

# Clean Transportation Incentives

Fiscal Year 2022-23

Clean Off-Road Equipment Voucher Incentive Project  
(CORE)

## IMPLEMENTATION MANUAL

Released June 01, 2023



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## EXECUTIVE SUMMARY

The Clean Off-Road Equipment Voucher Incentive Project (CORE) ~~as~~ is a program that incentivizes California fleets to purchase or lease cleaner off-road equipment. CORE provides a streamlined voucher process by which potential purchasers can receive funding to help offset the higher cost of cleaner off-road equipment. CORE is similar to the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), which provides incentives for clean trucks and buses.

In 2012, the legislature passed, and Governor Brown signed into law three bills - Assembly Bill (AB) 1532 (Pérez, Chapter 807, 2012), Senate Bill (SB) 535 (De León, Chapter 830), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39, 2012) - 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 will be~~ administered ~~in furtherance of~~ to further the purposes of AB 32 (Nunez, Chapter 488, Statutes of 2006). In 2017, AB 134 (Committee on Budget, Chapter ~~254 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 \$ 4.6 million from FY 2018- 19 GGRF funding appropriated pursuant to SB 856 (Committee on Budget and Fiscal Review, Chapter 30 Statutes of, 2018).<sup>3</sup> In addition, FY 2021-22 Funding Plan<sup>4</sup> allocated \$194.45 million to CORE. This includes \$108.5 million via Low Carbon Transportation, \$86.5 million via the Air Pollution Control Fund, ~~and which includes~~ \$30 million appropriated per in SB 170 (Skinner, Chapter 240, Statues of 2021) to provide incentives for professional landscaping services in California operated by small businesses or sole proprietor to purchase zero-emission small off-road equipment. ~~fund zero-emission small off-road equipment for professional services operated by small businesses and sole proprietors~~

AB 118 (Nunez, Chapter 750, Statutes of 2007) created the Air Quality Improvement Program (AQIP), a voluntary incentive program implemented by CARB, to fund clean vehicle and equipment projects, air quality research, and workforce training. SB 1204 (Lara, Chapter 452, Statutes of 2014) created the California Clean Truck, Bus, and Off-road Vehicle and Equipment Technology Program funded with Low Carbon Transportation Investments, to help accelerate the introduction of the next generation of cleaner heavy-duty vehicles and engines with a priority on projects that benefit disadvantaged communities

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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)

<sup>3</sup> [https://ww2.arb.ca.gov/sites/default/files/2021-10/fy21-22\\_fundingplan.pdf#page=116](https://ww2.arb.ca.gov/sites/default/files/2021-10/fy21-22_fundingplan.pdf#page=116)

<sup>4</sup> [https://ww2.arb.ca.gov/sites/default/files/2021-10/fy21-22\\_fundingplan.pdf#page=116](https://ww2.arb.ca.gov/sites/default/files/2021-10/fy21-22_fundingplan.pdf#page=116)

SB 1403 (Lara, Chapter 370, Statutes of 2018), ~~The extended the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program – and directs CARB to develop an annual framework and plan to guide these investments. The California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program,~~ upon appropriation from the Greenhouse Gas Reduction Fund, funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects. ~~upon appropriation from the GGRF. AB 118 (Nunez, Chapter 750, 2007) established the Air Quality Improvement Program, a voluntary incentive program administered by CARB for the purposes of funding clean vehicle and equipment projects aimed to reduce emissions, among other things, the reduction of criteria air pollutants and improvement of air quality.~~

The Governor ~~has recently~~ highlighted the importance of transitioning to zero-emission transportation technology in his Executive Order N-79-20<sup>5</sup> which calls for 100 percent of off-road vehicles and equipment operations be zero-emission by 2035 where feasible. ~~In furtherance of Promoting this objective, the FY 2022-23 Funding plan<sup>6</sup> allocated \$273 million to CORE from Low Carbon Transportation funds. In furtherance of this objective, FY 2021-22 Funding Plan allocated \$194.45 million to CORE. This includes \$108.5 million via Low Carbon Transportation, \$86.5 million via the Air Pollution Control Fund, and \$30 million appropriated per SB 170 (Skinner, Chapter 240, 2021) to fund zero-emission small off-road equipment for professional services operated by small businesses and sole proprietors.~~

*See more details for SB 170 in attachment D<sup>7</sup>. Interested stakeholders can contact [info@californiacore.org](mailto:info@californiacore.org) for additional information.*

To minimize market disruption and aid in market recovery, ~~\$30~~ \$77 million of the ~~FY 2021-22~~ FY 2022-23 GGRF allocation was appropriated ahead of CARB's Board Meeting (~~Nov. 19, 2021~~ Nov. 17, 2022) to fund vouchers on the contingency list. This aligns with the Contingency Provisions set forth in the FY 2020-21 Funding Plan for Clean Transportation Incentives, which gave authority to CARB's the Executive Officer to immediately allocate limited funding to ongoing voucher and rebate consumer purchase incentive projects to prevent or reduce program interruptions.

~~Pursuant To AB 134 and FY 2017-18 Funding plan, CORE was only applicable to zero-emission freight equipment. However, the FY 2021-22 Funding Plan introduces new heavy-duty off-road eligible categories to CORE, including zero-emission construction, architectural and commercial harbor-craft equipment.~~

CORE, analogous to the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)<sup>8</sup>, is a project intended to encourage California fleets to purchase or lease ~~cleaner~~ zero-emission off-road equipment. CORE 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, with this funding CORE was only applicable to zero-emission freight equipment. The FY

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<sup>5</sup> <https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-Climate.pdf>

<sup>6</sup> [https://ww2.arb.ca.gov/sites/default/files/2022-10/proposed\\_fy2022\\_23\\_funding\\_plan\\_final.pdf](https://ww2.arb.ca.gov/sites/default/files/2022-10/proposed_fy2022_23_funding_plan_final.pdf)

<sup>7</sup> See more details for SB 170 in attachment D. Program details will be published separately from this document

<sup>8</sup> <https://www.californiahvip.org/>

2021-22 Funding Plan ~~introduces~~ introduced new heavy-duty off-road eligible categories to CORE such as zero-emission construction, agricultural and commercial harbor craft equipment. FY 2022-23 plans to continue to fund those eligible categories listed in tables ( 1-13 ).

While the goal of CORE is to help purchasers overcome the incremental cost barrier of ~~cleaner~~ zero-emission off-road equipment, the methodologies developed for determining voucher amount 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. Increased funding is also available for projects that are purchased and deployed by small businesses.

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

1. On- and off-road terminal tractors<sup>9</sup>,
2. Transport refrigeration units,
3. Large forklifts,
4. Cargo handling equipment,
5. Airport cargo loaders and wide-body aircraft tugs,
6. Aircraft ground power units (GPU),
7. Railcar movers and ~~switcher~~ freight locomotives,
8. Construction equipment<sup>10</sup>,
9. Agricultural equipment,
10. Commercial harbor craft (CHC)<sup>11</sup>, and
11. Landscaping equipment.

Current 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:

12. Mobile power unit (MPU)<sup>12</sup>, and
13. Mobile shore power cable management systems.
14. Shore-side electric vessel supply equipment, including hydrogen fueling<sup>13</sup>.

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<sup>9</sup> On-road terminal tractors are included in CORE given their similarity to off-road terminal tractors.

<sup>10</sup> Includes mining equipment.

<sup>11</sup> Equipment that performs work equivalent to an internal combustion powered piece of equipment with  $\geq$  19kW.

<sup>12</sup> Lithium-ion battery energy storage and fuel-cell technology only

<sup>13</sup> Purchasers must be issued a valid CORE CHC voucher to be eligible for a Shore-side electric vessel supply equipment, including hydrogen fueling voucher.

All equipment must be  $\geq 19$  kW to be eligible to participate in the CORE project. MPUs must be  $\geq 40$  kW.

