

# Clean Transportation Incentives

Fiscal Year 2017-18  
Clean Off-Road Equipment Voucher Incentive Project (CORE)

## IMPLEMENTATION MANUAL

Revised July 20, 2020  
Original Release December 16, 2019



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## EXECUTIVE SUMMARY

In 2012, Assembly Bill (AB) 1532 (Pérez, Chapter 807), Senate Bill (SB) 535 (De León, Chapter 830), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39) established the Greenhouse Gas Reduction Fund (GGRF) to receive auction proceeds from California's Cap-and-Trade Program<sup>1</sup> and to provide the framework for how the auction proceeds are administered in furtherance of the purposes of AB 32 (Nunez, Chapter 488, 2006). AB 134 (Committee on Budget, Chapter 14, 2017) appropriated \$140 million from the GGRF for demonstrating and deploying advanced technology in freight equipment. Of that appropriation, \$40 million was allocated to this project, the Clean Off-Road Equipment Voucher Incentive Project (CORE), by the Fiscal Year (FY) 2017-18 Funding Plan for Clean Transportation Incentives (FY 2017-18 Funding Plan)<sup>2</sup>, approved by the California Air Resources Board (CARB) on December 14, 2017. Since that time, CORE has been allocated an additional \$4.6M from FY 2018-19 GGRF funding appropriated pursuant to SB 856 (Committee on Budget and Fiscal Review, Chapter 30, 2018).

CORE, analogous to the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)<sup>3</sup>, is a new project intended to encourage California fleets to purchase or lease cleaner off-road equipment. It provides a streamlined voucher process by which potential purchasers can receive funding to help offset the higher cost of such equipment. Pursuant to AB 134 and the FY 2017-18 Funding Plan, CORE is currently only applicable to freight equipment powered exclusively by zero-emission technology.

While the goal of CORE is to help purchasers overcome the incremental cost barrier of cleaner off-road equipment, the methodologies developed for determining voucher amounts also consider other factors, such as current market penetration and the projected need for incentives. Additionally, increased funding is being made available to encourage equipment deployments in disadvantaged and low-income communities as well as infrastructure expansion.

CORE targets commercial-ready products that have not yet achieved a significant market foothold. Currently, equipment types eligible for CORE include:

- On- and off-road terminal tractors<sup>4</sup>,
- Transport refrigeration units,
- Large forklifts,
- Container handling equipment,
- Airport cargo loaders,

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<sup>1</sup> <https://www.arb.ca.gov/cc/capandtrade/capandtrade.htm>

<sup>2</sup> [https://www.arb.ca.gov/msprog/agip/fundplan/proposed\\_1718\\_funding\\_plan\\_final.pdf](https://www.arb.ca.gov/msprog/agip/fundplan/proposed_1718_funding_plan_final.pdf)

<sup>3</sup> <https://www.californiahvip.org/>

<sup>4</sup> On-road terminal tractors are included in CORE given their similarity to off-road terminal tractors. CORE will replace HVIP for such vehicles once CORE vouchers become available.

- Wide-body aircraft tugs,
- Railcar movers, and
- Aircraft ground power units.

Certain equipment designed to extend the utility of existing infrastructure will also be eligible for CORE funding. The following equipment types are expected to help address infrastructure limitations and expand technology use and acceptance:

- Mobile power units, and
- Mobile shore power cable management systems.

This Implementation Manual is intended for use by all participating manufacturers, dealers, and purchasers. It describes all elements of CORE and sets forth the terms and conditions for participation. The Implementation Manual was originally released on December 16, 2020, and subsequent modifications have been made in the June 22, 2020 and July 20, 2020 revisions.

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## A. PROJECT OVERVIEW

### 1. Background

In 2007, Assembly Bill (AB) 118 (Nunez, 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. Subsequently, in 2012, Governor Brown signed into law three bills, AB 1532 (Pérez, Chapter 807), Senate Bill (SB) 535 (De León, Chapter 830), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39), that established the Greenhouse Gas Reduction Fund (GGRF) to receive auction proceeds from California's Cap-and-Trade Program<sup>1</sup> and to provide the framework for how the auction proceeds are administered in furtherance of the purposes of AB 32 (Nunez, Chapter 488, 2006), including supporting long-term, transformative efforts to improve public health and develop a clean energy economy. Funding from the GGRF is administered by several different California agencies, and the investments made are collectively called *California Climate Investments*. The suite of implementing legislation also offers strong direction for investing a portion of the auction proceeds to benefit disadvantaged and low-income communities, including specific allocation requirements in SB 535 bolstered by AB 1550 (Gomez, Chapter 369, 2016).

Each fiscal year, CARB staff submits a proposed funding plan to the Board for approval that serves as the blueprint for expending GGRF and AQIP funds appropriated to CARB in the State budget. More specifically, the plan establishes CARB's priorities for the funding cycle, describes the projects CARB intends to fund, and sets funding targets for each project.

In 2017, Governor Brown signed into law AB 134 (Committee on Budget, Chapter 14, 2017), which appropriated up to \$140 million from the GGRF for advanced freight equipment demonstrations and pilot commercial deployments. The Fiscal Year (FY) 2017-18 Funding Plan for Clean Transportation Incentives (FY 2017-18 Funding Plan)<sup>2</sup>, approved by CARB in December 2017, allocated \$40 million of the \$140 million appropriation to the Clean Off-Road Equipment Voucher Incentive Project (CORE). Since that time, CORE has been allocated an additional \$4.6M from FY 2018-19 GGRF funding appropriated pursuant to SB 856 (Committee on Budget and Fiscal Review, Chapter 30, 2018).

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<sup>1</sup> <https://www.arb.ca.gov/cc/capandtrade/capandtrade.htm>

<sup>2</sup> [https://www.arb.ca.gov/msprog/aqip/fundplan/proposed\\_1718\\_funding\\_plan\\_final.pdf](https://www.arb.ca.gov/msprog/aqip/fundplan/proposed_1718_funding_plan_final.pdf)

CORE encourages the purchase<sup>3</sup> of off-road freight equipment powered by zero-emission technology (instead of an internal combustion engine) by providing a streamlined voucher process for purchasers to receive funding to help offset the higher cost of such equipment. Because CORE is intended to encourage California off-road fleets to expand their zero-emission operations, it is expected to benefit the citizens of California by providing immediate air pollution and greenhouse gas emission reductions. Additionally, the project deploys and advances the critical technologies necessary for California to meet its long-term air quality and climate change goals. CORE is also supportive of Executive Order B-32-15, which directed the development of the California Sustainable Freight Action Plan<sup>4</sup>. This action plan was released on July 29, 2016, and includes three main targets:

- Improve freight system efficiency 25 percent by increasing the value of goods and services produced from the freight sector, relative to the amount of carbon that it produces by 2030;
- Deploy over 100,000 freight vehicles and equipment capable of zero-emission operation and maximize near zero-emission freight vehicles and equipment powered by renewable energy by 2030; and
- Establish a target(s) for increased state competitiveness and future economic growth within the freight and goods movement industry.

This Implementation Manual (IM) is intended for use by all participating manufacturers, dealers, and purchasers. It describes all elements of CORE and sets forth the terms and conditions for participation. CARB staff intends to, at minimum, evaluate the need for formal IM updates quarterly in the first year following project launch, semi-annually the second year, then annually, thereafter. When warranted, updates will be made through a public process.

The original version of the CORE IM was released on December 16, 2019, at which time, CARB staff began accepting manufacturer applications for equipment eligibility into the program. The release was preceded by three public workgroup meetings in July and August 2019 in Southern, Central, and Northern California, along with numerous individual stakeholder engagements, where staff and the project administration team received valuable feedback. Additionally, voucher requests from participating dealers and manufacturers were first made available by the CORE Project Administrator in February 2020, which coincided with a public kickoff event in San Diego, California for the CORE program.

On March 27, 2020 and June 30, 2020, CARB staff and the CORE administrator held public workgroup

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<sup>3</sup> For the purpose of this Implementation Manual, a purchase shall also mean a lease, to purchase shall also mean to lease, and a purchaser shall also mean a lessee.

<sup>4</sup> [http://dot.ca.gov/hq/tpp/offices/ogm/cs\\_freight\\_action\\_plan/Documents/CSFAP\\_FINAL\\_07272016.pdf](http://dot.ca.gov/hq/tpp/offices/ogm/cs_freight_action_plan/Documents/CSFAP_FINAL_07272016.pdf)



meetings to discuss proposed modifications to the IM. A summary of the modifications since the original release of the IM is as follows:

- Section A.1. – Language added to describe additional funds allocated to CORE from Fiscal Year 18-19 funding.
- Section A.2. – Language added to clarify CORE’s process for handling the stacking of funds from different incentive programs.
- Section C.1. and Attachment A.4. – Language added to clarify that manufacturers of Yard Tractors, Mobile Power Units, and Aircraft Ground Power Units may request up to the rated energy capacity of their battery systems for determining voucher amounts.
- Section C.4. – Added language to clarify that CARB could set additional criteria for, modify, or eliminate any contingency lists.
- Section C.5.g. – Clarified that the specified voucher amounts for railcar movers apply to both new equipment and conversion kits.
- Section C.5.h. – Clarified that the specified voucher amounts for MPUs and GPUs only apply to new equipment.
- Section E.7 – Added language to describe the telematics reporting process for when a piece of equipment’s third-month reporting is due within 30 days of its first quarterly report.
- Section F.2. – Added language to clarify that for MPUs, hours of operation is hours of dispensing power.
- Section F.2. – Added language to allow for case-by-case evaluations of the minimum usage hour requirement in the railcar mover category, for a limited time.
- Section F.7. – Language added to describe the existing fleet compliance check process.
- Section F.13. and Attachment B – Language added to clarify that equipment purchased through CORE is required to perform or support freight activities.

## 2. Project Description

Analogous to the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)<sup>5</sup>, CORE provides a first-come, first-served voucher process for fleets ready to purchase cleaner off-road equipment to receive funding to offset the higher cost of such equipment. Pursuant to AB 134 and the FY 2017-18 Funding Plan, CORE is currently only applicable to *freight* equipment powered exclusively by *zero-emission technology*.

As with many new technologies, one of the primary barriers to broad market adoption of zero-emission off-road equipment is limited production volumes. The increased costs associated with limited production make zero-emission equipment less cost competitive and can deter fleets from investing in such equipment, even if there are anticipated benefits. CORE aims to help address the cost barrier for zero-

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<sup>5</sup><https://www.californiahvip.org/>

emission off-road freight equipment by helping offset the incremental cost of purchasing and deploying such equipment.

That said, the methodologies developed for determining CORE voucher amounts consider other factors as well, such as current market penetration and the projected need for incentives. Additionally, increased funding is being made available to encourage equipment deployments in disadvantaged and low-income communities as well as infrastructure expansion.

Scrappage of existing internal combustion equipment is not a requirement to participate in CORE. However, CORE requirements do not replace or supersede the requirements of other incentive programs that may be used in conjunction. Therefore, if a purchaser is also seeking funding from other incentive programs/projects that require scrappage, the purchaser is still bound by such requirement.

Stacking, or combining CORE funding with other public funding programs, is allowed by CORE but may be disallowed by other programs. Be sure to confirm the terms, conditions, and program requirements of each funding source when evaluating fund-stacking scenarios. In addition, CORE does not allow the total amount of incentive funding (from all sources) to exceed the total cost of the equipment (excluding taxes and fees). Accordingly, in an applicable transaction, a CORE Base Voucher could be reduced below the amount originally determined for the affected piece of equipment during the CORE equipment eligibility evaluation process. Further, purchasers of CORE-funded equipment may access infrastructure incentives from other funding sources, but funding from said sources must be used to cover infrastructure costs not already covered by CORE funds.

### 3. Project Framework

Manufacturers that would like to participate in CORE are required to complete and submit to CARB a CORE Equipment Eligibility Application (See Attachment A) for each equipment or conversion-kit<sup>6</sup> model they would like added to the program. Once an equipment or conversion-kit model has been deemed eligible (i.e., CARB has determined that all the eligibility requirements set forth in Attachment A to this IM have been met), said model will be added by the Project Administrator to the CORE Model Eligibility List (MEL). The MEL, which is posted on the [CORE website](http://californiacore.org/)<sup>7</sup>, lists all equipment and conversion-kit models eligible for CORE funding.<sup>8</sup>

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<sup>6</sup> A conversion kit contains the required components (e.g., battery pack, electric motors, etc.) to “repower” an existing internal-combustion equipment piece with a zero-emission powertrain.

