Attachment E - Commercial Harbor Craft

Fiscal Year 2026-2027

Clean Off-Road Equipment Voucher Incentive Project (CORE)

Released July 15, 2026

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A. Project Overview

1. Background

The FY 2021-22 Funding Plan expanded CORE to cover heavy-duty off-road eligible and commercial harbor craft (CHC)[1]. The goal of CORE is to overcome the most significant barrier to entry of zero-emissions equipment by lowering the purchase price and making cleaner technologies more achievable.

The FY2026–27 Attachment E includes the below updates in addition to changes identified in the Implementation Manual: Executive Summary.

- Propulsion systems added as an eligible equipment type.
- Added language that Attachment E is additive to the IM, general requirement listed in the IM but not in Attachment E still need to be met.
- Updated the definition for the start of the project participation period to the date of redemption approval in the VPC. This aligns with a change made in the Implementation Manual last year.
- Added hp equivalent values to the voucher amount table and a note that the kW range is used to determine eligibility.
- Added language about the infrastructure enhancement covering the cost of the equipment and basic installation; this aligns with the Implementation Manual.
- Changed the voucher extension request to differentiate between requesting an extension and requesting a non-standard change to a voucher.
- Added a link to the resources webpage to access the CORE CHC FAQ document.
- Added language to allow an OEM to petition for a shorter warranty or a warranty covering less items (i.e. the hull) to CARB during the equipment eligibility application.
- Added Percent of time operating in CA to the telematics collection.
- Update extended downtime report language to require the OEM to match the Implementation Manual.

Attachment E is intended to supplement the latest version of the CORE Implementation Manual. General CORE requirements are addressed in the main CORE Implementation Manual.

2. Eligible Purchasers

Eligible purchasers include an entity that is any private, commercial, government, or military marine vessel including, but not limited to, passenger ferries, excursion vessels, tugboats, ocean-going tugboats, towboats, push boats, crew and supply vessels, work boats, pilot

[1] https://ww2.arb.ca.gov/sites/default/files/2021-10/fy21-22_fundingplan_appendix_d.pdf

vessels, supply boats, fishing vessels, research vessels, barge and dredge vessels, commercial passenger fishing vessels, oil spill response vessels, U.S. Coast Guard vessels, hovercraft, emergency response harbor craft, and barge vessels that do not otherwise meet the definition of ocean-going vessels or recreational vessels. The purchaser must be in compliance with all applicable regulations at the time of voucher approval. In addition, the purchaser must obey all other guidelines as set forth in the latest version of the CORE Implementation Manual and in the Purchaser Terms and Conditions.

3. Project Participation Period

The project participation period starts once the voucher redemption is approved in the Voucher Processing Center (VPC). The project participation period ends 3 years following the start date.

4. Stacking CORE Funding with Other Programs

Stacking, where CORE co-funds with other public funding programs, is allowed by CORE but may not be allowed by other programs. Be sure to confirm the terms, conditions, and program requirements of each funding source when evaluating whether fund-stacking is permissible. Additionally, CORE does not allow the total amount of incentive funding (from all sources) to exceed the total cost of the CHC (excluding taxes and fees). Accordingly, in an applicable transaction, a CORE voucher could be reduced below the amount originally determined for the affected CHC. Other incentive programs may require scrappage of existing internal combustion equipment; this is not a requirement to participate in the CORE program. 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 requirements. If purchasers are interested in additional funding to scrap their existing internal combustion equipment, they can contact their local Air District[2].

B. Voucher Amounts

Commercial harbor craft vouchers are per vessel and must not exceed $1,000,000 including additional funding provided for small business and shore-side electric charging or zero-emission bunkering equipment.

The methodology developed for determining CORE voucher amounts considers incremental cost and other factors such as current market penetration and the projected need for incentives.

[2] https://ww2.arb.ca.gov/california-air-districts

In addition, while CORE does not prohibit combining a CORE voucher with funds from other incentive programs, the total CORE voucher amount plus all other public incentives may not exceed 100 percent of the total cost of the CHC (excluding taxes and fees).

1. New Vessel and New Propulsion System Voucher Amount

Tables 1 and 2, below, set forth the maximum voucher amounts for a new commercial harbor craft vessel or a new propulsion system. Base voucher amounts will not exceed the incremental cost of the vessel or the propulsion system components. A new propulsion system is defined as motor propulsion and power components meant to be installed in new vessels only. These may be designed for specific unique boat builds.