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, July 20, 2020, ~~and~~ May 10, 2022, and July 15, 2022, revisions. The past original and subsequent Implementation Manual modifications can be found at <http://californiacore.org/resources/>

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## A. PROJECT OVERVIEW

### 1. Background

In 2007, Assembly Bill (AB) 118 (Nunez, Chapter 750, Statutes of 2007) created the Air Quality Improvement Program (AQIP), a voluntary incentive program implemented by the California Air Resource 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 Senate Bill (SB) 1018 (Budget and Fiscal Review Committee, Chapter 39), that established The Greenhouse Gas Reduction Fund (GGRF) receive auction proceeds from California's Cap-and-Trade Program<sup>14</sup> and to provide the framework for how the auction proceeds ~~are~~will be administered ~~in~~ ~~the~~ ~~framework~~ ~~to~~ ~~further~~ ~~the~~ ~~purposes~~ ~~of~~ ~~AB~~ ~~32~~ (Nunez, Chapter 488, Statutes of 2006). This includes supporting long-term, transformative efforts to improve public health and develop a clean energy economy. Funding from the GGRF is administrated by several different California agencies, and the investments made are collectively called the 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 (~~De León, Chapter 830, 2012~~), and ~~by~~in AB 1550 (Gomez, Chapter 369, Statutes of 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 project 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, Statutes of 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>15</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, Statutes of 2018). Governor Newsom ~~recently~~ has highlighted the importance of transitioning to zero-emission transportation technology in his Executive Order N-79-20<sup>16</sup>, which calls for 100 percent of off-road vehicles and equipment operations to be zero-emission by 2035 were feasible. To achieve this objective FY 2021-22 Funding Plan allocated \$194.45 million to CORE. This includes \$108.5 million of funding from

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<sup>14</sup> <https://www.arb.ca.gov/cc/capandtrade/capandtrade.htm>

<sup>15</sup> [https://ww2.arb.ca.gov/sites/default/files/2021-10/fy21-22\\_fundingplan.pdf#page=116](https://ww2.arb.ca.gov/sites/default/files/2021-10/fy21-22_fundingplan.pdf#page=116)

<sup>16</sup> <https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-Climate.pdf>

Low Carbon Transportation and \$86.5 million from the Air Pollution Control Fund. CORE includes an allocation of \$30 million appropriated per SB 170 to fund zero-emission small off-road equipment for professional landscaping services operated by small businesses or sole proprietors. In furtherance Consistent with the Governor's and Legislature's budget priorities, the FY 2022-23 Funding plan<sup>17</sup> allocated \$273 million to CORE from Low Carbon Transportation funds.

To minimize market disruption and aid in market recovery, ~~\$30~~ \$77 million of the ~~FY 2021-22 FY 2022-23~~ allocation was appropriated ~~ahead of the CARB Board hearing (Nov. 19, 2021)~~ to fund vouchers on a contingency list. This aligns with the Contingency Provisions set forth in the FY 2020-21 Funding Plan for Clean Transportation Incentives, which gave authority to the Executive Officer to immediately allocate limited funding to ongoing voucher and rebate consumer purchase incentive projects to prevent or reduce program interruptions.

CORE encourages the purchase of off-road freight and other heavy-duty off-road 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 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>18</sup>. This action plan, released in July 2016, includes 3 main targets:

- Improve freight system efficiently 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 annually. ~~quarterly in the first year following project launch, semi-annually the second year, then annually thereafter.~~ When warranted, policy updates ~~to~~will be made through a public process.

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<sup>17</sup> <https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-1>

<sup>18</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)

~~FY 2021/22~~ FY 2022/23 IM Updates. On April 27, 2023 ~~January 18, 2022, and February 17, 2022,~~ CARB staff and the CORE Project Administrator held public work groups to discuss proposed modifications to the IM. A summary of the IM modifications is as followed:

- Section ES-1 & A.2– Language added to describe additional funds allocated to CORE from Fiscal Year 2022-23 funding and other heavy-duty off-road equipment.
- Section ES-3, and through document added new category titled “Shore-side electric vessel supply equipment and hydrogen supply.
- Section ES-3 – all equipment must be equal to or greater than 19kW.
- Pg. 4 – update Attachment D release date to November 7, 2022
- Pg. 11 – added inductive charging to infrastructure enhancements.
- Section C.2 – Within 30 calendar days, not business days, of the completion of the infrastructure, the dealer, on behalf of the purchaser, shall provide the Project Administrator with documentation describing actual costs.
- Section C.3. – Maximum allowable voucher amounts increase from \$500,000 to \$1,000,000 for commercial harbor craft, cargo handling equipment, and locomotives.
- Section C.4. – Updated the equipment category voucher funding totals for the first six months of the program to a dollar per category amount.
- Section C.4. – Updated the Funding Cap Equipment Categories
- Section C.4. – Small business set aside
- C.5.b. – Updated TRU trailer voucher amounts
- C.5.c. – Updated and added large forklift categories and voucher amounts and limits forklifts to minimum 24” load center.
- Section C.5.h. – MPU/GPU equipment must be equal to or greater than 40kWh.
- Section C.5.j. – Added CHC shore power infrastructure voucher table.
- Section C.6. – added manufacture self-purchase not eligible for funds
- Section E.4 – Extended downtime report updated from 30 business days to 30 calendar days and submitted to the Project Administrator.
- Section E.5 – Annual User Experience Report updated from 90 business days to 90 calendar days.
- Section G.1.b. – Business days to calendar days update for vouchers requested for new orders. A voucher request must be submitted with a Purchase Order that has been signed or executed no more than 60 calendar days prior to the voucher submittal date.
- G.1.c. – Commercial harbor craft vouchers can use a Letter of Intent (LOI) in lieu of purchase order.
- G.1.c. – Voucher request submitted with LOI, executed no more than 60 calendar days from business days.
- G.1.c. – CHC must provide Purchase Order (PO) within 730 calendar days of voucher submittal date.
- G.1.d. – Proof of purchase within 365 days.
- G.2.b. – move from 90 business days to 180-365 calendar days to provide unique proof of purchase and expected delivery date.
  - CHC 730 calendar days

- HIN (Hull Identification Number)
- I.1. – CHC vouchers valid for 730 calendar days
- I.2. – Vouchers not renewed prior to extension will expire.
- I.3. – CHC voucher will not be renewed beyond 32 months (945 calendar days)

## 2. Project Description

CORE provides a voucher for fleets ready to purchase clean off-road equipment to receive funding to offset the higher cost of such equipment, similar to the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project<sup>19</sup>(HVIP). Pursuant to AB 134 and the FY 2017-18 Funding Plan, CORE funding was limited to only *freight* equipment powered exclusively by *zero-emission technology*. The FY 2021-22 Funding Plan ~~expanded~~ CORE to cover heavy-duty off-road eligible and commercial harbor craft. Zero-emission professional landscape equipment is now eligible category in CORE, and SB 170 provides funding for California small business or sole proprietor professional landscaping companies. Eligible landscape equipment and programmatic details ~~will be~~ was released on November 7, 2022 in attachment D in the IM.

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

That said, the methodology ~~is~~ 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 for infrastructure expansion and to encourage equipment deployments for small businesses ~~and~~ disadvantage communities, 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. Consistent with section C.3, CORE does not allow the total amount 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

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<sup>19</sup> <https://www.californiahvip.org/>

determined for the affected piece of equipment during the CORE equipment eligibility evaluation process.

Further, purchases 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>20</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 Eligible Equipment Catalog (EEC). The EEC, which is posted on the [CORE website](#),<sup>21</sup> lists all equipment and conversion-kit models eligible for CORE funding.<sup>22</sup>

The EEC 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 EC is continually updated by the Project Administrator as decisions are made by CARB on CORE Equipment Eligibility Applications as the eligibility of existing equipment and conversion-kits models expires.

In addition to the EEC, 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 EEC, a fleet will be able to purchase said model through the CORE voucher process.