<sup>7</sup> <http://californiacore.org/>

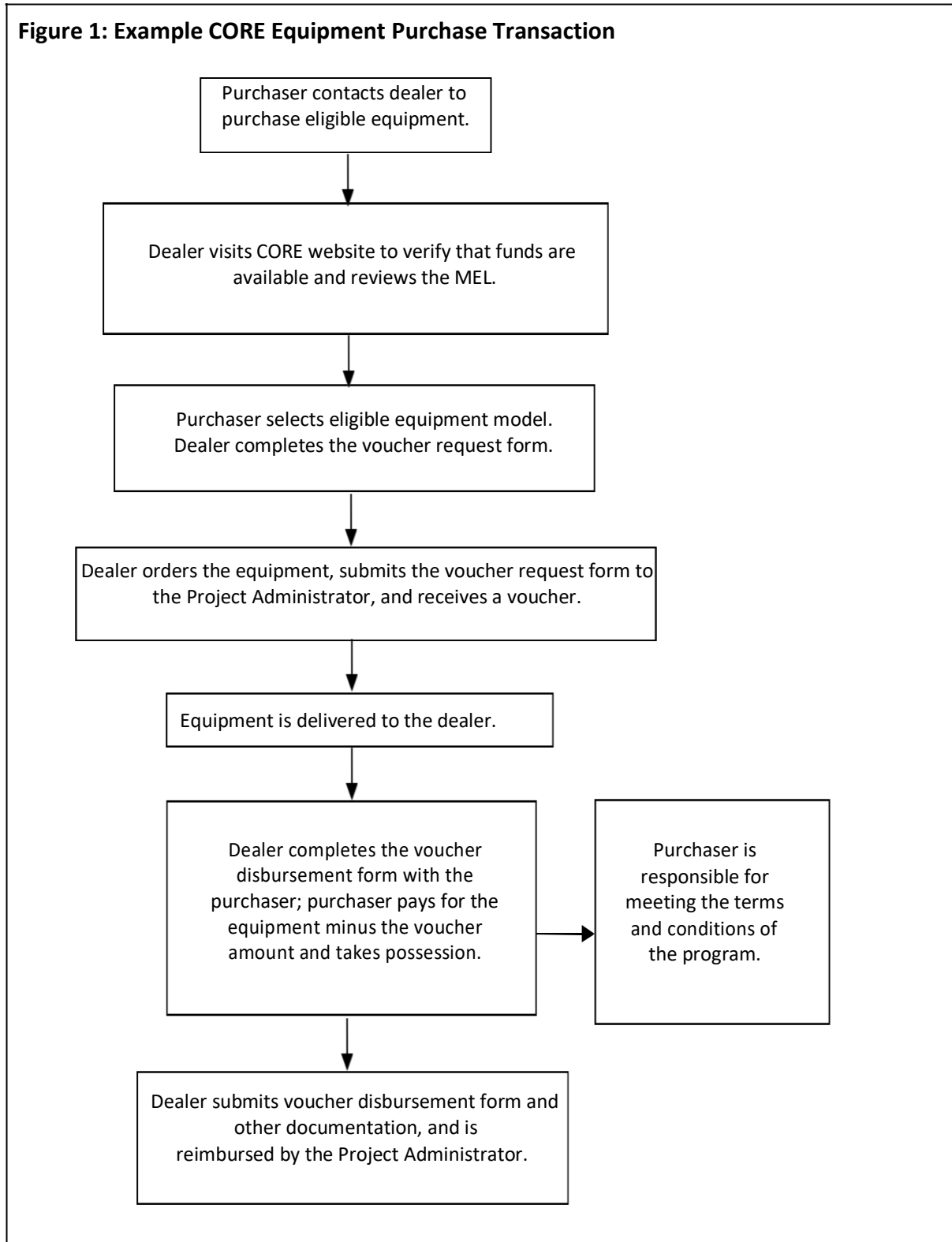
<sup>8</sup> If a model is not listed on the MEL, it is not eligible for CORE funding.

The MEL also includes the funding amounts for the base voucher as well as the infrastructure enhancement(s) corresponding to each eligible model. In addition, other information provided by the manufacturer in the eligibility application process, such as information on battery capacity, load capacity, gross vehicle weight rating, etc., may also be posted. The MEL is continually updated by the Project Administrator as decisions are made by CARB on CORE Equipment Eligibility Applications and as the eligibility of existing equipment or conversion-kit models expires.

In addition to the MEL, the CORE website can also be used to request and redeem vouchers and obtain other information about the program, such as available funding. Once an equipment or conversion-kit model is added to the MEL, a fleet will be able to purchase said model through the CORE voucher process.

Figure 1 below, illustrates a hypothetical equipment dealer sale and voucher reimbursement transaction.

**Figure 1: Example CORE Equipment Purchase Transaction**



Once a piece of CORE-funded equipment (purchased as new or converted) has been deployed, the manufacturer, dealer, and purchaser are required to continue to abide by all applicable CORE terms and conditions for the duration of the *project participation period*.

The “project participation period” starts on the date the CORE-funded equipment is delivered or the date final payment is made, whichever is later, and ends three calendar years following such date. For zero-emission conversion kits funded with a CORE voucher, the date of delivery shall be the date the fully converted equipment is delivered to the purchaser.

#### **4. Disadvantaged and Low-Income Communities**

In 2014, the California Environmental Protection Agency (CalEPA) identified disadvantaged communities for the purposes of SB 535 using the [California Communities Environmental Health Screening Tool \(CalEnviroScreen\)](#)<sup>9</sup>, developed by the California Office of Environmental Health Hazard Assessment to help CalEPA prioritize its work in the state’s most burdened communities. In 2017, CalEPA updated the list of disadvantaged communities and identified low-income communities for the purposes of implementing AB 1550. For CORE, the Project Administrator will use CalEnviroScreen 3.0, the latest version of CalEnviroScreen, last updated in June 2018. More information on priority populations, such as those in disadvantaged and low-income communities, is available on [CARB’s website](#)<sup>10</sup>.

To support the goal of providing funding in disadvantaged and low-income communities, and to satisfy SB535 and AB 1550 requirements, CORE provides higher voucher amounts (additional 10 percent) for equipment deployed in such communities. In addition, CARB staff will continually assess CORE throughout the project term. If data show that CORE is not meeting SB 535 and AB 1550 goals, funding may be set aside for equipment deployed in disadvantaged and low-income communities.

The GGRF contains reporting requirements to ensure compliance with SB 535 and AB 1550. 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.

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<sup>9</sup><https://oehha.ca.gov/calenviroscreen>

<sup>10</sup><https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>

## B. ELIGIBLE EQUIPMENT TYPES

CORE vouchers are intended for off-road equipment that are:

- Zero-emission;
- Commercial-ready; and
- Commonly used in freight applications.

Specifically, CORE focuses on the following types of zero-emission equipment<sup>11</sup>:

- On- and off-road terminal tractors<sup>12</sup>;
- Transport refrigeration units (TRU)<sup>13</sup>;
- Large forklifts (8,001 pounds or greater lift capacity);
- Container handling equipment with a lift capacity of 33,001 pounds or greater (rubber-tired gantry [RTG] cranes, straddle carriers, reach stackers, side picks, and top picks);
- Airport cargo loaders;
- Wide-body aircraft tugs<sup>14</sup>;
- Aircraft ground power units [GPU]<sup>15</sup>; and
- Railcar movers.

In addition, zero-emission conversion kits for the following CORE-eligible equipment types are also eligible for CORE vouchers: terminal tractors, container handling equipment, airport cargo loaders, and wide-body aircraft tugs.

Certain equipment designed to extend the utility of existing infrastructure will also be eligible for CORE funding. The following equipment types are expected to help address infrastructure limitations and expand technology use and acceptance:

- Mobile power units (MPU)<sup>16</sup>, and
- Mobile shore power cable management systems.

Other types of equipment that meet CORE requirements may be eligible for funding in the future.

Per AB 134 and SB 856, the funding for CORE “shall *not* be allocated for the purchase of fully automated cargo handling equipment.” Within CORE, fully automated equipment means that the equipment is not directly human operated, which includes off-site

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<sup>11</sup>Equipment with a petroleum-fueled range extender, auxiliary power system, or heating system is not eligible for CORE.

<sup>12</sup>On-road terminal tractors are included in CORE given their similarity to off-road terminal tractors. CORE will replace HVIP for such vehicles once CORE vouchers become available.

<sup>13</sup>TRUs capable of range extension by drawing power directly from and creating an additional load for an internal combustion engine are not eligible for funding.

<sup>14</sup>Curb weight of 50,000 pounds or greater.

<sup>15</sup> Lithium-ion energy storage and fuel-cell technology only.

<sup>16</sup> Lithium-ion energy storage and fuel-cell technology only.

human control. Human operators must either be on the piece of equipment or tethered to the piece of equipment, and must control the equipment's function with a clear line of sight, or be positioned within 100 feet of the piece of equipment that is being operated. Tethering can be wired or wireless as a means of equipment control and operation.

Equipment that has automated activities, such as predictive cruise control or crane positioning, are not considered fully automated if the above conditions are met. Additionally, the automation restriction does not apply to recharging or refueling protocols or data-collection efforts. Any attempt to modify a funded vehicle or equipment to operate autonomously is prohibited during the project participation period.

## C. VOUCHER AMOUNTS

### 1. Determination of Voucher Amounts

The total CORE voucher amount for an eligible piece of equipment or conversion kit will consist of: a model-specific base voucher amount; additional funding for deployment in disadvantaged and low-income communities (if applicable); and infrastructure enhancement(s) (if applicable).

Base voucher amounts are determined by CARB at the time of the evaluation of a manufacturer's CORE Equipment Eligibility Application. For battery-electric terminal tractors (and battery-electric conversion kits for terminal tractors), this IM contains set base voucher amounts for battery capacities less than or equal to 160 kWh and a scaling factor for battery capacities greater than 160 kWh. For GPUs and MPUs, base voucher amounts are determined entirely by using a scaling factor of \$400 per kWh. CARB will allow manufacturers to request a voucher amount up to the *rated energy capacity* of their battery system for these equipment categories (*rated energy capacity* is as defined in the "California Standards and Test Procedures for New 2021 and Subsequent Model Heavy-Duty Zero-Emission Powertrains," as adopted June 27, 2019, incorporated by reference in section 1956.8, title 13, California Code of Regulations).

For all other equipment types, the base voucher amounts are determined by CARB staff in consultation with the Project Administrator, and depend on the incremental cost of zero-emission equipment over its internal combustion counterpart and other factors, including, but not limited to, equipment sale price, market data, typical industry standard costs for that equipment technology and type, the need for incentives, and other information provided in a manufacturer's CORE Equipment Eligibility Application or collected by other means. Base voucher amounts shall not exceed the incremental cost of the equipment.

See Section C.5, Voucher Amounts by Equipment Type, for more details on voucher amounts.

CORE funding may not be used to pay for any taxes or fees associated with the acquisition of the equipment piece, or in the case of a conversion kit, with the acquisition and installation of said kit. Any federal, state or local taxes as well as any municipal, local, dealer, or Department of Motor Vehicle (DMV) fees (if applicable), must be paid by the purchaser.

Note: The methodologies used to determine voucher amounts are subject to change as additional information about costs and pricing becomes available.



## 2. Additional Funding and Voucher Enhancements

### a. Additional Funding for Deployments in Disadvantaged and Low-Income Communities

For a piece of equipment or conversion kit to be deployed or domiciled within a disadvantaged or low-income community for the entire duration of its project participation period, an additional 10 percent of the model-specific base voucher amount is available. For on-road terminal tractors (including conversions of such equipment) and TRUs, specifically, for which this additional funding has been provided, the purchaser must allow the manufacturer to collect and aggregate equipment location data (through the telematics system over the duration of the project participation period) for submittal to CARB, the Project Administrator, or their designee for the purpose of quantifying operation within a disadvantaged or low-income community.

If it has been determined that a piece of CORE-funded equipment (purchased as new or converted) did not remain deployed or domiciled in a disadvantaged or low-income community for the entire duration of its project participation period, CARB reserves the right to recoup a prorated portion of the additional monies paid out (i.e., the additional 10 percent) based on the actual time the piece of equipment was deployed/domiciled in a disadvantaged or low-income community.