Table 1: New Commercial Harbor Craft		**Up to Amount ($)**
Base Voucher	New Equipment ≥ 19 kW Internal Combustion Powered Equivalent	Up to $1,000,000
Enhancement	< 99kW Shore Power Voucher	$75,000
Enhancement	> 99kW Zero Emission Advanced Technology Charging Infrastructure Voucher	$100,000
Enhancement	Zero-Emission Bunkering	$100,000

Table 2: New Propulsion System Voucher Amount		
Level	**kW Range (hp equivalent)**[3]	**Not to Exceed Base Voucher Amount**
1	≥ 19kW to 100 kW (25.4-134)	$250,000
2	101kW to 299 kW (135-400)	$500,000
3	300kW to 499 kW (401-669)	$750,000
4	≥ 500kW (≥670)	$1,000,000
Enhancement	< 99kW Shore Power Voucher	$75,000
Enhancement	≥ 99kW Zero Emission Advanced Technology Charging Infrastructure Voucher	$100,000
Enhancement	Zero-Emission Bunkering	$100,000

2. Conversion Kit Voucher Amount

Table 3, below, sets forth the maximum voucher amounts for a conversion kit commercial harbor craft vessel. Base voucher amounts will not exceed the incremental cost of the conversion kit components.

[3] Horsepower (hp) equivalent values are approximate; eligibility is determined based on the specified kilowatt (kW) range.

Table 3: Conversion Kit Voucher Amount		
Level	**kW Range (hp equivalent)[4]**	**Not to Exceed Base Voucher Amount**
1	≥ 19kW to 100 kW (25.4-134)	$250,000
2	101kW to 299 kW (135-400)	$500,000
3	300kW to 499 kW (401-669)	$750,000
4	≥ 500kW (≥670)	$1,000,000
Enhancement	< 99kW Shore Power Voucher	$75,000
Enhancement	≥ 99kW Zero Emission Advanced Technology Charging Infrastructure Voucher	$100,000
Enhancement	Zero-Emission Bunkering	$100,000

Note: Zero emissions alternatives that are not battery electric will be processed on a case-by-case basis.

C. Voucher Enhancements

CHC are eligible for additional funding and voucher enhancements for Small Business and shore-side charging or zero-emission bunkering equipment.

New CHC, new propulsion systems, or CHC conversion kits purchased by a small business are eligible for an additional 15 percent of the model-specific base voucher amount as an enhancement to their voucher.

Purchasers who are unsure of their small business designation are encouraged to waive their voucher enhancements, to avoid the possibility of non-compliance.

CORE vouchers (including additional funding provided for small business and shore-side electric charging or zero-emission bunkering equipment) are capped at $1,000,000. That is, no individual voucher can exceed $1,000,000 or exceed the total cost of the equipment (excluding taxes and fees).

1. Small Business Definition

Small business is defined in CORE as: [An] independently owned and operated business that is not dominant in its field of operation, the principal office of which is located in California, the officers of which are domiciled in California, and which, together with affiliates, averages annual gross receipts of fifteen million dollars ($15,000,000) or less over the previous three years.

[4] Horsepower (hp) equivalent values are approximate; eligibility is determined based on the specified kilowatt (kW) range.

2. Small Business Verification

If a small business enhancement is being requested, purchasers must provide the following information to verify their small business status as defined above: Identify the total revenue, receipts, and sales reported to the Internal Revenue Service in your most recent filing. This information may be reported in Box 1c of IRS Form 1120, Box 1c of IRS Form 1065, or Box 3 of IRS Schedule C (Form 1040).

3. Shore-side Electric Charging or Zero-Emission Bunkering Equipment

Voucher enhancements are available for commercial harbor craft shore-side electric charging or zero-emission bunkering equipment. Only shore power supply systems associated with commercial harbor craft are allowed. CORE will only fund the capital costs of the equipment purchase and the costs of basic installation as determined by CARB.

Vessel operators can select infrastructure components and equipment that are compatible with their CHC. Purchasers must receive a valid CORE CHC voucher to be eligible for a shore-side equipment voucher. The shore-side equipment voucher is applied for as part of the CHC voucher process. See section B. Voucher Amounts for additional information.