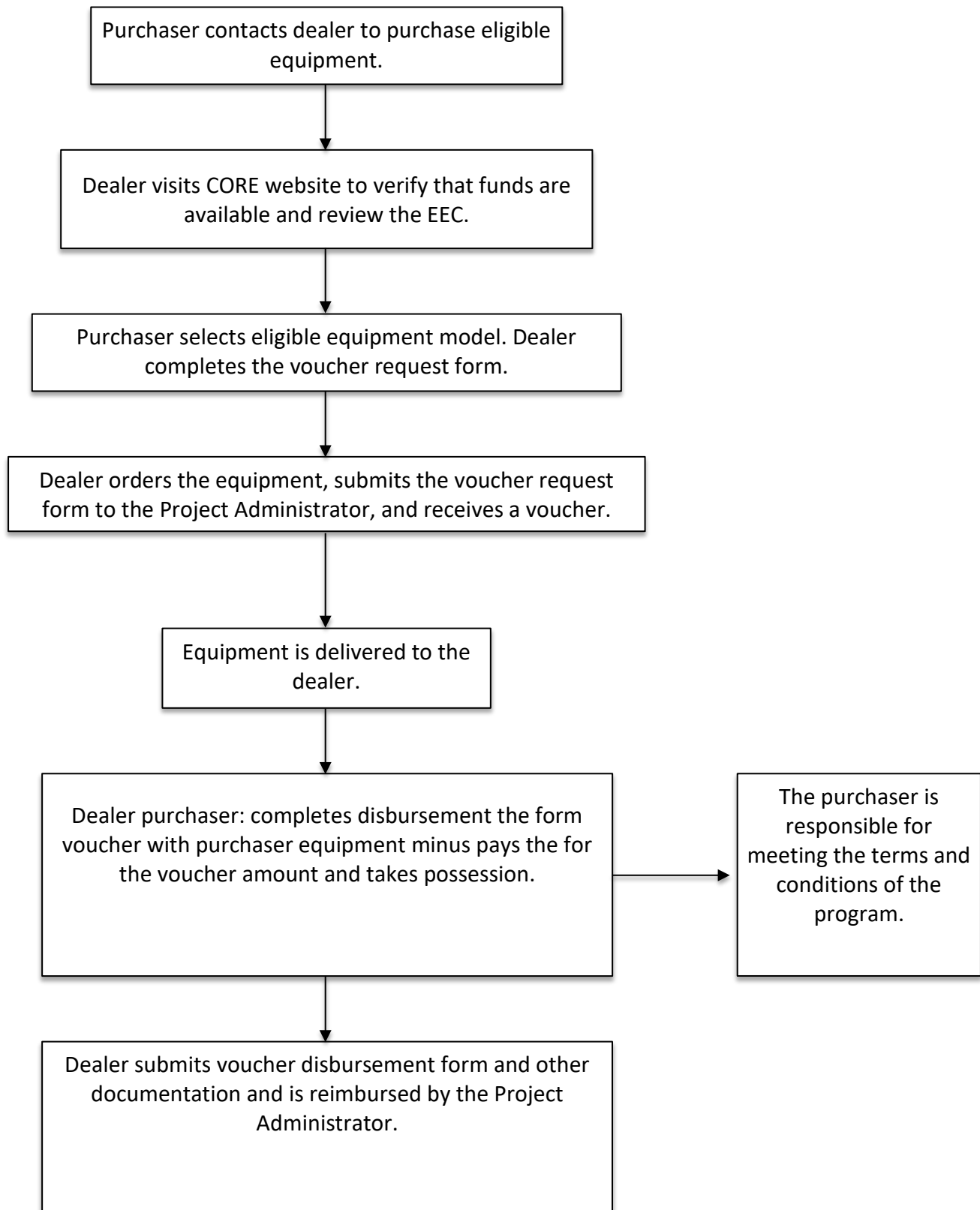
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<sup>20</sup> A conversion kit contains the required components (e.g., battery pack, electric motors, etc.) to “repower” an existing internal-combustion equipment piece with a zero-emission powertrain.

<sup>21</sup> <http://californiacore.org/>

<sup>22</sup> If a model is not listed on the EEC, it is not eligible for CORE funding

Figure 1 illustrates a hypothetical equipment dealer cell and voucher reimbursement 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*.

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 3 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 and California Native American Tribes

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>23</sup> which was developed by the California Office of Environmental Health Hazard Assessment (OEHHA) 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. More information on priority populations, such as those in disadvantaged and low-income communities, is available on *CARB's website*<sup>24</sup>.

CalEPA designated the 25 percent highest scoring census tracts in CalEnviroScreen 4.0 as disadvantaged communities. More information is available at: <http://calepa.ca.gov/EnvJustice/GHGInvest/>. AB 1550 defines low-income communities as “census tracts and households with median household incomes at or below 80 percent of the statewide median income, or with median household incomes at or below the threshold designated as low income” by California Department of Housing and Community Development’s list of State income limits. To support the goal of providing funding in disadvantaged and low-income communities, and to satisfy SB 535 and AB 1550 requirements, CORE provides higher voucher amounts (additional 10 percent of the base voucher amount) for equipment deployed in such communities. In addition, CARB staff will continually assess CORE throughout the project term to ensure sufficient funds are being provided to 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. 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.

For California Native American tribe applicants:

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<sup>23</sup> <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>

<sup>24</sup> <https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>

**Resolution:** ~~An approved resolution or documentation of approval of the project from the tribal council or tribal chairperson before execution of the voucher agreement. A tribal council can refer to the tribal governing body or primary decision making executive, such as President/Governor but must be the highest level leadership within the tribal unit, individually or as a council or funds awarded to a federally recognized tribe, a fund transfer to the Bureau of Indian Affairs (BIA) may be necessary.~~

**BIA Consent:** ~~Suddenly recognized tribal applicants shall obtain via a consent to the applicant's execution and recordation (as applicable) for all required documents are subject to 25 C.F.R. Section 152.34 or 25 C. F. R. Section 162.12, all before execution of the voucher agreement.~~

**Limited Waiver of Sovereign Immunity:** ~~For applicants that are federally recognized tribes or federally recognized tribal controlled entities, all such applicants shall provide an execute a limited waiver of sovereign immunity agreeing to the personal and subject matter jurisdictions of state court for (a) injury that occurs to any person(s) during the performance of the Project; (b) Any claim against the tribe for breach of contract involving the Agreement or performance of the Agreement; or (c) to enforce the indemnification provision of the Agreement. Sovereign immunity waiver language shall be included in the agreement and all regulatory and loan or grant agreements, all of which may be accomplished by incorporating by reference a separately executed sovereign immunity waiver instrument.~~

**Resolution:** Prior to execution of the agreement, all tribal applicants shall provide a resolution from the highest-level leadership within the tribe, such as tribal council or tribal chairperson, (a) approving of the Project, (b) agreeing to comply with the terms of the Agreement, (c) identifying the tribal laws or ordinances providing authority to take relevant actions (where applicable); (d) authorizing the Limited Waiver of Sovereign Immunity (where applicable), and (e) confirming whether Bureau of Indian Affairs (BIA) consent is required (where applicable).

**BIA Consent:** Prior to execution of the Agreement, federally recognized tribal applicants shall obtain BIA consent to the applicant's execution and recordation (if applicable) for all required documents subject to 25 C.F.R. Section 152.34 or 25 C. F. R. Section 162.12 or provide written confirmation that BIA approval is not required pursuant to federal law.

**Limited Waiver of Sovereign Immunity:** Prior to execution of the Agreement, federally recognized tribal applicants and federally recognized tribally controlled entity applicants shall provide an executed limited waiver of sovereign immunity expressly consenting to personal and subject matter jurisdictions of state court with respect to activities performed under the Project for the duration of the Agreement related to: (a) injury that occurs to any person(s) during the performance of the Project; (b) any claim against the tribe for breach of contract involving the Agreement or performance of the Agreement; or (c) to enforce the indemnification provision of the Agreement. Sovereign immunity shall not be a valid defense against tribal employees or elected officials in that person's individual capacity with respect to the Project.