### b. Infrastructure Enhancement

CORE offers a voucher enhancement to offset certain costs associated with the purchase and installation of electric vehicle supply equipment (EVSE) units and hydrogen fueling infrastructure. In the case of battery-electric equipment, the enhancement is intended to cover the capital costs of the EVSE purchase and the costs of basic installation. For fuel-cell equipment, the enhancement is intended to cover costs associated with the purchase and installation of on-site fuel storage and/or production equipment. The enhancement is not intended to cover “make-ready” costs, such as costs of transformers, trenching, or conduit, or in the case of fuel-cell applications, fuel delivery costs.

In order to qualify for this voucher enhancement, dealers, on behalf of the fleet purchaser, shall provide in the voucher request detailed information on the infrastructure to be installed. The information may include, but is not limited to, infrastructure specifications, site maps, facility information, permit applicability and status, current utility company information, and current fleet information. Projected infrastructure equipment and installation costs must also be provided. The Project Administrator may request additional information to validate the enhancement request. The information provided must demonstrate a high

probability that the infrastructure necessary to support the CORE-funded equipment (purchased as new or converted) will be installed by the time the equipment is deployed. Within 30 days of the completion of the infrastructure, the dealer, on behalf of the purchaser, shall provide the Project Administrator with documentation describing actual costs.

Only one infrastructure enhancement is allowed per piece of CORE-funded equipment (purchased as new or converted). However, CORE may provide enhancements for up to three EVSE units per trailer-mounted battery-electric TRU to address application-specific operational needs.<sup>17</sup> TRU-equipped trailers are capable of transporting both dry goods and goods that require a climate-controlled environment. Because battery-electric TRUs are expected to recharge during loading and unloading events, warehouses with both dry and cold storage areas may need EVSE installed at the dock doors in both areas. In addition, trailers often queue in staging areas for extended periods of time while waiting to be loaded or unloaded, resulting in the potential need for EVSE in those areas as well.

### **3. Maximum Allowable Voucher Amount**

CORE vouchers (including additional funding provided for equipment deployment in disadvantaged or low-income communities and the infrastructure enhancement) are capped at \$500,000. That is, no individual voucher can exceed \$500,000.

In addition, while CORE does not prohibit combining a CORE voucher with funds from other incentive programs for an equipment or conversion-kit purchase, the total CORE voucher amount plus all other public incentives may not exceed 100 percent of the total cost of the equipment, or in the case of a conversion, of the total cost of the conversion kit plus installation (excluding taxes and fees).

### **4. Category Funding Caps**

In order to promote broad application of CORE funding, individual equipment types have been grouped into funding categories, and no one category may receive more than 25 percent of total CORE voucher funding within the first six months after program launch (i.e., the date the Project Administrator begins accepting voucher requests). For the purposes of this funding cap, six funding categories have been identified and are listed below. CARB will continue to evaluate needs in the funding categories after the first six months and may continue limits, if warranted. Once the funding for a particular category has reached its cap, new voucher requests for that equipment type (including conversions of that equipment type) will be placed on a

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<sup>17</sup>Trailer-mounted *fuel-cell* TRUs and all truck-mounted TRUs are limited to one infrastructure enhancement per voucher.

contingency list until the cap is lifted. However, there is no guarantee that funding will be available for the voucher requests on the contingency list. While contingency lists will be managed by the Project Administrator, CARB reserves the right to set additional criteria for, modify, or eliminate any contingency lists. Any changes to a contingency list would be made in consultation with the Project Administrator.

The Funding Cap Equipment Categories are:

- a. Terminal tractors (both on- and off-road),
- b. TRUs (both truck- and trailer-mounted),
- c. Large forklifts and container handling equipment,
- d. Airport ground support equipment (airport cargo loaders, wide-body aircraft tugs, and aircraft GPUs),
- e. Railcar movers, and
- f. MPUs and mobile shore power cable management systems.

Note: CARB reserves the right to adjust any caps within the six-month period or extend the cap period beyond six months, if warranted.

## **5. Voucher Amounts by Equipment Type**

The tables in this section set forth the voucher amounts for the eligible equipment types of CORE (and conversions of such equipment types, if applicable). These tables also include the additional funding amounts for disadvantaged and low-income community deployment and infrastructure enhancement amounts.

**a. On- and Off-Road Terminal Tractors**

Table 1, below, sets forth the voucher amounts for on- and off-road terminal tractors.

| <b>Table 1: On- and Off-Road Terminal Tractors</b>                       |                                                          | <b>Amount (\$)</b>                                                 |
|--------------------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------------|
| Base Voucher                                                             | New Battery-Electric Tractor ≤ 160 kWh                   | \$150,000                                                          |
|                                                                          | Battery-Electric Conversion Kit ≤ 160 kWh                | \$100,000                                                          |
|                                                                          | New Battery-Electric Tractor or Conversion Kit > 160 kWh | Additional \$400 per kWh over 160 kWh up to an additional \$50,000 |
|                                                                          | New Fuel-Cell Tractor or Conversion Kit                  | Up to \$200,000                                                    |
| Additional Funding for Disadvantaged and Low-Income Community Deployment |                                                          | 10% of base voucher                                                |
| Infrastructure Enhancement                                               | Charging < 50 kW                                         | \$3,000                                                            |
|                                                                          | Charging ≥ 50 kW                                         | \$30,000                                                           |
|                                                                          | Hydrogen Fueling                                         | \$30,000                                                           |

**b. Transport Refrigeration Units**

Table 2, below, sets forth the voucher amounts for TRUs. Base voucher amounts shall not exceed the incremental cost of the equipment. TRUs capable of range extension by drawing power directly from and creating an additional load for the engine are not eligible for CORE funding. Range extension through recapture of waste braking energy or solar-power generation is allowed.

| <b>Table 2: Truck and Trailer-mounted TRUs</b>                           |                         | <b>Amount (\$)</b>  |
|--------------------------------------------------------------------------|-------------------------|---------------------|
| Base Voucher                                                             | New Truck-Mounted TRU   | Up to \$50,000      |
|                                                                          | New Trailer-Mounted TRU | Up to \$65,000      |
| Additional Funding for Disadvantaged and Low-Income Community Deployment |                         | 10% of base voucher |
| Infrastructure Enhancement                                               | Charging                | \$3,000*            |
|                                                                          | Hydrogen Fueling        | \$9,000             |

\*Up to three units per trailer-mounted battery-electric TRU funded through CORE (based on facility justification)

**c. Large Forklifts**

Table 3, below, sets forth the voucher amounts for large forklifts. Base voucher amounts shall not exceed the incremental cost of the equipment.

| <b>Table 3: Large Forklifts</b>                                             |                                                     | <b>Amount (\$)</b>              |          |
|-----------------------------------------------------------------------------|-----------------------------------------------------|---------------------------------|----------|
| Base<br>Voucher                                                             | New Forklift<br>8,001 – 12,000 Pound Lift Capacity  | Up to \$15,000                  |          |
|                                                                             | New Forklift<br>12,001 – 20,000 Pound Lift Capacity | Up to \$20,000                  |          |
|                                                                             | New Forklift<br>20,001 – 33,000 Pound Lift Capacity | Up to \$90,000                  |          |
|                                                                             | New Forklift<br>Lift Capacity > 33,000 Pounds       | Up to \$200,000                 |          |
| Additional Funding for Disadvantaged and<br>Low-Income Community Deployment |                                                     | 10% of base<br>voucher          |          |
| Infrastructure<br>Enhancement                                               | Charging < 50 kW                                    | \$3,000                         |          |
|                                                                             | Charging<br>≥ 50 kW                                 | ≤ 20,000 Pound Lift<br>Capacity | \$3,000  |
|                                                                             |                                                     | > 20,000 Pound Lift<br>Capacity | \$30,000 |
|                                                                             | Hydrogen Fueling                                    |                                 | \$30,000 |

**d. Container Handling Equipment**

Table 4, below, sets forth the voucher amounts for container handling equipment. Container handling equipment includes RTG cranes, straddle carriers, reach stackers, side picks, and top picks. Base voucher amounts will not exceed the incremental cost of the equipment.

Note: CORE vouchers, including the additional funding for disadvantaged and low-income community deployment and the infrastructure enhancement, are capped at \$500,000.

| <b>Table 4: Container Handling Equipment</b>                                |                                                                 | <b>Amount (\$)</b>  |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------|---------------------|
| Base Voucher                                                                | New Equipment or Conversion Kit<br>> 33,000 Pound Lift Capacity | Up to \$500,000     |
| Additional Funding for Disadvantaged and Low-Income<br>Community Deployment |                                                                 | 10% of base voucher |
| Infrastructure<br>Enhancement                                               | Charging < 50 kW                                                | \$3,000             |
|                                                                             | Charging ≥ 50 kW                                                | \$30,000            |
|                                                                             | Hydrogen Fueling                                                | \$30,000            |

**e. Airport Cargo Loaders**

Table 5, below, sets forth the voucher amounts for airport cargo loaders. Base voucher amounts shall not exceed the incremental cost of the equipment.

| <b>Table 5: Airport Cargo Loader</b>                                        |                                                                 | <b>Amount (\$)</b>  |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------|---------------------|
| Base Voucher                                                                | New Equipment or Conversion Kit<br>10,000-20,000 Pound Capacity | Up to \$50,000      |
|                                                                             | New Equipment or Conversion Kit<br>> 20,000 Pound Capacity      | Up to \$100,000     |
| Additional Funding for Disadvantaged and<br>Low-Income Community Deployment |                                                                 | 10% of base voucher |
| Infrastructure<br>Enhancement                                               | Charging < 50 kW                                                | \$3,000             |
|                                                                             | Charging ≥ 50 kW                                                | \$30,000            |
|                                                                             | Hydrogen Fueling                                                | \$30,000            |

**f. Wide-Body Aircraft Tugs**

Table 6, below, sets forth the voucher amounts for wide-body aircraft tugs (curb weight of 50,000 pounds or greater). Base voucher amounts shall not exceed the incremental cost of the equipment.

| <b>Table 6: Wide-Body Aircraft Tug</b>                                   |                      | <b>Amount (\$)</b>  |
|--------------------------------------------------------------------------|----------------------|---------------------|
| Base Voucher (New Equipment or Conversion Kit)                           | Lead Acid            | Up to \$80,000      |
|                                                                          | Lithium or Fuel Cell | Up to \$200,000     |
| Additional Funding for Disadvantaged and Low-Income Community Deployment |                      | 10% of base voucher |
| Infrastructure Enhancement                                               | Charging < 50 kW     | \$3,000             |
|                                                                          | Charging ≥ 50 kW     | \$30,000            |
|                                                                          | Hydrogen Fueling     | \$30,000            |

**g. Railcar Movers**

Table 7, below, sets forth the voucher amounts for railcar movers. Base voucher amounts shall not exceed the incremental cost of the equipment.

Note: CORE vouchers, including the additional funding for disadvantaged and low-income community deployment and the infrastructure enhancement, are capped at \$500,000.

| <b>Table 7: Railcar Movers</b>                                           |                                             | <b>Amount (\$)</b>  |
|--------------------------------------------------------------------------|---------------------------------------------|---------------------|
| Base Voucher (New Equipment or Conversion Kit)                           | 20,000 – 35,000 Pound-Force Tractive Effort | Up to \$225,000     |
|                                                                          | > 35,000 Pound-Force Tractive Effort        | Up to \$500,000     |
| Additional Funding for Disadvantaged and Low-Income Community Deployment |                                             | 10% of base voucher |
| Infrastructure Enhancement                                               | Charging < 50 kW                            | \$3,000             |
|                                                                          | Charging ≥ 50 kW                            | \$30,000            |
|                                                                          | Hydrogen Fueling                            | \$30,000            |

#### h. Mobile Power Units and Aircraft Ground Power Units

Table 8, below, sets forth the voucher amounts for MPUs and GPUs. Lead-acid MPUs and GPUs are not CORE eligible. Base voucher amounts shall not exceed the incremental cost of the equipment.

| <b>Table 8: MPUs and GPUs</b>                                               |                                | <b>Amount (\$)</b>                |
|-----------------------------------------------------------------------------|--------------------------------|-----------------------------------|
| Base Voucher<br>(New Equipment Only)                                        | Battery Electric<br>(Lithium)* | \$400 / kWh up to \$300,000 total |
|                                                                             | Fuel Cell                      | Up to \$300,000                   |
| Additional Funding for Disadvantaged and<br>Low-Income Community Deployment |                                | 10% of base voucher               |
| Infrastructure<br>Enhancement                                               | Charging < 50 kW               | \$3,000                           |
|                                                                             | Charging ≥ 50 kW               | \$30,000                          |
|                                                                             | Hydrogen Fueling               | \$30,000                          |

\* Lead acid systems are not eligible. Chemistries other than lithium and lead-acid chemistries will be evaluated on a case-by-case basis.