D. Voucher Extensions

Vouchers are valid for 730 calendar days (24 months) from the voucher creation date. Requests for voucher extensions will be evaluated on a case-by-case basis by CARB and the Project Administrator and may be granted beyond 730 calendar days. A commercial harbor craft voucher will not be renewed beyond 945 calendar days (32 months) from the voucher creation date. All extension requests must be submitted in writing to **CaliforniaCORE@tetratech.com** at least 30 days prior to the to the original voucher expiration date by an approved dealer, eligible purchaser, or eligible manufacturer.

Factors considered in extension requests include but are not limited to:

- Projected CHC delivery date.
- Funding expenditure deadlines.
- Demand for remaining available funding.
- Whether delays in CHC delivery or final payment were reasonably unforeseen.
- Whether the circumstances related to the delay were within the control of the purchaser, dealer, or manufacturer.
- Government approvals.

Requests for non-standard changes will be evaluated individually by CARB and the Project Administrator to ensure alignment with program requirements, policies, and operational needs. All such requests must be submitted in writing to **CaliforniaCORE@tetratech.com** for formal review.

E. Equipment Eligibility Application

The CHC CORE Equipment Eligibility Application presents two distinct pathways for manufacturers to receive eligibility in the CORE project and be listed in the equipment catalog. One pathway is for manufacturers who seek to deploy new vessels or a new propulsion system and the second pathway is for conversion kits of existing vessels. OEMs may apply for the new and conversion kit pathways. This entails a series of steps, outlined in Section G. New Vessel Pathway and Section H. Conversion Kit Pathway, Manufacturers must submit Attachment A: Equipment Eligibility Application. Email completed applications to **core@arb.ca.gov**. New vessels and new propulsion systems will be posted in the CORE equipment catalog, conversion kit manufacturers will be listed as an eligible manufacturer with an up-to voucher amount in the CORE equipment catalog. A FAQ document[5] with more information on this process is available on the CORE website resources section[6].

Manufacturers are encouraged to read and verify that they meet all criteria listed in Section P of the latest version of the CORE Implementation Manual.

1. Location

A manufacturer is not required to be located in California but must be able to meet the requirements as listed in Attachment A, Section A, Manufacturer and Equipment Information.

2. Service and Repair

A manufacturer has at least one service-and-repair facility in the state of California for the vessel. However, the following alternatives can satisfy this requirement:

a) Having a manufacturer-approved dealer with a service center within California **or**
b. Offering service-and-repair training to fleets as part of an equipment or conversion-kit purchase **and**
c) Maintaining a team of factory-trained technicians that can respond to service-and-repair requests within 72 hours.

F. Equipment Criteria

Eligible equipment must meet the requirements below and receive an Equipment Eligibility Letter from CARB as explained in the process above.

1. Warranty

The vessel must be covered by a warranty meeting the criteria, below:

[5] **https://californiacore.org/wp-content/uploads/2025/07/FAQ-CHC-Final-12_13_24-2.pdf**
[6] **https://californiacore.org/resources/**

a) The warranty period is, at a minimum, three years to cover the entire project participation period of the vessel or 5000 usage hours (whichever comes first). Usage is defined as the movement or propulsion of the driveline.
b) The warranty shall cover all parts and labor costs. Additionally, the warranty shall be fully transferrable to subsequent purchasers for the full warranty period. The warranty shall be included in the price of the equipment and that pricing must be available to the purchaser regardless of whether they are utilizing CORE funding.
c) For a new vessel 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); and the vessel (including, but not limited to, the hull and cabin structure) shall be warranted against defects, workmanship, and corrosion for the full warranty period.
d) For new propulsion systems, all applicable motor propulsion and power components, telematics components; on-board charging or fueling components; shall all be warranted against defects, workmanship, and corrosion for the full warranty period.
e) For a conversion-kit model, all components of the conversion kit as well as all the work and vessel 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 vessel components that experience greater exposure to moisture and other environmental conditions due to the integration of the conversion kit.
f) Damage that occurs because of an incorrectly sized powertrain or other incompatibility between the powertrain and the equipment, chassis, or vessel (e.g., driveline failures due to excess torque) shall be covered for the full warranty period.

CHC manufacturer may appeal for a warranty period shorter than three years or a limit on the items covered by the warranty, and CARB will evaluate the request as part of the equipment eligibility application. Appeals are not guaranteed to be approved. Appeal submissions should include an explanation of why a different warranty is needed, serviceability and performance limitations impacted, an explanation of the components, parts, and labor that will be covered by the OEM, cost considerations, and if applicable, an explanation of other components that will covered by other entities.