Sovereign immunity waiver language shall be included in the Agreement, any sub-agreements, or loan agreements, all of which may be accomplished by incorporation by reference. The



limited waiver of sovereign immunity does not waive sovereign immunity as to any third party and does not grant rights or interests to any third party. Relief for claims arising under the Agreement shall be limited to injunctions, monetary relief, and orders for specific performance, including the replacement, as applicable, of funds, but does not include punitive or interest damages, nor attorney fees.

## B. ELIGIBLE EQUIPMENT TYPES

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

- Zero-emission
- Commercial-ready; and
- Commonly used in freight applications and other heavy-duty off-road sectors such as agriculture, construction, and commercial harbor craft.

Specifically, CORE focuses on the following types of zero-emission equipment<sup>25</sup>:

- On- and off-road terminal tractors;<sup>26</sup>
- Transport refrigeration unit (TRU);<sup>27</sup>
- Large forklifts (8,001 pounds or greater lift capacity);
- Cargo handling equipment with a lift capacity of 33,100 pounds or greater (rubber-tired gantry (RTG) cranes, straddle carriers, reach stackers, side picks, and top picks);
- Airport cargo loaders;<sup>28</sup>
- Wide- body aircraft tugs;
- Aircraft ground power units (GPU);<sup>29</sup>
- Railcar movers and ~~switcher~~ freight locomotives;
- Construction equipment (excavators, dozers, skid-steers, loaders, back hoes, mining equipment and other construction equipment types);
- Agricultural equipment (agricultural harvesting equipment and agricultural tractors);
- Commercial harbor craft;<sup>30</sup>
- Small off-road landscaping equipment.

In addition, zero-emission conversion kits for the following CORE-eligible equipment types are also eligible for CORE vouchers: terminal tractors, cargo handling equipment, airport cargo loaders,

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<sup>25</sup> Equipment with a petroleum-fueled range extender, auxiliary power system, or heating system is not eligible for CORE.

<sup>26</sup> On-road terminal tractors are included in CORE given their similarity to off-road terminal tractors.

<sup>27</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>28</sup> Curb weight of 50,000 pounds or greater.

<sup>29</sup> Lithium-ion battery energy storage and fuel-cell technology only.

<sup>30</sup> Vessel types subject to the CHC Regulation (17 CCR 93118.5); vouchers available for equipment that performs work equivalent to an internal combustion powered piece of equipment with  $\geq 19\text{kW}$

~~switcher freight~~ locomotives, commercial harbor craft and other applications as submitted for eligibility.

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:

1. Mobile power units (MPU);<sup>31</sup> and
2. Mobile shore power cable management systems; and
3. Shore-side electric vessel supply equipment, including hydrogen fueling<sup>32</sup>.

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

Per AB 134, CORE cannot fund projects for fully automated cargo handling equipment (CHE), “for projects for ships at berth. Funds available under this subdivision (a) shall not be allocated for the purchase of fully automated cargo handling equipment.” Fully automated CHE means that the equipment is not directly human operated, which includes off-site human control. Human operators must either be on the piece of CHE or tethered to the piece of equipment and must control the CHE’s function with a clear line of sight or be positioned within 100 feet of the piece of CHE 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. 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 a small business and/or deployment in disadvantaged and low-income communities (if applicable); and infrastructure enhancement(s) (if applicable).

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,

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<sup>31</sup> Lithium-ion battery energy storage and fuel-cell technology only.

<sup>32</sup> Purchasers must be issued a valid CORE CHC voucher to be eligible for a Shore-side electric vessel supply equipment, including hydrogen fueling voucher.

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 represent 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**

### **Additional Funding for Small Business and/or Deployments in Disadvantaged and Low-Income Communities**

For a piece of equipment or conversion kit purchased by a small business (defined as in Government Code Section 14837 (d) (1) (A)) to be deployed or domiciled within a disadvantaged community (DAC) or low-income community for the entire duration of its project participation period, an additional 25 percent of the model-specific base voucher amount is available. (10 percent is available for deployments in DACs/low-income communities and 15 percent is available if the purchaser is a Small Business). The two additional voucher enhancements are cumulative for a total eligible enhancement of 25 percent.

For on-road terminal tractors (including conversions of such equipment), TRUs, and other mobile equipment types 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., up to the additional 25 percent) based on the actual time the piece of equipment was deployed/domiciled in a disadvantaged or low-income community.

Purchasers who are unsure of their small business designation, or who may need to relocate the equipment outside of a low-income or DAC community are encouraged to waive their voucher enhancements, to avoid the possibility of non-compliance.

#### Small Business Definition:

Government Code Section 14837 (d) (1) (A) defines “Small business” ~~as: means an~~ [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, has 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or is a manufacturer, as defined in subdivision (c), with 100 or fewer employees. Commencing January 1, 2019, the average annual gross receipts threshold shall be fifteen million dollars (\$15,000,000).

#### 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). If this information is not available, provide a letter of explanation to [CaliforniaCORE@tetrattech.org](mailto:CaliforniaCORE@tetrattech.org) within 30 calendar days of the voucher request.

#### Infrastructure Enhancement:

CORE offers a voucher enhancement to offset certain costs associated with the purchase and installation of electric vehicle supply equipment (EVSE) units, inductive charging, and hydrogen fueling infrastructure<sup>33</sup>. 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 business calendar

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<sup>33</sup> Shore-side electric vessel supply equipment, including hydrogen fueling vouchers are not eligible for an infrastructure enhancement.

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>34</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.

When multiple equipment vouchers and multiple infrastructure enhancements are requested by the same purchaser these may be combined to purchase fueling systems according to user needs as long that the final system fuels the same number of equipment units at similar or greater power levels. Any third party to the infrastructure purchase, who is not party to the equipment purchase (for example property owners or financing companies) must be listed on the infrastructure enhancement voucher request form.

### 3. Maximum Allowable Voucher Amount

CORE vouchers (including additional funding provided for small business, equipment deployment in disadvantaged or low-income communities and the infrastructure enhancement) are capped at \$500,000 (\$1,000,000 for CHC, CHE, and locomotives). That is, no individual voucher can exceed \$500,000 (\$1,000,000 for CHC, CHE, and locomotives) or exceed the total cost of the equipment (excluding taxes and fees).

Commercial harbor craft vouchers are per vessel and must not exceed \$1,000,000 including additional funding provided for small business, equipment deployment in disadvantaged or low-income communities and infrastructure enhancement.

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).

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<sup>34</sup> Trailer-mounted fuel-cell TRUs and all truck-mounted TRUs are limited to one infrastructure enhancement per voucher.

#### 4. Category Funding Caps

In order to promote broad application of CORE funding, individual equipment types have been grouped into funding categories. Funding categories will be funded equally with available funding. And no one category may receive more than 20 percent \$XX.XX Funding categories allocations will be reserved for the first six months after the annual program launch (i.e., the date the Project Administrator begins accepting voucher requests). ~~of total CORE voucher funding within the first six months after the annual program launch (i.e., the date the Project Administrator begins accepting voucher requests).~~ For the purposes of this funding cap, nine 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 contingency list until the cap is lifted. If funding caps for equipment categories are lifted, projects deployed in DACs and/or operated by a small business will be prioritized to receive funding. 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, modify, or eliminate any contingency lists. For example, if funding is available to fund only portions of a contingency list, prioritization for projects deployed in DACs and/or operated by small businesses will be implemented. Any changes to a contingency list would be made in consultation with the Project Administrator.

##### Small Business Funding Set Aside

To promote broad application of CORE funding, \$10 million of funding will be set aside for 180 calendar days to ensure small businesses have access to participate.