#### i. Mobile Shore Power Cable Management Systems

Table 9, below, sets forth the voucher amounts for mobile shore power cable management systems with a 6.6 kV load minimum. Only mobile shore power cable management systems designed to be moved to different positions on the land-side of the port are eligible under CORE.

Note: CORE vouchers, including the additional funding for disadvantaged and low-income community deployment, are capped at \$500,000.

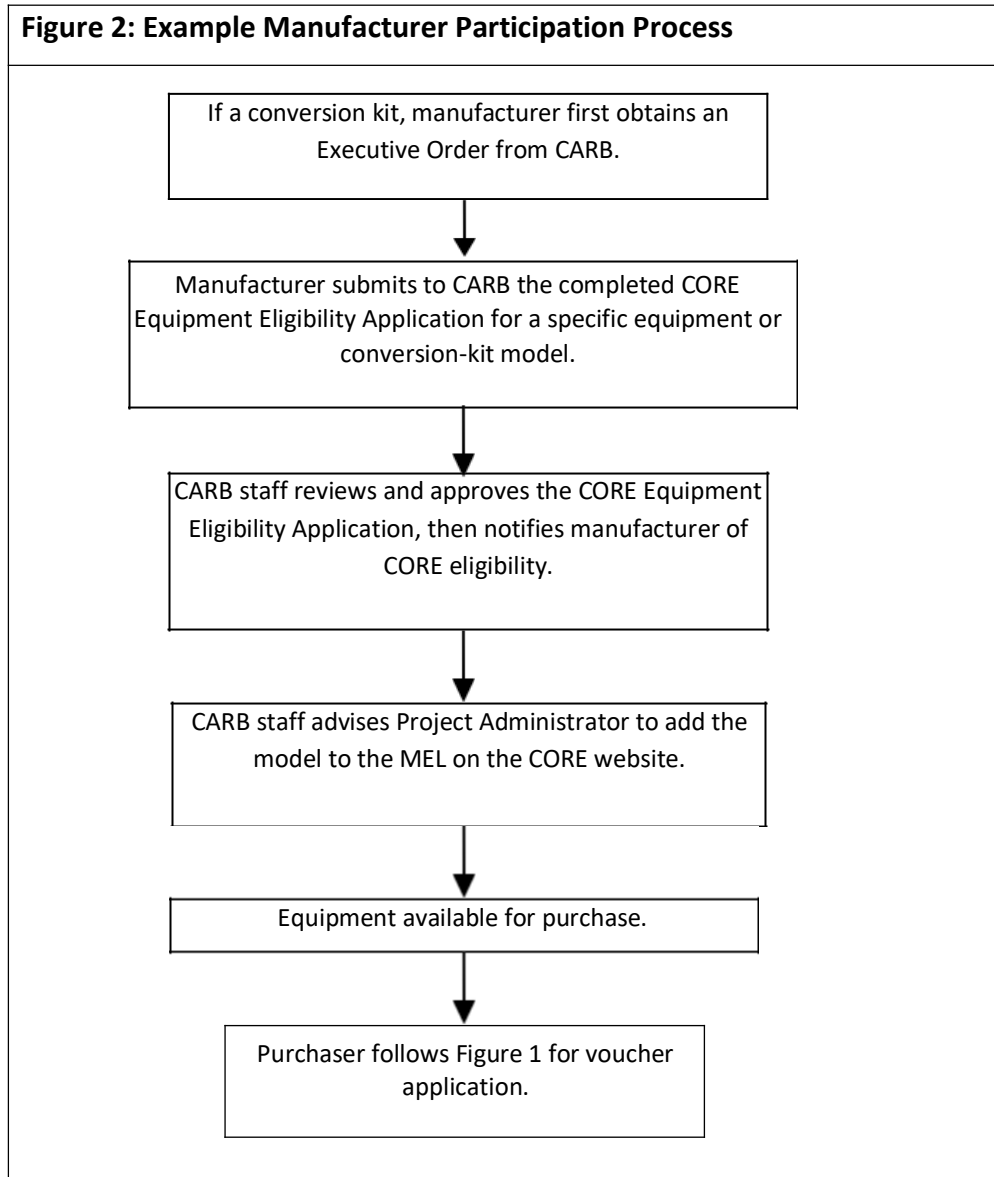
| <b>Table 9: Mobile Shore Power Cable Management<br/>Systems<br/>(6.6 kV Load Minimum; Land-Side Only)</b> | <b>Amount (\$)</b>  |
|-----------------------------------------------------------------------------------------------------------|---------------------|
| Base Voucher                                                                                              | Up to \$500,000     |
| Additional Funding for Disadvantaged and Low-Income<br>Community Deployment                               | 10% of base voucher |
| Infrastructure Enhancement                                                                                | Not Applicable      |



**D. EQUIPMENT MODEL ELIGIBILITY CRITERIA**

**1. Equipment Model Eligibility Overview**

Figure 2 illustrates the required process for qualifying an equipment model for CORE participation.



## 2. Model-Eligibility Criteria

The following sets forth the model-specific eligibility criteria for qualifying an equipment or conversion-kit model for CORE.

- a. The manufacturer has demonstrated that the proposed equipment model is commercial-ready. A commercial-ready equipment model is one that has gone through sufficient testing and demonstration to ensure that it is a reliable and effective in its intended application(s). That is, a commercial-ready equipment model is not a model that is still in the prototype or demonstration phase. Supporting documentation to demonstrate commercial-readiness (including, but not limited to, historical sales information, testing results, operational data, and user experience information) may be required to demonstrate commercial-readiness. If requested by the manufacturer, CARB staff will consider a product model nearing the successful completion of a current demonstration project *commercial-ready*. Once a model is declared commercial-ready by the manufacturer and CORE eligibility approval has been granted by CARB staff, the product model is no longer eligible to receive funding as part of new CARB-funded demonstration projects.
- b. The model meets all applicable local, state, and federal laws, ordinances, and requirements, including, but not limited to, all applicable safety regulations, air quality regulations, and DMV registration requirements (e.g., for an on-road terminal tractor).
- c. The model has a functioning on-board, non-resettable hour meter.
- d. If a conversion-kit model:
  - i. The model is covered by an effective Executive Order from CARB, and
  - ii. The model is only intended for installation in equipment no older than 20 years with an existing internal combustion engine.
- e. The model is covered by a warranty meeting the criteria, below:
  - i. The warranty period is, at minimum, three years or 6,500 usage hours (whichever comes first).
  - ii. For an equipment model, all applicable powertrain components (including, but not limited to, the energy storage system, fuel-cell stack, motors, and powertrain and thermal management systems), electronic components, telematics components, on-board charging or fueling components, all components along driveline (except for maintenance items, such as tires), and the equipment chassis (including, but not limited to, the frame, cross members, and cab structure) shall be warranted against defects, workmanship, and

- corrosion for the full warranty period. Zero-emission equipment that is built as a conversion of an internal combustion piece of equipment shall be considered an *equipment* model if the internal combustion piece of equipment was not yet sold to an end user *and* has less than 500 usage hours.
- iii. For a conversion-kit model, all components of the conversion kit as well as all the work and chassis components modified or replaced to enable the integration of the conversion kit shall be warranted against defects and workmanship for the full warranty period. The warranty shall also cover corrosion damage for all conversion components as well as equipment chassis components that experience greater exposure to moisture and other environmental conditions due to the integration of the conversion kit.
  - iv. Damage that occurs because of an incorrectly sized powertrain or other incompatibility between the powertrain and the equipment/chassis (e.g., driveline failures due to excess torque) shall be covered for the full warranty period.
  - v. The warranty shall cover all parts and labor costs.
  - vi. The warranty must be fully transferrable to subsequent purchasers for the full warranty period.
- f. A manufacturer has at least one service-and-repair facility in the state of California for the model. However, the following alternatives can satisfy this requirement:
- i. Having a manufacturer-approved dealer with a service center within California.
  - ii. Offering service-and-repair training to fleets as part of an equipment or conversion-kit purchase.
  - iii. Maintaining a team of factory-trained technicians that are able to respond to service-and-repair requests within a reasonable time frame.
- g. The model is installed with a telematics system that is capable of collecting and transmitting the parameters, below, to the manufacturer. Telematics data must include, at a minimum, the following parameters<sup>22</sup>:
- i. Cumulative Time in Use (hours),
  - ii. Cumulative Energy Used (kWh),
  - iii. Percent of Time Operating in (%)<sup>23, 24</sup>:

<sup>22</sup>CARB reserves the sole right to adjust the telematics criteria at any time, including, but not limited to: parameters collected, frequency of collection, and reporting format.

<sup>23</sup>Results shall be based on mapping data of each of the four categories found at CARB's website: <https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>.

<sup>24</sup>Only required for On-Road Terminal Tractors and TRUs for which the purchaser opts to receive the additional funding provided for equipment deployments in disadvantaged and low-income communities.

- 1) SB 535 Disadvantaged Communities,
  - 2) AB 1550 Low-income Communities,
  - 3) SB 535 Disadvantaged Communities and AB 1550 Low-income Communities,
  - 4) AB 1550 Low-income Communities within a 1/2 mile of a SB 535 Disadvantaged Community, and
- iv. Average Energy Discharge Rate During Non-Idle Operation (kW).

CARB, at its sole discretion, may allow a manufacturer to sell a limited number of equipment pieces or conversion kits without a fully functional telematics system through this program. Such allowance will depend on factors, such as whether the manufacturer has demonstrated a good-faith effort to implement the telematics system, the capabilities of comparable products from other manufacturers, manufacturer and purchaser participation levels within the applicable equipment category, etc. If an allowance is granted, the manufacturer will be required to work with the Project Administrator to develop a plan that will lead to the implementation of an effective telematics system within a reasonable time frame.

Note: The Project Administrator will prepare quarterly reports for CARB presenting the data collected for items i. through iv., above, as applicable, through the duration of the project. The report may also include information on performance anomalies, recommendations for future data-collection activities, and recommendations to streamline the collection, storage, and analyses of future data sets. As described in the Attachment A and Section E.7, Telematics Reporting, it is the responsibility of the manufacturer to ensure the required data are submitted (in the appropriate format) to the Project Administrator.

### **3. CORE Equipment Eligibility Application**

In order to qualify a specific equipment or conversion-kit model for CORE, manufacturers must complete a CORE Equipment Eligibility Application (see Attachment A) for the model and submit said application to CARB. By submitting a CORE Equipment Eligibility Application, the manufacturer agrees to be bound by all applicable CORE terms and conditions, including the terms and conditions set forth in Attachment A.

CARB will determine eligibility for funding based on all applicable criteria, requirements, terms, and conditions outlined in this IM and Attachment A; the applicable directives set forth in funding plan(s) and legislation; and historical information about the manufacturer, its dealers, and the subject equipment or

conversion-kit model. CARB will also determine the appropriate base voucher amount(s) for the model.

CARB may take up to 30 calendar days to review a manufacturer's CORE Equipment Eligibility Application once the application is deemed *complete*. If an application is deemed *incomplete*, CARB will notify the applicant and hold the application until the manufacturer can provide the supporting documentation necessary to complete the application. The maximum time CARB will hold an application is 90 calendar days based on the first day of the application was submitted.

Once the determination on eligibility and voucher amount(s) (if applicable) has been made, CARB will notify the applicant in writing, or by another method deemed appropriate. If eligibility is granted, the CORE Project Administrator will add the approved equipment model(s), including voucher amount(s), to the MEL on the CORE website. Unless eligibility is revoked by CARB or until the manufacturer submits an updated CORE Equipment Eligibility Application for the applicable model, eligibility is effective for one calendar year.

## **E. MANUFACTURER/DEALER TERMS AND CONDITIONS**

### **1. Dealer-Level Responsibilities**

- a. For the purposes of CORE, a *dealer* is defined as a vendor of a fully assembled and completed equipment piece, or a vendor that sells and/or installs conversion kits.

The following entities may be considered eligible dealers for the purposes of CORE:

- i. An equipment dealership that has a written agreement with the manufacturer to sell (and install, if applicable) the manufacturer's equipment or conversion-kit models, which has had a valid business license for the past two years, and which has an official dealer number (if applicable).
- ii. A manufacturer of CORE-eligible equipment pieces or conversion kits that sells (and installs, if applicable) such equipment or conversion kits directly to fleets.
- iii. A manufacturer that has a written agreement to sell (and install, if applicable) equipment or conversion kits from another manufacturer and has had a valid business license for the past two years.
- iv. An entity authorized by a manufacturer to sell and install the manufacturer's conversion-kit model(s), which has had a valid business license for the past two years.