[7] Zero-emission is defined as a vehicle, piece of equipment, or vessel that itself produces no emissions of pollutants (including carbon dioxide, carbon monoxide, hydrocarbons, oxides of nitrogen, and particulates) when stationary or operating.

[8] Commercial-ready CHC 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 CHC 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.

2. Eligible Vessel Designs

Commercial harbor craft in the CORE program must be both zero-emission[7] and commercially ready[8]. Designs that have non-zero emissions equipment onboard to supplement the zero-emissions powertrain are not eligible for the CORE program. The CHC must perform work equivalent to an internal combustion powered piece of equipment with ≥ 19kW.

3. Emergency Diesel

Vessels, such as short run ferries, which may have emergency back-up generators, are limited to 20 hours of operation per year for maintenance purposes unless there is a documentable emergency in which case the emergency operation hours would not count towards the 20 annual hours.

4. Telematics

The CHC 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[9]:

i. Cumulative Time in Use (hours),

ii. Cumulative Energy Used (kWh),

iii. Amount of time spent either docked or operating in (hours)[10]:

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
5. Potential Low-income Households within ½ Mile of Disadvantaged Community.

vi. Percent of time operating in California,

vii. Average Energy Discharge Rate During Non-Idle Operation (kW).

CARB, at its sole discretion, may allow a manufacturer to sell a limited number of CHC 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.

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[9] 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.

[10] Results shall be based on mapping data of each of the four categories found at CARB's website: **https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40.**

Note: The Project Administrator will prepare bi-annual (twice yearly) 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. Telematics Reporting, it is the responsibility of the manufacturer to ensure the required data are submitted (in the appropriate format) to the Project Administrator.

G. Adding New Vessels And Propulsion Systems To The Catalog

Manufacturers must complete the following steps to have a new vessel listed in the Eligible Equipment Catalog on the CORE website where it will be eligible for voucher requests. The application must be submitted by the official manufacturer for the vessel or propulsion system. In cases where the vessel is being built by multiple entities, if the powertrain is being provided by Company A but the boat is built by and branded as Company B, then Company B must submit the equipment eligibility application.

A manufacturer may also be the approved dealer for their CHC. If this is the case, then the manufacturer must also go through the dealer enrollment process and the equipment eligibility application. The manufacturer must be an approved dealer to be able to submit vouchers for the eligible equipment. See Section J of this attachment for the dealer enrollment process.

1. New Vessel Eligibility Application Process

Step 1 – Manufacturer fills out and completes the CORE Equipment Eligibility Application (Attachment A). Completed applications are emailed to **core@arb.ca.gov**.

Step 2 – CARB staff will review the CORE Equipment Eligibility Application to make an eligibility determination. If questions arise, CARB staff will reach out to the contact person identified on the application.

Step 3 – CARB staff will notify manufacturer of CORE eligibility.

Step 4 – CARB will relay equipment information to the Project Administrator to add the model to the Eligible Equipment Catalog on the CORE website[11].

Step 5 – Equipment is available for voucher applications.

2. New Vessel Voucher Request Submittal

Approved dealer and purchaser must complete the following steps to submit a voucher and redemption request for new vessels.

[11] https://californiacore.org/equipment-category/harbor-craft/

Step 1 – Voucher Request Submittal

a) Dealer submits a completed voucher request form via the online Voucher Processing Center (VPC) on the CORE website that includes:

   i. Purchaser information

      1. A purchaser can be a single point of contact, the small business general partner or the proprietor.
      2. A purchaser can be a single point of contact in charge of principal business function, or a person with similar policy or decision-making functions.

   ii. Choice of equipment from the CORE Eligible Equipment Catalog

   iii. Required voucher request documents:

   1. Purchase Order or Letter of Intent (LOI)

      i. Commercial harbor craft purchasers may submit a LOI in lieu of a Purchase Order when procurement policies are prohibitive. A voucher request must be submitted with a Purchase Order or LOI that has been signed or executed no more than 60 calendar days prior to the voucher submittal date.

      ii. If an LOI is submitted, then the purchasers must provide the Purchase Order within 365 calendar days of the voucher submittal date.

      iii. Purchasers who are combining CORE with another award (stacking or match funds) which restricts the issuance of a Purchase Order must provide supporting documentation at the time of the voucher request. Acceptable documentation includes confirmation of application submittal, award letter, or other supporting documentation. The purchaser must provide proof that they have been awarded funds within 365 calendar days of the voucher submittal date.

b) The dealer must update the expected delivery date every 90 calendar days until the equipment is delivered. The first update must be provided within 90 calendar days of the electronic voucher request approval.

c) Within 730 calendar days of the electronic voucher request, commercial harbor craft dealers must provide the hull identification number (HIN) that uniquely identifies the vessel.