- If the small business funding set aside is not committed during the first 180 calendar days, it will be released to all eligible purchasers.
- If during the first 180 calendar days, the small business funding set aside is oversubscribed, all voucher requests in surplus of \$10 million will have access to the remaining funds in each category.
- If during the first 180 calendar days the small business set aside and the equipment funding category is oversubscribed, vouchers will be placed on a 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, modify, or eliminate any contingency lists. CARB will continue to evaluate needs for the funding set aside after the first 180 calendar days.

CARB will continue to evaluate need in the funding set aside after the first 180 calendar days.

The Funding Cap Equipment Categories are:

1. Terminal tractors (both on- and off-road);
2. TRUs (both truck- and trailer-mounted);
3. Large forklifts; ~~and Cargo handling equipment;~~

4. Cargo handling equipment;
5. Airport ground support equipment (airport cargo loaders, wide-body aircraft tugs, and aircraft GPUs);
6. Railcar movers and ~~switcher~~ freight locomotives;
7. Mobile Power Units (MPU), and mobile shore power cable management systems;
8. Mobile shore power, Shore-side electric vessel supply equipment, including hydrogen fueling;
9. Construction equipment (excavators, dozers, skid-steers, loaders, back hoes, and other construction equipment types);
10. Agricultural equipment (agricultural harvesting equipment, agricultural tractors, and other agricultural equipment); and
11. Commercial harbor craft .

Note: CARB reserves the right to adjust any caps within the six-month period or extend the cap period beyond six months, if warranted. Infrastructure, DACs, and small business requests are included in category caps.

## 5. Voucher Amounts by Equipment Type

The tables in this section set forth the voucher amounts for the eligible equipment types of CORE and infrastructure enhancement amounts (conversions of such equipment types, if applicable). Purchasers may be eligible for an enhancement of 10% of the base voucher amount for equipment deployed in disadvantaged and/or low-income communities. Purchasers may be eligible for an enhancement of 15% of the base voucher amount for equipment operated and purchased by a small business. Enhancements are cumulative and are added to the base voucher amounts.

Note: All CORE vouchers, including the additional funding for disadvantaged and low-income communities, small business deployment and infrastructure enhancement, are capped at \$500,000 or \$1,000,000 depending on equipment type. Additionally, CORE does not fund equipment attachments beyond what is standard equipment.

**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	\$120,000
	Battery-Electric Conversion Kit	\$100,000
	New Fuel-Cell Tractor or Conversion Kit	Up to \$200,000
Infrastructure Enhancement	Charging < 50kW	\$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 will 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 Tractor	Up to \$50,000
	New Trailer-Mounted TRU	<del>Up to</del> \$65,000
Infrastructure Enhancement	Charging	\$3,000**
	Hydrogen Fueling	\$9,000

\* TRU's less than 19kW can be funded

\*\*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 with minimum 24” load center. Base voucher amounts will not exceed the incremental cost of the equipment.

<b>Table 3: Large Forklifts</b>		<b>Amount (\$)</b>	
Base Voucher	New Forklift 8,001-12,000 Pound Lift Capacity	<del>Up to</del> \$15,000	
	New Forklift 12,001-20,000 Pound Lift Capacity	<del>Up to</del> \$20,000	
	New Forklift 20,001- <del>33,000</del> <u>29,999</u> Pound Lift Capacity	<del>Up to</del> \$90,000	
	<u>New Forklift</u> <u>30,000-34,000 Pound Lift Capacity (@24” Load Center)</u>	<u>\$120,000</u>	
	<u>New Forklift</u> <u>34,001-36,000 Pound Lift Capacity (@24” Load Center)</u>	<u>\$190,000</u>	
	<u>New Forklift</u> <u>34,001-36,000 Pound Lift Capacity (@36” Load Center)</u>	<u>\$220,000</u>	
	<u>New Forklift</u> <u>34,001-36,000 Pound Lift Capacity (@48” Load Center)</u>	<u>\$240,000</u>	
	<u>New Forklift</u> <u>Lift Capacity &gt; <del>33,000</del> Pounds</u> <u>Lift Capacity &gt; 36,001 Pounds</u>	Up to \$500,000	
Infrastructure Enhancement	Charging < 50kW		\$3,000
	Charging ≥ 50 kW	≤ 20,000 Pound Lift Capacity	\$3,000
		>20,000 Pound Lift Capacity	\$30,000
	Hydrogen Fueling		\$30,000

**d) Cargo Handling Equipment**

Table 4, below, sets forth the voucher amounts for cargo handling equipment. Cargo 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.

<b>Table 4: Cargo Handling Equipment</b>		<b>Amount (\$)</b>
Base Voucher	New Equipment or Conversion Kit >33,000 Pound Lift Capacity	Up to <del>\$500,000</del> <u>\$1,000,000</u>
Infrastructure Enhancement	Charging < 50kW	\$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 will 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 10,000-20,000 Pound Capacity	Up to \$50,000
	New Equipment or Conversion Kit >20,000 Pound Capacity	Up to \$100,000
Infrastructure Enhancement	Charging < 50kW	\$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 will 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
Infrastructure Enhancement	Charging < 50kW	\$3,000
	Charging ≥ 50 kW	\$30,000
	Hydrogen Fueling	\$30,000

**g) Railcar Movers and ~~Switcher~~ Freight Locomotives**

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

<b>Table 7: Railcar Movers and <del>Switcher</del> Freight Locomotives</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 <del>\$500,000</del> <u>\$1,000,000</u>
Infrastructure Enhancement	Charging < 50kW	\$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 will not exceed the incremental cost of the equipment. Equipment must be ≥ 40kWh to be eligible for CORE vouchers.

<b>Table 8: MPUs and GPUs</b>		<b>Amount (\$)</b>
Base Voucher (New Equipment Only)	Battery-(Lithium)*	\$400 / kWh up to \$300,000 total
	Fuel Cell	Up to \$300,000
Infrastructure Enhancement	Charging < 50kW	\$3,000
	Charging ≥ 50 kW	\$30,000
	Hydrogen Fueling	\$30,000

\*Grid tied or tethered MPU or GPU are not CORE eligible

\*\*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.

<b>Table 9: Mobile Shore Power Cable Management Systems (6.6 kV Load Minimum; Land-Side Only)</b>	<b>Amount (\$)</b>
Base Voucher	Up to \$500,000
Infrastructure Enhancement	Not Applicable

**j) Commercial Harbor Craft Shore-Side Electric and Hydrogen Fueling Vessel Supply Equipment**

Table 10, below, sets forth the voucher amounts for commercial harbor craft shore power supply base vouchers. Only shore power supply systems associated with commercial harbor craft are allowed. Shore power and charging components only.

<b><u>Table 10: Commercial Harbor Craft Shore Energy Storage System Base Voucher*</u></b>	<b><u>Amount (\$)</u></b>
<u>&lt;99kW Shore Power Base Voucher</u>	<u>\$75,000</u>
<u>&gt;99kW Zero Emission Advanced Technology Charging Infrastructure Base Voucher</u>	<u>\$100,000</u>
<u>Hydrogen Fueling</u>	<u>\$100,000</u>
<u>Infrastructure Enhancement</u>	<u>Not Applicable</u>

\* Purchasers must be issued a valid CORE CHC voucher to be eligible for a Shore-side electric vessel supply equipment, including hydrogen fueling voucher.

**k) Construction Equipment**

Table 11, below, sets forth the voucher amounts for construction equipment. Construction equipment includes excavators, dozers, skid-steers, loaders, back hoes, and other construction equipment deemed eligible by CARB. Construction equipment does not include scissor lifts. Base voucher amounts will not exceed the incremental cost of the equipment.

<b><u>Table 11: Construction Equipment</u></b>		<b><u>Amount (\$)</u></b>
Base Voucher	New Equipment or Conversion Kit ≥ 19 kW Internal Combustion Equipment Powered Equivalent	Up to \$500,000
Infrastructure Enhancement	Charging < 50kW	\$3,000
	Charging ≥ 50 kW	\$30,000
	Hydrogen Fueling	\$30,000

**l) Agricultural Equipment**

Table 12, below, sets forth the voucher amounts for agricultural equipment. Agricultural equipment includes agricultural harvesting equipment, tractors, and other equipment used in agricultural operations. Agricultural equipment does not include All Terrain Vehicles

(ATV) or Utility Terrain Vehicles (UTV). Base voucher amounts will not exceed the incremental cost of the equipment.