- b. Manufacturers are required to ensure its participating dealers meet CORE requirements, which include, but are not limited to:
  - i. Becoming familiar with and agreeing to be bound by CORE terms and conditions.
  - ii. Participating in dealer training, and refresher courses, covering the voucher application and redemption processes, as appropriate.
  - iii. Providing accurate information to purchasers, the Project Administrator, CARB, and, if applicable, the Project Administrator's or CARB's designee.
  - iv. Providing accurate and complete documentation to the Project Administrator of the equipment, conversion kit, and/or infrastructure funded through CORE.
  - v. Providing reasonable assistance to CARB or its designee to obtain updated purchaser information, inspect pieces of equipment (purchased as new and converted), and review CORE-related records.
  - vi. Maintaining written records of purchase transactions and providing CARB, the Project Administrator, or their designee with these records within 30 days upon request. These records could include, but are not limited to, invoices, proofs of purchase, DMV records, payment information and related bank records, and purchaser fleet information.
  
- c. Except as provided in Section L, Manufacturer Purchases, a manufacturer and dealers are restricted from participating in CORE as purchasers.

Because of the specialized nature of certain off-road equipment, it is understood that some manufacturers will be "direct sellers" and serve as both the manufacturer and dealer. In these cases, the dealer requirements and commitments set forth in this document are to be met by the manufacturer as it is acting as both manufacturer and dealer.

## **2. Conversion Kits**

- a. Manufacturers must ensure that the installation of CORE-funded conversion kits are only performed by manufacturer-approved installers.
  
- b. Manufacturers must ensure conversion-kit installers submit documentation to the Project Administrator for each installation demonstrating that said conversion kit was installed in a piece of equipment (no older than 20 years) with an existing internal combustion engine.

The conversion-kit manufacturer or dealer may request CARB to consider specific equipment older than 20 years. A written agreement signed by the dealer/installer, manufacturer, and purchaser shall be submitted to the Project Administrator for review. The request must include, at a minimum:

- i. An assessment of the structural integrity of the equipment or chassis,
- ii. Warranty repair records, and
- iii. Serviceability and performance limitations impacted by age and condition of equipment.

If deemed necessary, the Project Administrator may request additional information before making a determination.

### **3. Sales Disclosure**

Manufacturers must ensure the purchaser is notified, before the order is placed, of the following:

- a. CORE purchaser terms and conditions (see Section F, General Purchaser Terms and Conditions, and Attachment B);
- b. Capabilities of the service-and-repair network (e.g., number of locations, distance/proximity to location of intended use, etc.);
- c. The process that must be followed in order to obtain service or repair for funded equipment or conversion kit;
- d. Estimated operating time or range (if applicable);
- e. Projected infrastructure costs and requirements (such as permit requirements) for EVSE purchase and installation or installation of on-site hydrogen fuel production and/or storage; and
- f. Most-current build times and estimated delivery dates of equipment (purchased as new or conversion).

#### **4. Extended Downtime Report**

For failures of warranted parts (as listed in Section D.2.e.ii-iv), above) during the warranty period that prevent the CORE-funded equipment (purchased as new or converted) from operating as per the manufacturer's specifications and that require the equipment to be out of service for more than 30 calendar days for repair (or multiple individual repairs that cumulate to 30 days) in any six-month period, the manufacturer must prepare and submit an Extended Downtime Report (EDR) to the Project Administrator. Such a report must be prepared within 30 calendar days following the completion of the repair of the failure that resulted in the exceedance of the 30-day threshold. The manufacturer must submit the EDR as part of the applicable Annual User Experience Report (discussed below in Section E.5) or upon request of the Project Administrator, CARB, or their designee. An EDR requires the following:

- a. Name and contact information of purchaser;
- b. Description of equipment;
- c. Voucher number;
- d. An explanation of the cause of the failure(s);
- e. An explanation of delay(s) in repair;
- f. Method(s) of repair;
- g. How much time was needed to complete the repair(s) (including the time for equipment tear down, part(s) allocation, repair, and reassembly); and
- h. Explanation of any necessary revisions to the manufacturer's service-and-repair protocols (e.g., user training, part modification, etc.).

Note: EDR information is not considered confidential and may be made available to the public upon request or through other means.

In addition, models exhibiting multiple failures with excessive periods of non-operation due to needed repairs, may be removed from CORE eligibility at CARB's sole discretion.

Down time due to recommended or scheduled maintenance is not considered as part of the 30-day "down time" count.

#### **5. Annual User Experience Reports**

The manufacturer shall be responsible for working with purchasers to develop an Annual User Experience Report each calendar year and providing said reports to the Project Administrator, CARB, or their designee. Each Annual User Experience Report shall cover every piece of CORE-funded equipment (purchased as new and conversions) sold by the manufacturer that is still within the project participation period. Reports are due within 90 calendar days of the end of each year. It is the manufacturer's responsibility to ensure reports are submitted in a timely manner. The Annual User Experience Reports shall include the following information:



- a. Fleet and manufacturer concerns;
- b. Fleet maintenance procedures;
- c. Fleet experience with the manufacturer for repairs; and
- d. Fleet and manufacturer recommendations.

Together with the Annual User Experience Reports, the manufacturer shall also submit to the Project Administrator their EDRs as well as information on all other warranty claims and repairs of CORE-funded equipment that occurred during their project participation periods.

## **6. Replacement Parts**

Manufacturers must make a good faith effort to stock replacement parts, and make them readily available to dealers, other manufacturer-authorized service providers, purchasers with manufacturer-trained in-house technicians, and if appropriate, through the secondary market.

## **7. Telematics Reporting**

The manufacturer shall process and transmit the required telematics data (see Section D.2.g) collected from the telematics system to the Project Administrator, or their designee, in a format agreed upon by the Project Administrator and CARB. For each CORE-funded equipment piece (purchased as new or conversion), the manufacturer shall be responsible for uploading the telematics data once a month for the first three months following deployment. After the initial, three-month period, the telematics data shall be submitted quarterly until the data covering the entire project participation period of said equipment piece or conversion kit have been reported to CARB. If the data submittal date for the third month will be within 30 days before a quarterly reporting date and the data submittals from the first two months are deemed sufficient by the Project Administrator, the manufacturer may submit their third-month data within their first quarterly report, in lieu of submitting both the third monthly report and the first quarterly report.

## **F. PURCHASER TERMS AND CONDITIONS**

In order to participate in CORE, purchasers must agree to be bound by the following conditions:

1. Purchasers must be available for follow-up inspections, if requested by the Project Administrator, CARB, or CARB's designee.
2. Purchasers must operate CORE-funded equipment (purchased as new or conversion) for a minimum of 800 usage hours annually (three-year average) during the project participation period. For MPUs, hours of operation is hours of dispensing power.

Purchasers unable to meet this requirement due to unforeseen circumstances must advise the Project Administrator, in writing, as to why the equipment was unable to meet its usage target. In such situations, CARB, in consultation with the Project Administrator, will evaluate fleet-use data and determine appropriate actions. Failure to meet the minimum usage condition or justify limited use may restrict purchasers from further funding participation.

Furthermore, purchasers should carefully consider the time required to install the infrastructure necessary to support CORE-funded equipment. Failing to install necessary infrastructure in advance of equipment deployment is not an acceptable basis for failing to meeting the 800-hour usage condition.

Effective from the date of release of this update to the Implementation Manual (July 20, 2020) until December 31, 2020: CARB may evaluate exemptions to the minimum-usage requirement for railcar movers on a case-by-case basis, taking into consideration the following factors:

- Normal use hours documented within the equipment category or demonstrated by the facility type (required, highest priority);
- Commitment to idle, reduce hours of use, and/or retire internal combustion powered railcar mover equipment to maximize emission reductions from voucher supported zero-emission equipment for the term of the voucher (optional, high priority);
- Provide documentation as to the potential/estimated greenhouse gas reductions and emission co-benefits (optional, medium priority), and
- Provide other supporting data to allow CARB to better estimate duty cycle, fuel consumption, and potential emission reductions for this equipment category (optional, low priority).

This request for an hours of use exemption must be made by the purchaser in writing to the program administrator at the time of voucher request. CARB will communicate its decisions on these points to the program administrator.

3. Purchasers may not make or allow any modifications to the equipment's or conversion kit's control systems, hardware, or software calibrations. Modifications during the project participation period may void the warranty and result in forfeiture of voucher funds. This restriction excludes user controls designed into the equipment piece or conversion kit.
4. Purchasers must operate the CORE-funded equipment (purchased as new or conversion) 100 percent of its time within California for the duration of the project participation period (i.e., the three-year period from the date of equipment delivery or final payment, whichever is later). Equipment domiciled

- in a California county that borders Arizona, Nevada, Oregon or Mexico, and equipment used for emergency response, may be granted permission to accrue up to 25 percent of its usage each year outside of California, if approved in advance by the Project Administrator, in writing. A written request from the purchaser should be submitted to the Project Administrator, or their designee for approval at the time of purchase or at least 30 days before operating the equipment outside of California.
5. Purchasers must maintain insurance as required by law. If the CORE-funded equipment (purchased as new or conversion) is destroyed or otherwise deemed permanently inoperable due to an accident or for any other reason, the purchaser must notify the Project Administrator, in writing, within two weeks of the equipment being destroyed or becoming inoperable. The written notification must adequately demonstrate that the specific piece of equipment has become inoperable. The Project Administrator, CARB, or their designee may request supporting evidence, such as photographs of the inoperable piece of equipment with the license plate number or other identifying markings visible, applicable insurance or law-enforcement documentation, etc. Recovery of CORE funds for such losses may be required during the project participation period.
  6. Purchasers must respond in a timely manner to CORE surveys from the dealer, manufacturer, CARB, the Project Administrator, or their designee, on equipment experience and usage. Purchasers that fail to submit accurate and timely information in response to annual usage surveys may be restricted from future CORE participation.
  7. Purchasers must be in good standing with all federal, state, and local air quality rules and regulations, including reporting requirements, if applicable. As such, “compliance checks” will be part of each voucher process and could occur at the time of voucher request or voucher redemption, or both. Furthermore, a purchaser may be required to furnish additional information (e.g., an explanation of a purchaser’s claim of regulatory exemption) during a compliance check before a voucher request or redemption is approved.
  8. Purchasers must provide CARB, the Project Administrator, or their designee all requested information related to any purchases made with a CORE voucher (including purchase, lease, or rental agreements) within thirty days of written request for such information.
  9. Purchasers must allow the manufacturer to collect, aggregate, and transmit specified telematics data, as described in Section E.7, Telematics Reporting, to the Project Administrator, CARB, or their designee.

10. Purchasers must operate and maintain the equipment as recommended by the manufacturer to ensure equipment durability, efficiency, and reliability.
11. A purchaser must disclose if said purchaser and the manufacturer/dealer hold an equity interest in one another, are owned partially or wholly by a third party, or have one or more common corporate officers who are responsible for the overall direction of both the purchaser and the manufacturer/dealer.
12. A purchaser is subject to the manufacturer self-purchase limits described in Section L, Manufacturer Purchases, if said purchaser and the manufacturer/dealer hold an equity interest in one another, are owned partially or wholly by a third party, or have one or more common corporate officers who are responsible for the overall direction of both the purchaser and the manufacturer/dealer.
13. All equipment purchased through CORE is required to perform or support freight activities. Purchasers may be asked to affirm that equipment purchased through CORE fulfills this requirement.

Failing to conform with any of the above conditions, or providing false or misleading information, could result in forfeiture of voucher funds and in the purchaser being restricted from further participation in CARB funding programs.

## **G. VOUCHER REQUESTS**

### **1. Voucher Request Conditions**

- a. A voucher request must be associated with a real and completed equipment or conversion-kit purchase or order.
- b. Vouchers may only be requested for new orders. Therefore, a voucher request must be submitted on the same day the purchase order is signed or executed.
- c. The dealer is responsible for ensuring the accuracy of the equipment, conversion-kit (if applicable), and dealership information on all voucher request forms it submits to the Project Administrator. Submission of false or inaccurate information on this form may result in cancellation of the voucher request, recapture of funds, and the restriction from further participation in CORE. In addition, CARB may seek other remedies available under law.