Step 2 – Funding Status Notification

a) Dealer and purchaser are notified of funding status after all CORE Terms and Condition requirements are met. A voucher confirmation email will be sent to the dealer and purchaser.

b) Funds are set aside for the voucher once funding status is approved.

c) Terms and Conditions are signed by CORE Approved Dealer and Eligible Purchaser.

d) Vouchers are issued after final review.

e) Dealer and purchaser are notified to complete transaction and deliver equipment. Vouchers are valid for 730 calendar days from the voucher created date.

Step 3 – Vessel Delivery to Eligible Purchaser

a) Dealer completes sales transactions of new zero-emission equipment.

b) Purchaser takes delivery of equipment and pays dealer the sales price less the voucher amount.

c) Voucher must not exceed 100% of the base price of the equipment.

Step 4 – Redemption Request

a) Dealer submits Voucher Redemption once equipment is paid for and delivered to the purchaser.

b) Redemption must be submitted to the VPC within 30 calendar days of equipment delivery to the purchaser.

c) Proof of payment, invoice, copy of check or credit card receipt with purchaser name that matches the voucher.

Step 5 – Redemption Payment

a) Dealer is paid the voucher amount generally within 14 calendar days of a completed voucher redemption being submitted.

b) Voucher will be redeemed once all redemption paperwork has been submitted and approved.

c) Payment to the dealer will be provided within 7 calendar days of final approval of the redemption paperwork.

H. Conversion Kit Pathway

A manufacturer of a zero-emissions CHC conversion kit to be installed in an existing vessel must submit a completed Initial CORE Equipment Eligibility Application to CARB for each range as listed in the voucher amounts table in Section B. Once approved, the manufacturer will receive a Provisional Approval Letter and will be listed as an approved conversion kit manufacturer in the Eligible Equipment Catalog with the variable motor power range configurations listed in Table 3.

A purchaser can choose an approved manufacturer for their specific vessel . At this time, CORE Approved Dealers may submit a Voucher Request. A manufacturer must also submit a completed Final CORE Equipment Eligibility Application specific for that purchaser to CARB for review within 180 calendar days of the voucher request submittal date. The manufacturer will

[12] A manufacturer may receive a preliminary eligibility letter from CARB. This provisional eligibility letter allows vouchers to be requested for the equipment identified in the CORE Eligible Equipment Catalog, but an Executive Order or written determination must be submitted by the manufacturer to CORE program staff, and a final CORE Eligibility Letter must be obtained, before requested vouchers will be redeemed. The manufacturer or dealer assumes all risk in the event vouchers are approved consistent with this provisional eligibility, but an Executive Order or written determination is not provided.

[13] After Market Parts information can be found at **https://ww2.arb.ca.gov/road-vehicles-engines-and-equipment**. The manufacturer needs to fill out ECCD/APCAB-004 Off-Road Exemption Application for General Criteria Parts Appendix A for their conversion kit which can be found at the website above.

receive their final CARB Approval Letter with the voucher amount for the specific vessel build after approval of the Final CORE Equipment Eligibility Application and a CARB Aftermarket Parts Executive Order.

Conversion kit manufacturers must also apply to obtain an Executive Order from CARB Aftermarket Parts in parallel to submitting the final CORE Equipment Eligibility Application[12]. An Executive Order[13] from CARB Aftermarket Parts is required for final voucher payment. In addition, conversion kits for CHC must meet the below requirements:

a) The model is only intended for installation in CHC no older than 20 years with an existing internal combustion engine. If CHC is >20 years old, CARB will review on a case-by-case basis.
b) The vessel's registration is current; and
c) The vessel has a valid US Coast Guard COI (certificate of inspection) if it is an inspected vessel or satisfies the US Coast Guard requirements for an uninspected vessel.

The conversion-kit manufacturer or dealer may request CARB to consider specific CHC 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 may include, at a minimum all of the below:

a) An assessment of the structural integrity of the vessel
b) Warranty repair records
c) Serviceability and performance limitations impacted by age and condition of CHC, and
d) Valid US Coast Guard Certificate of Inspection (COI)

1. Conversion Kit Initial Equipment Eligibility Application Process

Step 1 – Initial Equipment Eligibility Application Submittal An equipment manufacturer fills out and completes the CORE Equipment Eligibility Application (Attachment A). For eligibility, manufacturers of conversion kits may apply using an actual past installation or a designed installation of their conversion kit technology.