<b>Table 12: Agricultural Equipment</b>		<b>Amount (\$)</b>
Base Voucher	New Equipment or Conversion Kit ≥ 19 kW Internal Combustion Equipment Powered Equivalent	Up to \$500,000
Infrastructure Enhancement	Charging < 50kW	\$3,000
	Charging ≥ 50 kW	\$30,000
	Hydrogen Fueling	\$30,000
	Extra Battery*	\$400/kWh up to <del>\$30,000</del> <u>\$20,000</u>

\*Lithium-ion battery only

**m) Commercial Harbor Craft**

Table 13, below, sets forth the voucher amounts for commercial harbor craft vessel equipment. Commercial harbor craft includes vessel types subject to the CHC Regulation (17 CCR 93118.5). Base voucher amounts will not exceed the incremental cost of the equipment.

<b>Table 13: Commercial Harbor Craft*</b>		<b>Amount (\$)</b>
Base Voucher	New Equipment or Conversion Kit ≥ 19 kW Internal Combustion Powered Equivalent	Up to <del>\$500,000</del> <u>\$1,000,000</u>
Infrastructure Enhancement	<del>Charging &lt; 50kW</del>	<del>\$3,000</del>
	<del>Charging ≥ 50 kW</del>	<del>\$30,000</del>
	<del>Hydrogen Fueling</del>	<del>\$30,000</del>

\* Purchasers are eligible for Shore-side electric vessel supply equipment, including hydrogen fueling if a valid CORE CHC voucher has been issued.

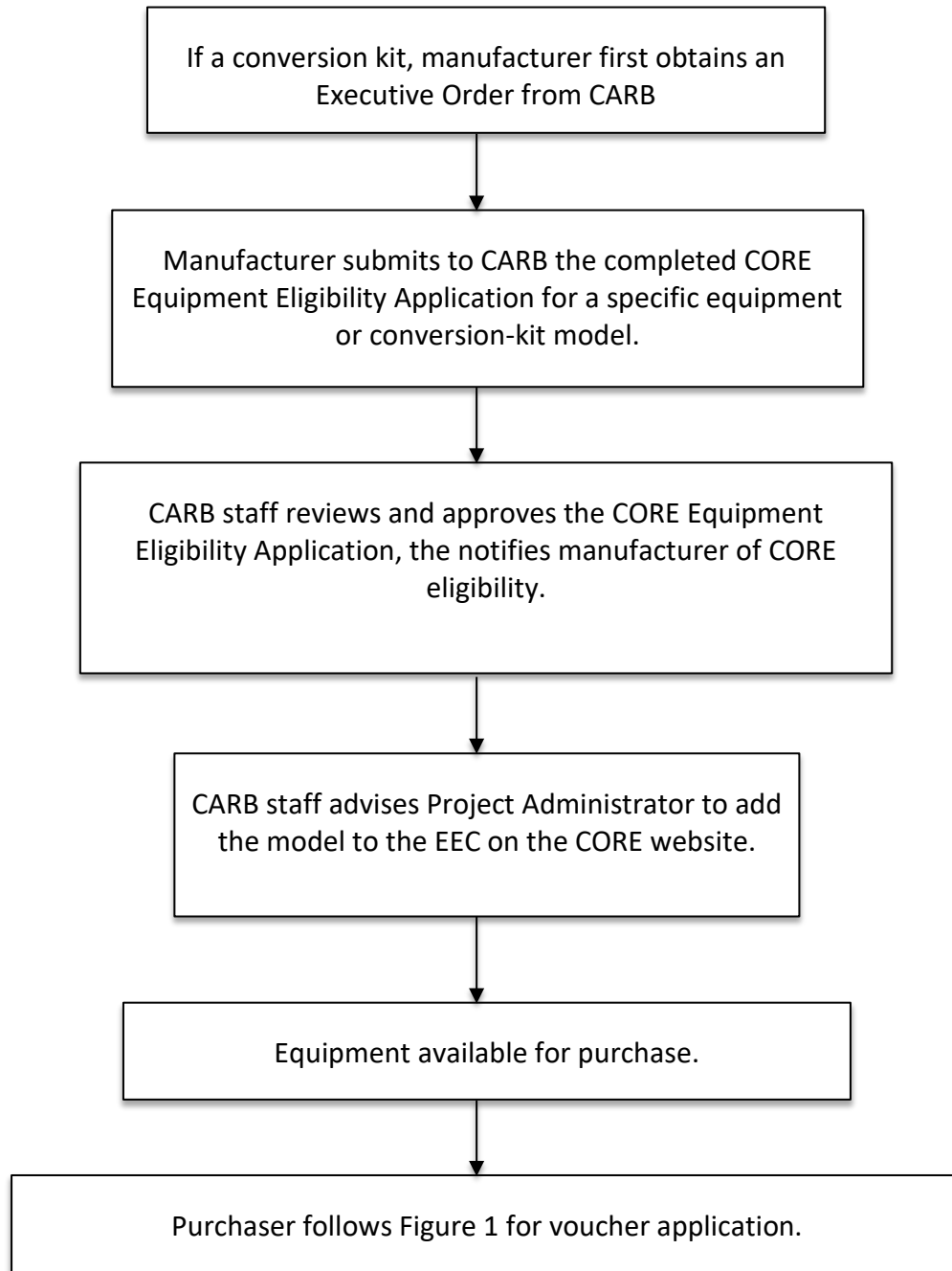
**6. Manufacturer Self-Purchase**

Manufacturers are not eligible for CORE vouchers. 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 and are not eligible for CORE voucher funding.

## 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. If equipment is >20 years old, CARB will review on a case-by-case basis.
- e. Conversion-kits installation in commercial harbor craft is eligible if:
  - i. The vessel's registration is current; and
  - ii. 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.
- f. 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, or vessel ~~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.
  - iii. For a conversion-kit model, all components of the conversion kit as well as all the work and equipment, chassis, or vessel ~~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, or vessel ~~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, or vessel (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.
- g. 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.

- h. 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>35</sup>:
- i. Cumulative Time in Use (hours),
  - ii. Cumulative Energy Used (kWh),
  - iii. Percent of Time Operating in (%)<sup>36</sup>:
    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.
  - 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.

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<sup>35</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>36</sup> 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>

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 EEC 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 year.

## E. MANUFACTURER AND 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, 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;
  - iv. An entity authorized by a manufacturer to sell and install the manufacturer’s conversion-kit model(s); and
  - v. General Services Administration (GSA) Dealers - GSA approved means that a company or organization is allowed to sell products or services to the U.S. government through a GSA Schedule contract. GSA Schedules are multiple-award Indefinite Delivery, Indefinite Quantity (IDIQ) contracts providing federal, state, and local government access to over 11 million products and services. Entities may use GSA vendors, but the vendors must register as CORE certified dealers and must be listed in the CORE voucher request.
- 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; and
    - vi. Maintaining written records of purchase transactions and providing CARB, the Project Administrator, or their designee with these records within 30 calendar 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.

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 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 may include, at a minimum:

- i. An assessment of the structural integrity of the equipment or chassis, or vessel
- ii. Warranty repair records, and
- iii. Serviceability and performance limitations impacted by age and condition of equipment, and
- iv. Valid US Coast Guard Certificate of Inspection (COI)

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 ~~business~~ calendar days for repair (or multiple individual repairs that cumulate to 30 ~~business~~ calendar 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 ~~business~~ calendar days following the completion of the repair of the failure that resulted in the exceedance of the 30-day threshold and submitted to the Project Administrator. 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 Report

The manufacturer shall be responsible for working with purchasers to develop an Annual User Experience Report each 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 ~~business~~ 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 calendar 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 200 usage hours annually (three-year average) during the project participation period. For MPUs, hours of operation are 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 meet the 200-hour usage condition.