## 2. Voucher Request Process

A CORE voucher may be requested for an eligible equipment or conversion-kit model (listed on the MEL) ordered or purchased by a specific purchaser (i.e., fleet). All applicable information and documentation listed below, and information supporting applicable voucher enhancements, must be provided within the specified time frames in order for the voucher request to be deemed complete. Once all voucher forms and information are received by the Project Administrator, a voucher will be issued generally within five business days.

### a. Voucher Request

Voucher requests shall be submitted electronically by a participating dealer via the Voucher Processing Center (VPC) on the CORE website, which the Project Administrator, in coordination with CARB staff, will develop and maintain. The CORE website will include all the information necessary for a dealer, in conjunction with an equipment purchaser, to complete and submit a voucher request. The CORE website will provide a system for dealers to request and redeem vouchers quickly, effectively, and transparently.

The Project Administrator will review voucher request forms for eligibility and provide vouchers on a first-come, first-served basis until voucher incentive funds are depleted. Only completed and accurate voucher request forms shall be accepted.

Voucher funds are reserved at the time of a voucher request. Voucher requests are accepted into the queue in the order received from the VPC.

### b. Supplemental Voucher-Request Documentation

Once a voucher request is made, the dealer must submit, via certified mail or other approved transmittal process, the following documentation to the Project Administrator:

- i. The completed voucher request form signed by both the dealer and the purchaser;
- ii. The equipment purchase order (any purchase orders provided by the dealer must represent a real equipment or conversion-kit order.);
- iii. A copy of the purchaser's employer identification number (Tax ID), or other official identification with signature; and
- iv. For purchasers of one or more trailer-mounted battery-electric TRUs requesting an infrastructure enhancement for more than one EVSE unit per TRU, a site map for evaluation of infrastructure needs.

The above documentation must be submitted within 14 calendar days of the electronic voucher request.

#### **c. Equipment Validation Information**

The dealer must provide to the Project Administrator, within 90 calendar days of the electronic voucher request, the vehicle identification number (VIN) or serial number that uniquely identifies the equipment piece and/or conversion kit, and the expected delivery date. This information confirms that the dealer has made an order. The VIN or serial number must match the equipment piece and/or conversion kit identified on the voucher request in order to redeem the voucher. The Project Administrator, CARB, or their designee may verify the validity of a voucher through photos or by visual or physical inspection of the equipment piece (purchased as new or conversion), once delivered.

#### **d. Utility Notification**

Once a voucher has been requested, the Project Administrator will contact the local utility to advise them of the voucher request (if warranted). In coordination with the purchaser, the Project Administrator will provide any supporting documentation, including, but not limited to, the number of vouchers requested, site plans, manufacturer-recommended power supply and any other relevant documentation needed to provide the appropriate infrastructure support. These efforts will be undertaken in coordination with, and with the approval of, the purchaser.

### **3. Voucher Request Rejection**

Failing to conform to any of the provisions, above, may result in the rejection of the voucher request. The Project Administrator will notify the dealer if a voucher request has been rejected, in writing, within ten business days of such determination. Any rejections will include the reason for a rejected voucher request.

### **4. Voucher Waitlist**

The VPC will maintain a waitlist of vouchers requested once the initial voucher project funding is fully subscribed to hold the positions of voucher requests should additional project funding become available. However, there is no guarantee that a voucher applicant on a waitlist will receive funding, and CARB reserves the right to cancel a waitlist.

## H. VOUCHER REDEMPTION

### 1. Redemption Conditions

Once a piece of equipment or conversion kit (which has funding reserved under CORE) has been delivered and final payment has been made, the dealer shall submit the voucher and required documentation to the Project Administrator for redemption. CORE voucher redemption requests must also meet the following conditions:

- a. The voucher redemption form is complete and accurate.
- b. The equipment piece and/or conversion-kit description (including serial number) and purchaser listed on the voucher request form match the information contained in the completed purchase transaction documentation. CARB and the Project Administrator are not responsible for payment on a voucher if the equipment or conversion-kit model number, VIN or serial number, purchaser, or any other relevant information does not match that described on the voucher request form. If the dealer has a new purchaser for a piece of equipment or conversion kit (which has funding reserved under CORE), the dealer and new purchaser will have to request a new voucher.
- c. The equipment (purchased as new or conversion) has been delivered, the purchaser has made final payment to the dealer (less the voucher amount), and if applicable, the equipment has been registered with the DMV.
- d. The dealer has provided copies of the Bill of Lading and final invoice that confirm delivery and purchase specifications. The Bill of Lading and final equipment invoice must be signed and dated, and the final invoice must show that the voucher amount has been fully discounted from the equipment or conversion-kit purchase (and installation, if applicable) price.
- e. The dealer has provided financial documentation identifying the method and date of final payment. Acceptable forms of documentation include a copied check or a transaction receipt showing an electronic money transfer. If lease or financial arrangements involve a third party, the dealer must provide a copy of the lease or financing contract with the title holder or lien holder clearly indicated.
- f. Except for equipment receiving a conversion kit, the equipment must be new and have no more than 500 usage hours at time of the final delivery inspection. Vouchers for equipment with more than 500 usage hours may be redeemed on a case-by-case basis at the sole discretion of CARB considering

the evidence and explanation justifying such usage.

- g. The original equipment inspection form signed by the dealer, or a third party designated by the dealer, must be provided by the dealer to the Project Administrator prior to voucher redemption.
- h. The dealer has provided to the Project Administrator the original voucher redemption form signed by both the dealer and the purchaser. The form must be provided via mail or other approved transmittal process to the Project Administrator.
- i. All documents submitted to the Project Administrator for processing the voucher redemption request clearly indicate the voucher number.
- j. The dealer has submitted to the Project Administrator all voucher redemption documentation within 60 calendar days after equipment delivery to the purchaser's location. Failure to provide all the required documentation by this deadline will nullify the voucher.
- k. For conversion kits, the dealer has provided to the Project Administrator the final invoice documenting the detailed installation service within 14 calendar days of purchaser acceptance of the converted equipment.

The dealer is responsible for ensuring the accuracy of all information provided on voucher redemption forms it submits to the Project Administrator. Submission of false or inaccurate information on this form may result in cancellation of the voucher request, recapture of funds, and the restriction from further participation in CORE. In addition, CARB may seek other remedies available under law. If necessary, the Project Administrator shall support CARB's enforcement efforts, including the recapturing of funds, by providing CARB with any fleet information, purchaser information, documents, data, or other material needed to investigate or carry out such efforts.



## **2. Voucher Redemption Request Review and Payment**

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

## **3. Voucher Redemption Request Appeals**

A formal letter of appeal, postmarked within 30 calendar days of a cancelled voucher redemption request, must be sent to CARB to appeal such cancellation. Disputing the CORE terms and conditions or the IM is not a basis for an appeal. CARB may require further documentation to verify or substantiate any claims.

Appeals made by email, fax or phone will not be considered. The appeal shall contain all facts and documentation upon which the appeal is based. Failure to supply this information shall be grounds for rejection of the appeal. A written response to the appeal will be provided by CARB staff. CARB retains the authority to reject any vouchers if the documentation (for any reason) is deemed untrustworthy or inadequate, and CARB's decisions are final and binding.

### **I. VOUCHER RENEWALS**

1. Vouchers are valid for 90 calendar days from the date issued by the Project Administrator. In certain cases, 90 days may not be enough time for a dealer to deliver the CORE-funded equipment (purchased as new or conversion) to the purchaser and receive final payment. To account for such cases, CORE allows participating dealers to renew vouchers before they expire (i.e., within the 90-day period) through modification of the electronic voucher record online, which extends the voucher for an additional 90 calendar days.
2. Vouchers not renewed within any 90-day period will be deemed expired, and the requested funds will be allocated to the next eligible participant.
3. While vouchers can be renewed multiple times, no voucher can be renewed beyond a one-year period (365 calendar days) from the date of the original electronic voucher request through the modification of the electronic voucher record online. Voucher extension requests beyond one year will be reviewed by the Project Administrator and CARB on a case-by-case basis. Factors considered in such reviews include, but are not limited to:

- a. Delays in infrastructure installation (e.g., delays in receiving a permit, construction, etc.);
- b. The projected equipment delivery date;
- c. Funding expenditure deadlines;
- d. Demand from other participants for remaining available funding;
- e. Whether delays in equipment delivery or final payment were reasonably unforeseen;
- f. Whether the issues that led to delays were within the control of the purchaser, dealer, or manufacturer; and
- g. The good faith efforts of the purchaser, dealer, and manufacturer to complete the purchase and place the equipment (purchase as new or conversion) into service.

The Project Administrator will maintain written documentation regarding approval of voucher reservations that are extended beyond a one-year period.

## **J. RESALE OF EQUIPMENT WITHIN THE PROJECT PARTICIPATION PERIOD**

### **1. CARB Approval**

Purchasers participating in CORE are expected to keep each piece of CORE-funded equipment (purchase as new or conversion) and meet all applicable CORE terms and conditions for the duration of the project participation period. However, resale of a piece of equipment may be allowed within this three-year period if necessitated by unforeseen or unavoidable circumstances. For these circumstances, resale of a CORE-funded piece of equipment must receive CARB written approval prior to resale.

### **2. Resale Conditions**

- a. The original equipment or conversion-kit purchaser must notify the CARB Project Liaison in writing of its intent to sell the piece of equipment at least seven calendar days prior to resale.
- b. Prior to or at the time of resale:
  - i. The original purchaser must inform the new purchaser, in writing, about the CORE voucher amount and applicable CORE terms and conditions; and

- ii. The new purchaser must agree, in writing, to be bound by all applicable CORE terms and conditions.
- c. Within seven calendar days after resale, the original purchaser must notify CARB that the piece of equipment has been resold and provide to the Project Administrator the resale price and the contact information of the new purchaser, including mailing address, phone number, and email (if applicable).
- d. Within 30 calendar days of change of ownership, the new purchaser will be responsible for providing any relevant equipment, fleet, use, and ownership information to the Project Administrator.

### **3. Additional Documentation**

The Project Administrator may require additional documents or information from the new purchaser, such as:

- a. A copy of the new title documenting equipment ownership (if applicable), or other documentation demonstrating the change of ownership (such as an updated insurance policy);
- b. A written commitment to meet the CORE terms and conditions;
- c. A written commitment to complete and return annual usage surveys, as required by the original voucher; and
- d. Transfer agreement that includes price, transfer date, and terms of the sales transaction.

### **4. Forfeiture of Voucher Funds**

If the piece of CORE-funded equipment (purchased as new or conversion) is moved out of the state or resold, and the new equipment purchaser does not agree, in writing, to be bound by all applicable CORE terms and conditions, the original purchaser must refund promptly to the Project Administrator 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):

Forfeited Voucher Amount =

(Original Voucher Amount ÷ 36 Months) x (36 – number of months since equipment purchase date).

In addition, CARB reserves the right to pursue all remedies available under the law for noncompliance with these requirements.

## **K. EQUIPMENT LEASE AND RENTAL**

Any entity that enters into a lease agreement for a CORE-eligible model of three or more years with a leasing company (e.g., bank, finance company) shall be considered the purchaser for the purposes of CORE and this IM and is eligible for voucher funding. In addition, such lease transactions shall be considered purchases.

Conversely, any entity acquiring equipment for a term less than three years, such as from a rental agency (e.g., equipment rental business), are not considered purchasers and not eligible for funding.

Equipment leasing and rental companies are also eligible for voucher funding. Any equipment leasing or rental company that leases or rents equipment originally purchased with a CORE voucher must disclose the voucher amount and voucher terms and conditions to the equipment renter or lessee if a sales transaction of the rented or leased equipment takes place within the project participation period. In addition, the lease or rental agreement must explicitly disclose all commitments applicable to the lessee or renter to ensure that: 1) the piece of equipment operates 100 percent in California, as required; 2) the lessee or renter cooperates with the manufacturer on the preparation of Annual User Experience Reports; and 3) the lessee or renter provides to the Project Administrator, CARB, or their designee information necessary to verify conformance to all CORE terms and conditions. CARB reserves the right to review, or direct the Project Administrator to review, lease or rental agreements to confirm appropriate disclosures are made. Ultimately, for equipment (purchased as new or conversion) that a leasing or rental company has purchased with a CORE voucher, said leasing or rental company will be held liable for any nonconformance with CORE purchaser terms and conditions.