Completed applications are emailed to **core@arb.ca.gov**.

Step 2 – Initial Equipment Eligibility Application Review

CARB staff will review the CORE Equipment Eligibility Application to make an eligibility determination. If questions arise, CARB staff will reach out to the contact person identified on the application.

Step 3 – Initial Eligibility Determination

CARB staff will notify the manufacturer of CORE eligibility.

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[14] https://californiacore.org/equipment-category/harbor-craft/

Step 4 – Initial Eligibility Posting

CARB will relay manufacturer information to the Project Administrator to add the manufacturer as an eligible Conversion Kit manufacturer in the Eligible Equipment Catalog on the CORE website[14].

2. Conversion Kit Voucher Request Submittal and Final Equipment Eligibility Application Process

The following steps outline the voucher request and redemption process an approved dealer and purchaser must complete.

A manufacturer may also be the approved dealer for their CHC. If this is the case, then the manufacturer must also go through the dealer enrollment process and the equipment eligibility application. The manufacturer must be an approved dealer to be able to submit vouchers for the eligible equipment. See Section J of this attachment for the dealer enrollment process.

Step 1 – Eligible Purchaser Selection

Purchasers select a conversion kit manufacturer listed in the Eligible Equipment Catalog.

Step 2 – Approved CORE Dealer Submits Voucher Request

Approved CORE Dealer applies for a voucher to reserve funds for a CHC Conversion Kit. CORE is intended to fund equipment directly related to the powertrain and components required for a zero-emission vessel when determining the expected power required for the vessel.

The following information is required to submit a voucher request:

a) Dealer submits a completed voucher request form via the online Voucher Processing Center (VPC) on the CORE website that includes:
    i. Purchaser information
        1. A purchaser can be a single point of contact, the small business general partner or the proprietor.
        2. A purchaser can be a single point of contact in charge of principal business function, or a person with similar policy or decision-making functions.
    ii. Choice of CHC kW level as shown in Table 3.
b) Required voucher request documents:
    i. Purchase Order or Letter of Intent (LOI)
        1. Commercial harbor craft purchasers may submit a LOI in lieu of a Purchase Order when procurement policies are prohibitive. A voucher request must be submitted with a Purchase Order or LOI that has been signed or executed no more than 60 calendar days prior to the voucher submittal date.
        2. The purchasers must provide the Purchase Order within 365 calendar days of the voucher submittal date.

3. Purchasers who are combining CORE with another award (stacking or match funds) which restricts the issuance of a Purchase Orders must provide supporting documentation at the time of the voucher request which may include confirmation of application submittal, award letter, or other supporting documentation. The purchaser must provide proof that they have been awarded funds within 365 calendar days of the voucher submittal date.

c) Within 730 calendar days of the electronic voucher request, commercial harbor craft dealers must provide the hull identification number (HIN) that uniquely identifies the CHC piece and the expected delivery date.

Step 3 – Funding Set Aside (Voucher Under Review)

The Project Administrator reviews the voucher request. When approved, the manufacturer will be informed and the designated not to exceed base voucher amount will be set aside.

a) Dealer and purchaser are notified of funding status after all CORE Terms and Condition requirements are met. A voucher confirmation email will be sent to the dealer and purchaser.
   i. Funds are set aside for the voucher once funding status is approved.
   ii. Terms and Conditions are signed by CORE Approved Dealer and Eligible Purchaser.
   iii. Voucher is issued after final equipment eligibility application review.
   iv. Dealer and purchaser are notified to continue with CHC conversion design.

Step 4 – Final Equipment Eligibility Application Submittal

The manufacturer must submit a completed updated Equipment Eligibility application within 180 calendar days of the voucher request submission date. The application must include information about the specific vessel conversion kit.

At the same time the updated Equipment Eligibility application is submitted to CORE, the manufacturer must submit an application to Aftermarket Parts. Proof that an in-process application must be sent to core@arb.ca.gov for the CORE application to be approved.

a) The dealer/manufacturer has 180 calendar days after initial voucher submittal to submit the final Attachment A: Equipment Eligibility Application.
b) CARB will process the application and determine the final voucher amount.
c) Dealer and Purchaser continue with CHC conversion.