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 calendar 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 calendar 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. All equipment purchased through CORE is required to perform specific activities such as freight or support freight activities, construction, agricultural or commercial harbor craft 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, inaccurate, 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 must be requested for new orders. A voucher request must be submitted with a Purchase Order that has been signed or executed no more than 60 ~~business~~ calendar days prior to the voucher submittal date.
- c. Government entities ~~and~~ public agencies and commercial harbor craft purchasers may submit a Letter of Intent (LOI) in lieu of a Purchase Order when procurement policies are prohibitive. A voucher request must be submitted with a LOI that has been signed or executed no more than 60 ~~business~~ calendar days prior to the voucher submittal date. The purchaser must provide the Purchase Order within ~~90 business~~ 365 calendar days of the voucher submittal date. Commercial harbor craft purchasers must provide the Purchase Order within 730 calendar days of the voucher submittal date. A Voucher will not be issued until a Purchase Order is submitted.

“Government entity” means and includes every public office, public officer or official, institution, board, commission bureau, council, department, authority, or other unit of government of the State or any county, unit, special district, or other political subdivision of government.

- d. 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 ~~90 business~~ 365 calendar days of the voucher submittal date. ~~A Voucher will not be issued until a Purchase Order is submitted.~~
- e. 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 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 the law.

## 2. Voucher Request Process

A CORE voucher may be requested for an eligible equipment or conversion-kit model (listed on the EEC) ordered or purchased by a specific purchaser (i.e., fleet). All applicable information and documentation listed in the Voucher Processing Center, and information supporting applicable voucher enhancements, must be provided within the specified time frames in order for the voucher request to be deemed complete.

### 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. 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.

~~For the first 5 business days from when VPC begins accepting voucher requests, submitted requests will not be assigned a status of funded or unfunded. On business~~

day 6, the VPC will check for duplicate voucher requests and duplicates will be removed. Duplicates are defined as two voucher requests, or two separate batches of voucher requests, for the same purchaser, vehicle type, vehicle model, and vehicle domicile location. If two or more duplicate batches of different quantities are submitted, the smaller will be removed from the queue. Voucher requests will be grouped and funded as a batch, if applicable. A batch includes more than one vehicle requested with the same purchaser, vehicle type, vehicle model, and domicile location. A batch will be assigned one "group" number, not multiple numbers for each vehicle in the batch, and all vouchers in the batch associated with the assigned group number will receive funding according to that position in the queue.

During these first 5 business days, if voucher requests received are greater than the funding cap for any given equipment category (i.e., terminal tractors within the first 5 business days of accepting new requests via the VPC), prioritization will be implemented. A voucher request may be prioritized to receive funding to ensure that small businesses and purchasers deploying zero-emission equipment in disadvantage/low-income communities have an opportunity and access to funding via the CORE program. Again, submitted requests will not be assigned a status of funded or unfunded until the prioritization process is complete. At which time dealers and purchasers will be notified of their funding status. The process of applying the prioritization will be conducted by the Project Administrator and overseen by CARB staff. Any eligible requests not allocated funding via the prioritization process will then remain on a contingency list as stated in the Implementation Manual.

#### Prioritization Example:

The Voucher Processing Center begins accepting voucher requests. The requests received for an equipment category does exceed the available funds within the first 5 business days. Voucher requests that are from a small business and/or are to be deployed in a disadvantaged/low-income community will be funded first based on the timestamp. If funds are available after small business and/or disadvantaged/low-income communities vouchers have been funded, voucher requests that are not from a small business or to be deployed in disadvantaged/low-income communities will be funded based on the timestamp. All voucher requests in surplus of the equipment category funding caps will be placed on a contingency list as stated in the Implementation Manual.

If the cumulative dollar value of all requests received during the first 5 business days is less than the amount of available funds for any given equipment category. First come first served will be implemented for each individual equipment category that does not meet this condition. Submitted requests will be administered on a first come first serve basis. At that time, dealers and purchasers will be notified of their funding status.

- ~~Funds will be assigned in the order the requests were received, based on the timestamp (first come first serve). If a batch is requested, funding will be assigned for all requests in the batch (if funds are available).~~
- ~~After funding has been allocated to a request, the initial review of the voucher will commence as specified in this Implementation Manual.~~
- ~~Funding will continue until the equipment category has reached the funding cap or until six months from the original voucher request opening date has occurred whichever occurs first.~~
- ~~Once the funding for a particular category has reached its cap, new voucher requests for that equipment category (including conversions of that equipment type) will be placed on a contingency list until the cap is lifted by the Project Administrator and CARB. When funding caps for equipment categories are lifted, projects deployed in disadvantaged/low income communities and/or operated by a small business will be prioritized to receive funding.~~

~~First-Come First-Serve Example:~~

~~The VPC starts accepting voucher requests. If the requests received for an equipment category does not exceed the available funds within the first 5 business days, then all vouchers will be assigned a status of funded based on the timestamp (first come first serve). After the initial 5 business days, once the funding cap for an equipment category has been reached or six months has passed from the first day that vouchers were accepted, the VPC will stop accepting voucher requests.~~

**b. Equipment Validation Information**

The dealer must provide to the Project Administrator:

- i. ~~within 90 business~~ 180 - 365 calendar days of the electronic voucher request, the vehicle identification number (VIN), hull identification number (HIN), or serial number that uniquely identifies the equipment piece and/or conversion kit, and the expected delivery date.
- ii. within 730 calendar days of the electronic voucher request, commercial harbor craft dealers must provide the hull identification number (HIN that uniquely identifies the equipment piece and/or conversion kit, and the expected delivery date.
- iii. This information confirms that the dealer has made an order. The VIN, ~~or~~ serial number or HIN must match the equipment piece and/or conversion kit identified on the voucher request in order to redeem the voucher.
- iv. 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.

### **c. 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 calendar days of such determination. Any rejections will include the reason for a rejected voucher request.

### **4. Voucher Wait List**

The VPC will maintain a contingency list 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. If funding caps for equipment categories are lifted, projects deployed in disadvantaged/low-income communities and/or that are operated by a small business will be prioritized to receive funding. However, there is no guarantee that a voucher application on a contingency list will receive funding, and CARB reserves the right to cancel a contingency list.

## **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, if applicable.
  - 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 email 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 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 the 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~~ 5 business days from the time the eligible voucher redemption form and all associated documentation are received and approved by the Project Administrator. If the voucher payment is delayed for more than ~~ten~~ 10 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.

Upon request from both dealer and purchaser, voucher checks can be made payable to a third party, for example directly to purchaser in the case of equipment, or directly to the property owner, in the case of infrastructure enhancements. These requests will be evaluated on a case-by-case basis and CARB or the Project Administrator may request additional supporting documentation.

## 3. Voucher Redemption Request Appeals

A formal letter of appeal, postmarked within 30 ~~business~~ 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 false, inaccurate, misleading, or inadequate, and CARB's decisions are final and binding.

## I. VOUCHER RENEWALS

1. Vouchers are valid for 1 year from the date issued by the Project Administrator. In certain cases, 1 year 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, which extends the voucher for up to 8 months. Commercial harbor craft vouchers are valid for 730 calendar days.
2. Vouchers not renewed ~~within a 1-year period~~ prior to their expiration will be deemed expired, and the requested funds will be allocated to the next eligible participant
3. Vouchers can be renewed once for up to 8 months, no voucher can be renewed beyond a 20-month period (608 calendar days) from the voucher created date. Commercial harbor craft voucher will not be renewed beyond 32 months (945 calendar days) from the voucher created date. ~~Of the original electronic voucher request through the modification of the electronic voucher record online.~~



## J. RESALE OF EQUIPMENT WITHIN THE PROJECT PARTICIPATION

### 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. Resell 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~~ 7 business 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~~ 7 business 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 ~~business~~ 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 Fund

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 CORE terms and conditions (rounded to the nearest month):

Forfeited Voucher Amount =

$(\text{Original Voucher Amount} \div 36 \text{ Months}) \times (36 - \text{number of months since equipment purchase date})$ .