## **L. MANUFACTURER PURCHASES**

Based on available funding and program activity, a manufacturer may, upon CARB case-by-case approval, use a CORE voucher to purchase an eligible equipment piece or conversion kit it manufactured itself to deploy as a demonstration unit. As an illustrative example, if approved by CARB, a hypothetical company, Company A, would be allowed to purchase an equipment piece or conversion kit manufactured by the same Company A using a CORE voucher. No manufacturer will be granted more than one such approval per 12-month period. In addition, all applicable CORE terms and conditions (for the manufacturer, dealer, and purchaser), such as the minimum usage

condition, shall apply to the manufacturer for the duration of the project participation period.

In situations where the purchaser holds an equity interest in the manufacturer (or vice versa); where the purchaser and manufacturer are owned, partially or wholly, by a third party; or where the purchaser and manufacturer share common corporate officials who are responsible for the overall direction of each entity, such purchases shall be considered purchases by the manufacturer, itself, for the purposes of CORE.

If the CORE-funded equipment (purchased as new or conversion) is being sold to an end user, the manufacturer must disclose to the Project Administrator the agreed-upon sales price (including rebates or discounts) prior to final sale, must provide documentation of the CORE purchaser terms and conditions to the end user, and may not sell the equipment as new. In addition, the manufacturer must conform to all applicable conditions set forth in Section J, Resale of Equipment Within The Project Participation Period, if the equipment is sold within its project participation period. Furthermore, the manufacturer shall be responsible for ensuring the end user's adherence to all applicable CORE terms and conditions through the remainder of the project participation period.

While dealers are not allowed to use this allowance, a manufacturer may deploy CORE-funded equipment purchased through this provision at a dealer located in California or any other California location of its choosing.

Purchases through CORE by a manufacturer of equipment or conversion kits that it does not produce itself are allowed and not subject to the limitations set forth in this section. However, all other applicable CORE provisions still apply.

#### **M. BATTERY LEASING**

Arrangements in which a piece of equipment or conversion kit (with the exception of the battery) is purchased and the battery is separately leased to the purchaser may be allowed in CORE on a case-by-case basis if the battery lease term is a minimum of three years. If applicable, this arrangement shall be indicated on the voucher request form.

#### **N. PROJECT NONPERFORMANCE AND FALSIFICATION**

The CORE Equipment Eligibility Application, voucher request form, and voucher redemption form are all legally binding and enforceable agreements. Nonperformance of CORE terms and conditions could result in the cancellation of a voucher request, the recovery of CORE funds, and/or the disqualification of equipment and conversion-kit models. In addition, CARB reserves the right to restrict participation in CORE (and other

CARB funding programs) of any manufacturer, subcontractor, dealer, or purchaser if it has been determined that such entity has repeatedly violated CORE terms and conditions.

Furthermore, providing false, inaccurate, or misleading information to CARB, the Project Administrator, or their designees (such as submitting false information to CARB or the Project Administrator for the purpose of artificially increasing the amount of a voucher) is strictly prohibited. If a participating manufacturer, its subcontractor, dealer, or purchaser (fleet) is found to have provided false or misleading information, it could result in the cancellation of voucher requests, recovery of CORE funds, and disqualification of models as well as disqualification from participation in other CARB funding programs. In addition, CORE participation could be restricted for all entities involved in a transaction leading to CARB's determination that false or misleading information has been provided. CARB may seek other remedies available under law.

For the duration of the project, participating manufacturers, dealers, and purchasers may be subject to individual review by CARB staff, the Project Administrator, or their designees to assess performance (business and equipment), product durability, existing support services, product offerings, project conformance, etc.

## **O. MILITARY EQUIPMENT**

The applicability of CORE terms and conditions on equipment to be deployed for military purposes shall be determined by CARB on a case-by-case basis.

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**Attachment A: Clean Off-Road Equipment Voucher Incentive Project  
(CORE) Equipment Eligibility Application**

**GENERAL INSTRUCTIONS**

This attachment describes the information a manufacturer needs to submit to the California Air Resources Board (CARB) in order to qualify an equipment or conversion-kit model for CORE. Please direct any questions regarding the CORE Equipment Eligibility Application to Matthew Diener, Air Pollution Specialist, at [matthew.diener@arb.ca.gov](mailto:matthew.diener@arb.ca.gov) or (626) 575-6684. Please email completed applications to [core@arb.ca.gov](mailto:core@arb.ca.gov). Alternatively, you may submit your application to:

California Air Resources Board  
9480 Telstar Avenue, Suite 4  
El Monte, California 91731  
C/O Matthew Diener, Mobile Source Control Division

Please submit one CORE Equipment Eligibility Application per equipment model name, per calendar year. If an equipment model has multiple, but substantially similar, battery-pack and/or fuel-cell energy storage capacity options, these may be submitted as part of the same application. For example, an equipment model with different battery-pack-size options may be included on one application if all battery packs share the same architecture, management strategies, and thermal controls.

Please answer all questions and provide the requested information in the same order that it is requested. If a question is not applicable to your equipment/application, please indicate that it is not applicable and provide a brief explanation.

If you wish to designate any information submitted as confidential information, please note the following:

CARB's regulations in Title 17, California Code of Regulations, sections 91000 to 91022, and the California Public Records Act (Government Code § 6250 et seq.), address submission of public comments and confidential information. Information provided to CARB may be released (1) to the public upon request, except trade secrets that are not emissions data or other information that is exempt from disclosure or the disclosure of which is prohibited by law; and (2) to the Federal Environmental Protection Agency (EPA), which protects trade secrets as provided in Section 114(c) of the Clean Air Act and amendments thereto (42 USC 7401 et seq.) and in federal regulation; and (3) to other public agencies provided that those agencies preserve the protections afforded to information that is identified as a trade secret, or otherwise exempt from disclosure by law (Health and Safety Code, § 39660, subd. (e)).

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Trade secrets as defined in Government Code Section 6254.7 are not public records and, therefore, will not be released to the public. However, the California Public Records Act provides that air pollution emission data are always public records, even if the data comes within the definition of trade secrets. On the other hand, the information used in calculating emission information may be considered a trade secret.

If any company believes that any of the information it may provide is a trade secret or otherwise exempt from disclosure under any other provision of law, it must identify the confidential information as such at the time of submission to CARB and must provide the name, address, and telephone number of the individual to be consulted if CARB receives a request for disclosure or seeks to disclose the data claimed to be confidential. CARB may ask the company to provide documentation of its claim of trade secret or exemption at a later date. Data identified as confidential will not be disclosed unless CARB determines, in accordance with the above referenced regulations that the data do not qualify for a legal exemption from disclosure.

**TERMS OF APPROVAL**

1. Equipment or conversion-kit model eligibility is valid for a maximum of one calendar year, starting from the date the equipment is deemed eligible for CORE. Manufacturers who desire to have their equipment be eligible to receive incentive funding in subsequent years must submit a new CORE Equipment Eligibility Application.
2. The manufacturer may not make any hardware or software changes that alter a piece of CORE-funded equipment (purchased as new or conversion) such that it is no longer accurately described by the information provided in the applicable CORE Equipment Eligibility Application until a new CORE Equipment Eligibility Application reflecting the changes has been submitted to CARB and approved. Making such changes without such approval may lead to loss of eligibility and removal of any listed equipment and conversion-kit models in CORE.

Changes other than those described above are allowed without a new application, but such changes must be reported to CARB within 30 days of the completion of the year of eligibility. This written report shall contain a cover letter addressed to the Matthew Diener, Mobile Source Control Division; the CORE approval number(s); the model(s) affected; and a detailed description of each change.



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3. The application package shall contain, at minimum, all applicable information described in Sections A and B. Please note, however, that CARB may request additional information (not specifically listed herein) in order to make a determination on model eligibility.
4. Submitting false, inaccurate, or misleading information (e.g., artificially inflated cost data) may lead to loss of eligibility and removal of any listed equipment or conversion kit in CORE.
5. Consistently failing to respond to warranty claims in a timely manner could lead to loss of eligibility and removal of all eligible equipment/conversion kits from CORE.

**SECTION A - MANUFACTURER AND EQUIPMENT INFORMATION**

**1. Cover Letter**

All application packages must include a cover letter with the following information:

- a. The Following in the Subject Line: “Request for Equipment Review for CORE Eligibility”;
- b. Number of Total Pages of Application (Including Cover Letter)
- c. General Business Information:
  - i. Name of Manufacturer;
  - ii. Federal Tax Identification Number;
  - iii. Name and Title of Contact Person;
  - iv. Contact Person Mailing Address;
  - v. Contact Person Phone number; and
  - vi. Contact Person Email address.
- d. Model Number, Equipment Type, and General Description of Equipment or Conversion Kit
- e. The following attestations:
  - i. “I have read and understand all elements of the Implementation Manual, and agree to abide by all CORE criteria, terms, and conditions.”
  - ii. “All information provided in this application package is true and correct.”
  - iii. Attestation to the adherence to safety regulations (e.g., National Highway Traffic Safety Administration, Occupational Safety and Health Administration, etc.) and/or testing certifications (e.g., Underwriters Laboratories, Electrical Testing Laboratories, etc.), if applicable.
- f. Name, Title, and Signature of Owner or Responsible Official
- g. Application Submittal Date

**2. Application Table of Contents**

- a. Each application must include a Table of Contents with page numbers reflecting, at minimum, the following bolded headers in this application below:
  - i. Section A – Subparts 3 through 8 (bolded headers only)
  - ii. Section B – Subparts 1 through 9 (bolded headers only)

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- b. Please include any attachments to this application in the Table of Contents as well, such as, user manuals and equipment brochures, and reference the appropriate page number(s) for them when answering questions (if applicable).

**3. Description of the Equipment or Conversion-Kit Model**

Please provide the following and any necessary supporting documentation (reports, data, diagrams, etc.) for the equipment/conversion-kit model:

- a. Model number and trade name;
- b. Total historical sales of the applicable equipment or conversion-kit model;
- c. Years the applicable equipment or conversion-kit model has been offered for sale;
- d. Equipment/conversion-kit model specification sheet (brochure/sales-level information);
- e. Intended application(s) and corresponding expected useful life (hours of use);
- f. Zero-emission powertrain information:
  - i. Technical and physical description of the zero-emission powertrain;
  - ii. Description and capacity of energy storage system (batteries and/or fuel storage tanks);
  - iii. Rated output (voltage and amperage) of battery packs, fuel-cell stacks, and electric motors, as applicable;
  - iv. Estimated operating time (or other work metric) per complete charge, including an evaluation of the impacts of ambient temperature and/or other environmental factors on performance, as applicable;
  - v. Expected longevity (in units of hours, energy throughput, or other appropriate metric) of the energy storage system, fuel system, inverter, and motors, as applicable, in the equipment or conversion-kit model's intended application;
  - vi. Charging or fueling standards that are compatible with the model; and
  - vii. Time (minutes) necessary to charge the battery pack(s) or fill the hydrogen tank from empty to full, as applicable;
- g. Description of the monitoring and diagnostic system (faults and conditions that will trigger an alert to the operator), data connector (e.g., Society of

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Automotive Engineers standard, wired/wireless, etc.), and the controller area network protocol (e.g., Society of Automotive Engineers Standard J1939);

- h. Sample label(s);
- i. If a conversion kit,
  - i. CARB Executive Order Number; and
  - ii. Description of equipment on which the conversion-kit model can be installed.

#### **4. Testing Methodologies and Results**

Description of tests performed on the equipment or conversion-kit model. Include, as necessary, method(s) of determination and actual test information and results for the following (as applicable and if available):

- a. Usable battery capacity testing;\*
- b. Rated output testing (voltage and amperage) for battery packs, fuel-cell stacks, and electric motors;
- c. Battery/fuel-cell useful life testing;
- d. Vibration testing;
- e. Shock testing;
- f. Thermal testing;
- g. Safety-related testing; and
- h. Real-world miles or usage-hours testing.

\* Because some manufacturers have expressed concerns regarding proprietary information, CARB has allowed manufacturers to request a voucher amount **up to** the rated energy capacity of their battery system for the equipment categories of Yard Tractors, Mobile Power Units, and Aircraft Ground Power Units. The MEL will indicate the battery capacity for the purposes of CORE funding and whether the indicated capacity is the rated, advertised, and/or usable energy capacity.