Step 5 – Final Equipment Eligibility Application Review

CARB staff will review and approve the CORE Equipment Eligibility Application. If questions arise CARB staff will reach out to the contact person identified on the application.

Step 6 – Final Vessel Eligibility and Voucher Amount

CARB staff will notify manufacturer of final voucher amount.

Step 7 – Final Listing of Eligible Vessel

The Project Administrator will list the final vessel conversion kit and voucher amount in the Eligible Equipment Catalog.

Step 8 – Delivery of Vessel

Dealer completes sales transactions of converted zero-emission CHC.

a) Purchaser takes delivery of CHC and pays dealer the sales price less the voucher amount.
b) Voucher must not exceed 100% of the base price of the conversion kit components (excluding taxes and fees).

Step 9 – Redemption Request

Voucher payment is issued after delivery of an operational vessel and issuance of an Executive Order from Aftermarket Parts.

a) Dealer submits Voucher Redemption once CHC is paid for and delivered to the purchaser.
   i. Redemption must be submitted to the VPC within 30 calendar days of CHC delivery to the purchaser.
   ii. Proof of payment, invoice, copy of check or credit card receipt with purchaser name that matches the voucher.

Step 10 – Redemption Payment

Dealer is paid the voucher amount generally within 14 calendar days of a completed voucher redemption being submitted.

a) Voucher will be redeemed once all redemption paperwork has been submitted and approved.
b) Payment to the dealer will be provided within 7 calendar days of final approval of the redemption paperwork.

I. Terms And Conditions Attachment E: Commercial Harbor Craft

1. Purchaser Terms and Conditions

See the latest version of the CORE Implementation Manual Attachment B for Terms and Conditions.

2. Manufacturer and Dealer Terms and Conditions

See latest version of the CORE Implementation Manual Attachment C for Dealer Terms and Conditions and Attachment F for Manufacturer Terms and Conditions.

Because of the specialized nature of commercial harbor craft, 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 the terms and conditions are to be met by the manufacturer as it is acting as both manufacturer and dealer.

3. Sales Disclosure

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

1. CORE purchaser terms and conditions.
2. Capabilities of the service-and-repair network (e.g., number of locations, distance/ proximity to location of intended use, etc.).
3. The process that must be followed to obtain service or repair for funded equipment or conversion kit.
4. Estimated operating time or range.
5. Projected infrastructure costs and requirements (such as permit requirements) for shore-side electric charging or zero-emission bunkering equipment and/or storage.
6. Most-current build times and estimated delivery dates of equipment .

4. Extended Downtime Report

The extended downtime report (EDR) requirement for CHC is identical to the process for all other equipment types listed in the latest version of the CORE Implementation Manual.

5. 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.

6. Telematics Reporting

The manufacturer shall process and transmit the required telematics data 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, the manufacturer shall be responsible for uploading the telematics data bi-annually until the data covering the entire project participation period of said equipment piece or conversion kit have been reported to CARB.

J. Core Approved Dealer Responsibilities And Steps To Participate

Step 1 – Email the CORE Project Administrator expressing your interest in becoming a CORE-approved Dealer at **coredealertraining@californiacore.org**; attach the

1. **Dealer Registration Form, Dealer's Terms & Conditions**, and
2. **IRS W-9 Form**.

Step 2 – After confirmation, a CORE Project Administrator will provide the link to the CORE Dealer Enrollment Learning Module, a learning module based on the Implementation Manual that provides programmatic basics, insights on participation requirements, and a weighted quiz. Completion of the Dealer Enrollment Learning Module is mandatory. Prospective Dealers must score 80% or higher to meet the minimum standards for Dealer approbation.

Allow at least 60 minutes to complete this requirement. You must download and email the Certificate of Dealer Approbation (available upon completion of the module) to confirm you have completed the course.

Step 3 – Once confirmation is verified, a CORE Project Administrator will provide Voucher Processing Center login credentials and add the newly CORE-approved Dealer to the Eligible Equipment Catalog.