In addition, CARB reserves the right to pursue all remedies available under the law for noncompliance with the CORE requirements, terms and conditions.

## 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.

Any equipment rental/leasing company acquiring equipment with the intention of leasing or renting funded equipment for a term less than three years shall be considered the purchaser and must comply with CORE purchaser terms and conditions.

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 with 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.

Equipment manufactures will not be allowed to rent or lease their own zero-emission equipment.

## **L. 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 eligible for CORE funding on a case-by-case basis if the battery lease term is a minimum of three years. If applicable, the battery leasing must be part of an equipment voucher and this arrangement shall be indicated on the voucher request form.

## **M. 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, 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 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 is found to have provided false, inaccurate, 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, inaccurate, 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.

## **N. 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 the Clean Off-Road Equipment Voucher Incentive Project (CORE). Please direct any questions regarding the CORE Equipment Eligibility Application to ~~Matthew Diener~~ Eloy Florez, Air Pollution Specialist, at [matthew.diener@arb.ca.gov](mailto:matthew.diener@arb.ca.gov) [Eloy.Florez@arb.ca.gov](mailto:Eloy.Florez@arb.ca.gov) or (951) 542-3145. Please email completed applications to [core@arb.ca.gov](mailto:core@arb.ca.gov).

Please submit one CORE Equipment Eligibility Application per equipment model name, per 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. If a manufacturer has a family of equipment models they wish to group for submission for program eligibility, this is allowed, but please contact staff to discuss before preparing the application and/or submitting.

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 (Gov. Code §§ ~~6250~~7920.000 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 U.S.C. §§ 7401 et seq.) and in federal regulation (Cal. Code of Regs., tit. 17, § 91010) 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 & Saf. Code, §39660, ~~sub~~subd(e)(2)).

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Trade secrets as defined in Government Code section ~~6254.7~~ 7924.510 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 falls within the definition of trade secrets (Gov. Code § ~~6254.7(e)~~ 7924.510(d)). On the other hand, the information used in calculating emission information may be considered a trade secret (Gov. Code § ~~6254.7(e)~~ 7924.510(d)).

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 contacted if CARB receives a request for disclosure or seeks to disclose the data claimed to be confidential (Cal. Code of Regs, tit. 17, § 91011). 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 records 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 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 from CORE.

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

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.

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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;<sub>7i</sub>
  - ii. Federal Tax Identification Number;<sub>7i</sub>
  - iii. Name and Title of Contact Person;<sub>7i</sub>
  - iv. Contact Person Mailing Address;<sub>7i</sub>
  - v. Contact Person Phone number;<sub>7i</sub> and
  - vi. Contact Person Email Address.
- d. Model Number(s), 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 complete, 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; and
- 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)

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- ii. Section B-Subparts 1 through 9 (bolded headers only)
- 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 power train information:
  - i. Technical and physical description of the zero-emission power train;
  - 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 throughout, 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 Automotive Engineers standard, wired/wireless, etc.), and the controller area network protocol (e.g., Society of Automotive Engineers Standard J1939);
- h. Forklift description:
  - i. Lift capacity; and
  - ii. Load center;
- i. Sample equipment identification label(s);
- j. If a conversion kit,
  - i. CARB Executive Order Number; and

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- 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 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 specific equipment categories. The EEC will indicate the battery capacity for the purposes of CORE funding and whether the indicated is the rated, advertised, and/or usable energy capacity.

### 5. Cost Information

The manufacturer must provide the following cost information:

- a. The manufacturer's suggested retail price of the equipment/conversion-kit model for the previous two years (if applicable);
- b. Dealers invoice price of the equipment/conversion-kit model for the previous two years (if applicable);
- 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; and
- 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.



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

## **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**

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**

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- 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 (dashboard warning lights) 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.

### **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 covering installation and repair of the conversion-kit model.

**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 a 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 200 hours annually, for the project participation period (three-year average);
- 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;
- 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 calendar 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 Sections E.7, Telematics Reporting, and D.2.g of the

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CORE Implementation Manual. Such information could include aggregated data on the equipment's location to determine operating time within disadvantaged and low-income communities; and

- n. For equipment purchased through CORE designated as freight equipment, the purchaser must provide assurances the equipment will perform or support freight activities. For all other off-road eligible equipment types in CORE the purchaser must provide assurances the equipment will perform or support off-road activities.
2. The information provided for this voucher request, including all supporting documentation, is complete, true, and correct.
3. I have the legal authority to apply for incentive funding for the purchasing entity described in this agreement.
4. I understand that I may only tack or combine CORE funding with other public funding programs if the total received funds do not exceed the equipment cost.
5. I understand that I will be required to repay any CORE voucher funds received if I fail to comply with the CORE terms and conditions, agreements, and requirements.
6. I understand that I will be required to repay any CORE voucher funds received in excess of a voucher cap, including all expended funds.
7. I have read, understand and agree to all provisions in the CORE Implementation Manual.
8. I understand that CARB reserves all rights and remedies available under the law to enforce the terms of this agreement.

By signing CORE Voucher Request and Terms and Conditions Form, I acknowledge that I have read and understand, and agree to be bound by, the terms and conditions as outlined above. I certify under penalty of perjury that the information provided is accurate.

Name of Equipment Purchaser/Lessee:

Signature of Equipment Purchaser/Lessee:

Date:

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**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. I have read, understand and agree to all provisions in the CORE Implementation Manual.
2. All information identified on this form and in the voucher request is true, correct, and complete.
3. 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 will 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 15 calendar days of cancelation notification.
4. For conversion kits only, I am authorized by the manufacturer to install the conversion kit referenced in this voucher request.
5. I have not inflated the price of the CORE funded equipment and I agree to deduct 100% of the requested voucher amount from the price of the equipment.
6. I am authorized by the manufacturer to participate in CORE as the dealer described in this agreement.
7. I am authorized by the purchaser/lessee described in this agreement to apply for a CORE voucher on behalf of said purchaser/lessee.
8. 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 calendar 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.
9. I understand that I may only stack or combine CORE funding with other public funding programs if the total received funds do not exceed the equipment costs.
10. I understand that I will be required to repay any CORE voucher funds received in excess of the voucher cap, including all expended funds.
11. I understand that CARB reserves all rights and remedies available under the law to enforce the terms of this agreement.

CORE Implementation Manual: Attachment C

(Release Date: June 01, 2023)

By signing CORE Voucher Request and Terms and Conditions Form, I acknowledge that I have read and understand, and agree to be bound by, the terms and conditions as outlined above. I certify under penalty of perjury that the information provided is accurate.

Name of Equipment Dealer

Signature of Equipment Dealer:

Date:



CORE Implementation Manual: Attachment D

(Release Date: June 01, 2023)

**Attachment D: Small Off-Road Equipment (will be published separately from this document)**

To fulfill the directives set forth in SB 170, (Skinner, Chapter 240, 2021) zero-emission small off-road equipment, such as leaf blowers, lawn mowers, and portable generators, may be eligible equipment types in CORE for small California landscaping companies.

SB 170 funding and programmatic details will be developed and introduced through public workgroups to solicit feedback and comments from interested stakeholders.

Stay informed about upcoming CORE workgroups by registering for the following list serves today:

[https://public.govdelivery.com/accounts/CARB/subscriber/new?topic\\_id=CORE](https://public.govdelivery.com/accounts/CARB/subscriber/new?topic_id=CORE)

<https://californiacore.org/contact-outreach/>

Visit our website:

<https://californiacore.org/> <https://ww2.arb.ca.gov/our-work/programs/clean-off-road-equipment-voucher-incentive-project>