**

#### **A. Pomona Loop Range Test**

Record the odometer reading and starting ambient conditions on the Electric Vehicle Driving Test Data Sheet (Form MSCD/AFV05). It is preferable to start the drive in the morning at a consistent time and temperature. Drive the vehicle on the Pomona Loop, with no passengers, in a manner that is compatible with the safe flow of traffic, attempting to maintain the posted speed limit whenever possible, but at no time exceeding the posted speed limit. Requirement: complete two circuits of the Pomona Loop in a continuous fashion, without extended stops or additional charging.

Upon completion of the two circuits, record the end-of-test data (odometer, state of charge, ending ambient conditions) on MSCD/AFV05. Recharge the vehicle battery in a controlled environment using the supplied battery charger, and record the recharge data.

If the vehicle fails to complete the required distance, follow the specifications in section B.4 before repeating the test once more.

#### **B. Stop Conditions if Vehicle is Unable to Complete the Test**

The maximum useable range of the vehicle is determined by vehicle gage indications specified by the manufacturer, or if no instructions are specified, by diminished vehicle performance such that the vehicle is no longer capable of safely operating with the flow of traffic. Typically, an electric vehicle will have two warning lights near the end of the vehicle’s range. The first is usually a cautionary light at roughly 20 percent state of charge (SOC). This light is usually a reminder to the driver that the state of charge is low. The second warning usually comes on at about 10 to 15 percent SOC, and is an indication to charge immediately. A testing entity should use this second warning signal, as recommended by the manufacturer, to stop the range test, so that there is no chance to harm the traction battery by over-discharge. If within a mile or two of the test circuit starting position, and possible to drive it in slowly and conservatively, do so. If farther than that, the driver will stop the vehicle and have it transported in.

#### **4. Acceleration Test**

Upon successful completion of the Pomona Loop Range Test, follow the specifications in section 2.B.4 before beginning the acceleration test. The acceleration test will be performed on a surface street with a posted speed limit of 50 miles per hour or greater and in a manner that is compatible with the safe flow of traffic. Requirement: accelerate from zero (0) to fifty (50) miles per hour in ten (10) seconds or less. Upon completion of the acceleration test, record the state of charge and elapsed time in the “other comments” section of MSCD/AFV05.

#### **5. Output**

The manufacturer or testing entity will provide the ARB with completed forms MSCD/AFV04 through 06. The ARB will review the evaluation data and will provide the manufacturer with a pass/fail. All data collected will be shared with the vehicle manufacturer only and to others upon request only as required by law.

**Zero-Emission Motorcycle Evaluation Procedure**

**FORMS AND DIAGRAMS**

## **VEHICLE TEST EQUIPMENT AND NAMEPLATE DATA SHEET**

Project/User Contact: \_\_\_\_\_ Test: \_\_\_\_\_  
Date(s): \_\_\_\_\_ File Name(s): \_\_\_\_\_  
Vehicle Number: \_\_\_\_\_ Technician: \_\_\_\_\_

### **VEHICLE**

Manufacturer: \_\_\_\_\_ VIN: \_\_\_\_\_  
Model: \_\_\_\_\_ Model Year: \_\_\_\_\_ Manufacture Date: \_\_\_\_\_  
Mileage: \_\_\_\_\_  
Motor Manufacturer: \_\_\_\_\_ Motor Type: \_\_\_\_\_  
Motor Rating/Speed: \_\_\_\_\_  
Version/Serial No.: \_\_\_\_\_  
Controller Version/serial No.: \_\_\_\_\_  
Battery Pack Type/Version/Serial No.: \_\_\_\_\_

### **TIRES**

Tire Manufacturer: \_\_\_\_\_ Model: \_\_\_\_\_  
Tire size: \_\_\_\_\_ Maximum Pressure: \_\_\_\_\_  
Maximum Tire Load: \_\_\_\_\_ Treadwear Rating: \_\_\_\_\_

### **CHARGER**

On-board / Off-board: \_\_\_\_\_ Manufacturer: \_\_\_\_\_  
Model: \_\_\_\_\_ Serial Number: \_\_\_\_\_  
Charger Type/Version: \_\_\_\_\_  
EVSE Manufacturer: \_\_\_\_\_  
EVSE Model/Version: \_\_\_\_\_ Serial Number: \_\_\_\_\_  
EVSE Software Version: \_\_\_\_\_  
Charge Port Manufacturer/Model/Version/SN: \_\_\_\_\_

### **TEST EQUIPMENT (Describe make and model as applicable)**

Power Profiler: \_\_\_\_\_  
kWh Meter: \_\_\_\_\_  
Thermometer: \_\_\_\_\_  
Optical Meter Probe: \_\_\_\_\_  
Laptop Computer: \_\_\_\_\_  
Desktop Computer: \_\_\_\_\_  
Stopwatch: \_\_\_\_\_  
Digital multimeter: \_\_\_\_\_  
Battery Cycler: \_\_\_\_\_  
Sound Level Meter: \_\_\_\_\_  
Measuring Wheel: \_\_\_\_\_  
Other Equipment: \_\_\_\_\_

### **WEIGHT CERTIFICATION**

Scale Location and Proprietor: \_\_\_\_\_  
Examiner: \_\_\_\_\_ Date: \_\_\_\_\_  
Notes: \_\_\_\_\_  
Total Curb Weight: \_\_\_\_\_ lb



## URBAN POMONA LOOP