CORE approved dealer's responsibilities include but are not limited to:

1. Knowledge of requirements contained within CORE Attachment E and the latest CORE Implementation Manual.
2. Participating in dealer information sessions and dealer webinars.
3. Completing voucher request and voucher redemption forms, with the assistance of the CHC purchaser, and in supplying the necessary CHC purchase documentation.
4. Ensuring access to the correct CHC in the VPC by checking the CORE Eligible Equipment Catalog and notifying the Project Administrator if it appears inaccurate.
5. Issuing the final CHC invoice to the purchaser and delivering the completed CHC to the eligible purchaser. Completed CHC means that a vessel (and shore-side electric charging or zero-emission bunkering equipment if applicable) have been delivered and the vessel is operable.
6. Ensuring invoices must show the CORE voucher amount being provided to the purchaser to discount the purchase of the CHC.
7. Providing true, accurate, and complete documentation of the CHC purchase to the Project Administrator and any designees.
8. Providing reasonable assistance to CARB or its designee to obtain updated purchaser information, inspect CHC, and review CORE related records during the first three years after CHC receipt and final payment by the purchaser, whichever is later.
9. Frequently checking the CORE webpage at CaliforniaCORE.org for updates and announcements.

The voucher request form and voucher redemption form both are legally binding and enforceable agreements to meet the requirements of the project. The dealer is responsible for ensuring the truth, accuracy of the CHC and dealership information on all voucher requests or redemption forms submitted to the Project Administrator. Submission of false information on any of these forms may result in cancellation of the voucher, recapture of funds, and removal from the dealer list. In addition, CARB may seek other remedies available under law.

Participating dealers must keep written records of sales transactions for CHC funded with a CORE voucher – including, but not limited to, the CHC invoice and proof of purchase – for three years after the CHC receipt and final payment by the purchaser, whichever is later. A CHC dealer must provide CARB or its designee with all requested information related to compliance with CORE requirements or any CHC(s) purchased with a CORE voucher within 10 calendar days of CARB's written request for such information. Requested information may include but is not limited to purchase orders or agreements, CHC payment information and related bank records.

A dealer with no voucher activity for more than a year may be deactivated from the VPC. Reactivation may require additional dealer training. All dealers with unredeemed vouchers are required to keep their VPC account active and complete any required training. Dealers that submit false information to the Project Administrator (or its designee) may be required to return the full voucher amount to the Project Administrator, CARB (or its designee) and may be excluded from future participation in CORE. In addition, CARB (or its designee) may seek other remedies available under law. Dealer or manufacturer violations of any parameter of the IM may result in CARB barring or limiting the number of new voucher requests that can be placed by that dealer or manufacturer, and by any other dealers from an affiliated dealership. The length of the restriction is at CARB's sole discretion.

Annual Dealer Training Requirement

- All existing dealers are required to complete the annual refresher training to maintain continued understanding of, and compliance with, current program policies and administrative requirements. The refresher training covers policy updates and administrative changes implemented since the prior program year and incorporated into the most recent version of this Implementation Manual. The refresher training will be distributed by the Project Administrator.
- To maintain account access and eligibility to submit voucher request applications upon project reopening, dealers must complete the required refresher training. Refresher training will be available beginning on the date the Implementation Manual is published.
- Dealers who do not complete the refresher training within this required timeframe will be ineligible to submit new voucher request applications until the training requirement has been satisfied.
- Newly enrolled dealers who have completed the standard enrollment training that includes current policy and administrative updates are not required to complete the annual refresher training for that program year.

K. Project Nonperformance

The CORE Equipment Eligibility Application, voucher request form, and voucher redemption form are legally binding and enforceable agreements. Nonperformance, or failure to comply with CORE terms and conditions may result in suspension from the program dealers, manufacturers, or purchasers; cancellation of a voucher request; recovery of CORE funds; disqualification of equipment and conversion-kit models; and removal from the CORE

Equipment Eligibility List. 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 is determined that such entity has repeatedly violated CORE terms and conditions.

Providing false, inaccurate, or misleading information to CARB, the Project Administrator, or their designees (such as submitting false information to artificially increase the voucher amount) is strictly prohibited. If a participating manufacturer, subcontractor, dealer, or purchaser is found to have submitted false, inaccurate, or misleading information, it may result in suspension from the program; cancellation of a voucher request; recovery of CORE funds; disqualification of equipment and conversion-kit models; and removal from the CORE Equipment Eligibility List. Furthermore, if a violation is found in connection with a single voucher, CARB may, at its discretion, void any or all additional vouchers submitted by the same dealer or associated manufacturer. CARB's enforcement authority includes the ability to suspend or permanently bar future participation in CORE and other CARB funding programs. These actions may be taken regardless of whether the violation was intentional, negligent, or due to failure to meet program requirements.

CORE participation may be restricted for all entities involved in a transaction that led to CARB's determination of misconduct. CARB may pursue other remedies as allowed by 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), equipment durability, product support, project conformance, etc.