#### **5. Cost Information**

The manufacturer must provide the following cost information:

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- a. The manufacturer's suggested retail price of the equipment/conversion-kit model for the previous two years (if applicable);
- b. Invoice price of the equipment/conversion-kit model for the previous two years (if applicable); and
- c. Actual cost to the manufacturer of major zero-emission powertrain components and subsystems, such as the energy storage system, fuel-cell stacks (if applicable), inverters, motors, battery management system, thermal controls, etc. Documentation of actual costs may be required.
- d. Description, specifications, and real-world cost of a piece of equipment powered by an internal combustion engine that could be functionally replaced by the equipment model (or a piece of equipment installed with the conversion-kit model) for which the manufacturer is submitting the CORE Equipment Eligibility Application.

Pricing/cost information and data provided shall be subject to verification.

**6. Information on Dealers, Service-and-Repair Facilities, and Conversion-Kit Installers**

- a. For each participating dealer, provide the following:
  - i. Name of dealer;
  - ii. Address;
  - iii. Contact person name and title;
  - iv. Phone number;
  - v. Email address; and
  - vi. Dealer license and certification information, as applicable.
- b. For each authorized service-and-repair facility in California, provide the following:
  - i. Name of facility, mobile repair technician, and/or certified staff;
  - ii. Address;
  - iii. Contact person name and title;
  - iv. Phone number;
  - v. Email address;
  - vi. Facility license and certification information, as applicable; and
  - vii. The type/nature of maintenance or repairs the facility is authorized to perform.
- c. If applicable, for each approved conversion-kit installer, provide the following:
  - i. Name of installer;

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- ii. Address;
- iii. Contact person name and title;
- iv. Phone number;
- v. Email address; and
- vi. Installer license and certification information, as applicable.

**7. Warranty Information**

Describe warranty terms and coverage for the equipment/conversion-kit model and powertrain, including the specific terms and coverage for battery-pack and/or fuel-cell stack degradation, as applicable.

**8. List of Equipment/Conversion Modifications Since Previous Application (if applicable)**

For an equipment model that has previously received CORE eligibility, manufacturers shall provide a list of modifications, if any, made to the equipment or conversion-kit model since the previous CORE Equipment Eligibility Application for the model was submitted.

**SECTION B – REQUIRED PROGRAMMATIC INFORMATION**

**1. Service-and-Repair Information**

- a. Repairability Information:
  - i. Statement as to whether the repair manual and diagnostic software is available to end users and third-party repair facilities, if applicable;
  - ii. Process and cost to an end user or third-party repair facility to gain access to the repair manual and diagnostic software, if applicable;
  - iii. Statement as to whether proprietary tools (e.g., physical tools, software, computer/electronic hardware, or others) are needed to service and repair the equipment;
  - iv. Statement as to whether proprietary repair tools are available to end users and third-party repair facilities, if applicable; and
  - v. Process and cost to an end user or third-party repair facility to gain access to proprietary repair tools, if applicable;
- b. Service-Campaign History

Provide any information on previous service campaigns conducted for the equipment/conversion-kit model (include relevant information, such as duration of time from report of concern to failure identification, nature of the failures, repair times, etc.).

**c. Service-and-Repair Plan**

Manufacturers are required to develop and submit to CARB a written service-and-repair plan. This plan should include, at minimum:

- i. Description of the method for addressing service-and-repair needs anywhere the equipment is deployed in the state;
- ii. Description of the process for obtaining a repair or service;
- iii. Description of the method for communicating service-and-repair requirements to the end user;
- iv. Explanation of replacement parts availability;
- v. Expected labor times required for major and minor repairs (Manufacturers shall include a description of what defines a major and minor repair); and
- vi. Projected costs of major and minor repairs outside of warranty.

**2. Information on Commercial Readiness**

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Manufacturers must provide the necessary information to demonstrate that the equipment or conversion-kit model is commercial-ready. Some examples of relevant documentation is listed in Section D.2.a. of the IM.

**3. Telematics and Data-Collection System(s) Information**

- a. Describe the monitoring, data-collection, and telematics systems of the equipment or conversion-kit model. Include schematics/engineering diagrams, if available.
- b. For the parameters specified in Section D.2.g of the CORE Implementation Manual (IM) and any other equipment performance-based parameters that the equipment or conversion-kit model is designed to monitor, describe how such parameters will be collected/derived and saved on the equipment or conversion.
- c. Describe how data will be transmitted from the equipment or conversion to the manufacturer, stored, and made available to the Project Administrator, CARB, or their designee (e.g., software, computer hardware, wireless networks, etc.).
- d. Describe post-processing methodologies for monitored parameters, if applicable.
- e. Provide a template of how data will be provided to the Project Administrator, CARB, or their designee.
- f. Provide the actual costs to the manufacturer of implementing and maintaining active monitoring, data-collection, and telematics systems on a piece of equipment or conversion.

**4. Tell-tale Information**

Tell-tales serve as warning indicators for potential problems and notify users of necessary maintenance and/or required service. Manufacturers must describe in their CORE Equipment Eligibility Application all performance-based tell-tales that will be utilized in the equipment or conversion-kit model, including an explanation of each situation in which a tell-tale will be triggered and how the tell-tale will be displayed, or otherwise communicated, to the operator.



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(Revision Date: July 20, 2020)

**5. Information on Charge, Fuel, and Range Indicators**

Manufacturer must provide a description in their CORE Equipment Eligibility Application of how the equipment or conversion-kit model displays, or otherwise communicates, information on (as applicable) remaining charge, fuel, and range to the operator.

**6. Annual User Experience Report Information**

- a. Manufacturers must describe the format and method by which information on warranted claims and repairs will be sent (as part of their Annual User Experience Report) to the Project Administrator.
- b. Manufacturers must provide a summary of the data gathered for the purpose of preparing the Annual User Experience Report for the previous eligibility year (if applicable) in a format approved by CARB.

**7. Information to be Distributed to Purchasers**

Provide a copy of the following information for the purchaser to the Project Administrator:

- a. Copy of the owner's manual or available draft;
- b. Detailed charging or refueling specifications, including plug/connector type, battery-pack capacity, and tank size (if included in owner's manual, indicate the page numbers);
- c. Description of charging or refueling procedures and any fast-charging capability (if included in owner's manual, indicate the page numbers);
- d. Required equipment/conversion and powertrain maintenance schedules (if included in owner's manual, indicate the page numbers); and
- e. Copy of Sales Disclosure (see Section E.3, Sales Disclosure, of the CORE IM) or available draft (if included in owner's manual, indicate the page numbers).

**8. End-of-Life Disposal Plan**

Manufacturers must provide an end-of-life disposal plan for the batteries and/or fuel cell stacks (if applicable) used in the equipment or conversion-kit model.

**9. Approval of Conversion-Kit Installers**

Manufacturers must describe the criteria and process for becoming an approved conversion-kit installer, including required training and certifications. In addition, provide a copy of all materials provided to an approved conversion installer covering installation and repair of the conversion-kit model.

CORE Implementation Manual: Attachment B  
(Revision Date: July 20, 2020)

**Attachment B: Purchaser/Lessee Terms and Conditions  
For the Clean Off-Road Equipment Voucher Incentive Project**

In order to participate in the California Air Resources Board's (CARB) Clean Off-Road Equipment Voucher Incentive Project (CORE), the purchaser or lessee (as applicable) must agree with all of the following terms and conditions at the time of voucher request:

1. I agree:
  - a. To retain ownership/lease of the CORE-funded equipment (purchased as new or converted) for the duration of the project participation period (i.e., the three-year period from the date of equipment [purchase or leased as new or converted] delivery or final payment, whichever is later), unless given explicit prior written approval by CARB to sell the piece of equipment.
  - b. To operate the equipment/conversion such that 100 percent of its use will be in California for the duration of the project participation period, except as provided for in Section F.4 of the CORE Implementation Manual.
  - c. To operate the equipment/conversion for a minimum of 800 hours annually, for the project participation period (three-year average), except as provided for in Section F.2. of the CORE Implementation Manual.
  - d. Not to modify the equipment's or conversion kit's powertrain or software calibrations, except as allowed by the manufacturer.
  - e. To maintain insurance for the CORE-funded equipment as required by law.
  - f. To respond in a timely manner to annual CORE usage and experience surveys or questionnaires conducted by the manufacturer or Project Administrator (CALSTART).
  - g. To remain in compliance with all applicable federal, state, and local air quality rules and regulations.
  - h. To register the equipment (except for military vehicles) in California with the Department of Motor Vehicles (DMV), if applicable.
  - i. To allow CARB, the Project Administrator, or their designee to verify registration through the DMV.
  - j. To operate and maintain the equipment as recommended by the manufacturer to ensure equipment durability, efficiency, and reliability.
  - k. To make available the equipment for follow-up inspections by CARB, the Project Administrator or their designee, if requested.
  - l. To provide CARB, the Project Administrator, or their designee all requested information related to any equipment purchased or leased with a CORE voucher (including purchase, lease, or rental agreements) within thirty days of written request for such information.
  - m. To allow the manufacturer to access the equipment's or conversion's monitoring, data-collection, and telematics systems, so that the manufacturer is able to fulfill its reporting obligation to CARB (as outlined in

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Sections E.7, Telematics Reporting, and D.2.g of the CORE Implementation Manual. Such information could include aggregated data on the equipment's location to determine operating time within disadvantaged and low-income communities.

- n. That the equipment purchased through CORE will perform or support freight activities.
  
- 2. The information provided for this voucher request, including all supporting documentation, is true and correct.
  
- 3. I understand that I will be required to repay any CORE voucher funds received if I fail to comply with the terms and conditions of this agreement.
  
- 4. I understand that CARB reserves all rights and remedies available under the law to enforce the terms of this agreement.

By signing below, I acknowledge that I have read and understand, and agree to be bound by, the terms and conditions as outlined above and in the CORE Implementation Manual.

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

Name of Dealership: \_\_\_\_\_ City: \_\_\_\_\_

Dealer Representative: \_\_\_\_\_ Signature: \_\_\_\_\_

Phone: \_\_\_\_\_ Date: \_\_\_\_\_

Name of Purchaser/Lessee: \_\_\_\_\_ Signature: \_\_\_\_\_

Company /Fleet: \_\_\_\_\_

PLEASE RETURN SIGNED DOCUMENTS TO:  
CORE Voucher Request Processing  
c/o Tetra Tech  
249 East Ocean Boulevard, Suite 325  
Long Beach, California 90802

CORE Implementation Manual: Attachment C  
(Revision Date: July 20, 2020)

**Attachment C: Dealer Terms and Conditions  
For the Clean Off-Road Equipment Voucher Incentive Project**

In order to request a voucher under the California Air Resources Board's (CARB) Clean Off-Road Equipment Voucher Incentive Project (CORE), the dealer must agree with all following terms and conditions:

1. All information identified on this form and in the voucher request is true and correct.
2. I understand that this CORE voucher request is only valid for this specific purchaser/lessee and this specific equipment piece (or conversion kit). I also understand that any voucher provided based on this voucher request shall be canceled if the purchaser/lessee or equipment (or conversion kit) identified herein changes prior to voucher redemption or if the manufacturer, dealer, or purchaser violates any of the applicable terms and conditions of CORE. If any voucher funds have been provided, the dealer must return the voucher funds to CARB within calendar 15 days of cancelation notification.
3. For conversion kits only, I am authorized by the manufacturer to install the conversion kit referenced in this voucher request.
4. I am authorized by the manufacturer to participate in CORE as the Dealer described in this agreement.
5. I am authorized by the purchaser/lessee described in this agreement to apply for a CORE voucher on behalf of said purchaser/lessee.
6. I agree to maintain written records of the equipment/conversion kit purchases/leases for the duration of the project participation period (i.e., the three-year period from the date of equipment [purchase or leased as new or converted] delivery or final payment, whichever is later) and providing CARB, the Project Administrator, or their designee with these records within 30 days of their request. These records could include, but are not limited to, the equipment invoice, proof of purchase, DMV records, equipment payment information and related bank records, and purchaser/lessee fleet information.
7. I understand that CARB reserves all rights and remedies available under the law to enforce the terms of this agreement.

By signing below, I acknowledge that I have read and understand, and agree to be bound by, the terms and conditions as outlined above and in the CORE Implementation Manual.

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

Name of Dealership: \_\_\_\_\_ City: \_\_\_\_\_

Dealer Representative: \_\_\_\_\_ Signature: \_\_\_\_\_

Phone: \_\_\_\_\_ Date: \_\_\_\_\_

Name of Applicant: \_\_\_\_\_

Purchaser/Lessee: \_\_\_\_\_

PLEASE RETURN SIGNED DOCUMENTS TO:  
CORE Voucher Request Processing  
c/o Tetra Tech  
249 East Ocean Boulevard, Suite 325  
Long Beach, California 90802