

Volkswagen Mitigation Trust Fund Guidelines

Zero-Emission Transit, School and Shuttle Bus Project

Table of Contents

I.	Introduction	1
II.	Project Overview.....	1
III.	Project Requirements	2
	A. Application Requirements	2
	B. Eligible Applicants.....	3
	C. Requirements for the Old Bus.....	3
	D. Requirements for the New Bus	4
	E. Project Expenditures.....	4
	F. Project Expenditure Limitations	5
	G. Match Funding (Co-Funding)	6
	H. Inspections.....	6
	I. Reimbursement Requirements	6
	J. Vehicle Purchasers.....	11
	K. Resale of Vehicles	12
	L. Vehicle Leasing or Rental Agencies	13
IV.	Project Non-Performance	14
V.	Definitions	14

I. Table of Figures

Table 1: Maximum Funding Expenditures per Bus.....	5
Table 2: Application Processing Flow Chart.....	9
Table 3: Reimbursement Processing Flow Chart	10

Volkswagen Mitigation Trust Fund Guidelines

Zero-Emission Transit, School and Shuttle Bus Project

I. Introduction

The Zero-Emission Transit, School and Shuttle Bus Project is one of the eligible projects included in California's Beneficiary Mitigation Plan¹, developed to summarize how the State of California plans to use the VW Mitigation Trust Funds allocated under the Environmental Mitigation Trust that resulted from the Volkswagen "defeat device" settlement. Past and future excess NOx emissions emitted from Volkswagen vehicles are intended to be mitigated by the actions prescribed in the Environmental Mitigation Trust² (Appendix D)³ and the Beneficiary Mitigation Plan overlays the expectation to further the State's long-term goals. California Air Resources Board (CARB) Board Memo 4.18.2023 serves as an update to the CARB Board on changes to improve implementation of the incentive program, following the guiding principles identified in the Beneficiary Mitigation Plan. These modifications include making minor modifications to the Beneficiary Mitigation Plan to align the incentive funding amounts with other CARB incentive programs.

II. Project Overview

The Zero-Emission Transit, School and Shuttle Bus Project provides funding for new zero-emission replacement buses for owners of transit, school, and shuttle buses. This project mitigates excess NOx emissions, reduces pollution in disadvantaged and low-income communities, supports advanced technology vehicle and equipment deployments and accelerates the zero-emission transformation of the heavy-duty fleet.

The San Joaquin Valley Air Pollution Control District (SJVAPCD) is the Project Administrator for using VW Mitigation Trust Funds to replace eligible transit, school, and shuttle buses throughout the State in accordance with the Project Agreement⁴. The Project Administrator will develop and provide an application process, review applications for completeness and eligibility, and develop a contractual agreement with the eligible applicant to purchase the replacement bus with VW Mitigation Trust Funds.

¹ California's Beneficiary Mitigation Plan for the Volkswagen Environmental Mitigation Trust webpage at: <https://ww2.arb.ca.gov/resources/documents/californias-beneficiary-mitigation-plan>

² Volkswagen Environmental Mitigation Trust for California webpage at: <https://ww2.arb.ca.gov/our-work/programs/volkswagen-environmental-mitigation-trust-california>

³ California Air Resources Board, VW Settlement Consent Decrees webpage at: <https://ww2.arb.ca.gov/resources/documents/vw-settlement-consent-decrees>

⁴ Modifications from Board Memo 4.18.2023 will implemented on May 9, 2023 when the Board Memo was posted on the California's Beneficiary Mitigation Plan for the Volkswagen Environmental Mitigation Trust webpage and will apply to all applications not yet under an executed contract as of May 9, 2023.

Applicants will complete the application and meet the other requirements of the project such as submitting required documentation, scrapping the old vehicle, and complying with reporting requirements.

III. Project Requirements

A. Application Requirements

1. **Applications:** The applicant for transit, school and shuttle buses must apply through the online application portal for each individual bus.
2. **Statewide:** Applications must be submitted for each individual bus through the web based application portal from entities that own buses domiciled in California and operate primarily within the state of California.
 - a. Applicants must receive prior written authorization from the SJVAPCD for new buses that will travel outside of the state of California at any time during their contract life.
3. **First come, first served:** Applications will be selected on a first come, first served basis based off a complete and eligible application per bus.
4. **Authorization for submittal:** Applicants must obtain authorization for the submittal of the applications and identification of the individual authorized to implement the bus purchase project.
5. **Multiple buses allowed:** Applicants must submit a separate application for each individual bus to be replaced.
6. **No category changes between bins:** The new, replacement bus must match the same category and vocation as the old bus being replaced. HVIP categorization of bus type (transit, shuttle, or school bus) will also be used as reference.
 - a. A case-by-case exemption may be requested to the SJVAPCD in cases related to transit and shuttle buses and usage where the size of the bus changes but the usage type does not.
7. **No Prior Purchases:** Applicants must not purchase, make down payments, become financially committed, or take possession of the new replacement bus under funding consideration prior to the issuance of a completely executed contract that is signed by all parties – doing so will render the project ineligible.
 - a. A fully refundable deposit is allowed, as long as it is clearly stated that the deposit is fully refundable.
8. **Information for reports:** Applicants must include information needed to fulfill the reporting requirements in [Project Reporting](#).
9. **Information to determine eligibility:** Applicants must submit required documentation to determine eligibility of the applicant and of the old bus.

B. Eligible Applicants

1. Eligible Applicants are owners of transit buses, school buses and shuttle buses.
2. Indian Tribes are eligible for this program. In addition, Indian Tribes Beneficiaries (i.e., for federally-recognized Indian Tribes) have entered into their own Environmental Mitigation Trust Agreement. For more information, please visit the Volkswagen Diesel Emissions Environmental Mitigation Trust site at: <https://www.vwenvironmentalmitigationtrust.com/tribe-trust>.
3. Agencies that are the lessors that lease or rent applicable transit, school and shuttle buses to third parties may apply, however, additional requirements must be met. These requirements are specified in [Vehicle Leasing or Rental Agencies](#).

C. Requirements for the Old Bus

1. Only buses with internal combustion engines are eligible
2. Fuel type of the old bus can be gasoline, diesel, or compressed natural gas (CNG), or propane
3. Engine Model Year of the old school bus must be 2006 or older
4. Engine Model Year of the old transit or shuttle bus must be 2012 or older
5. Gross Vehicle Weight Rating (GVWR) must be 14,001 pounds or greater
6. Old bus must be currently registered with DMV registration at the time of application submission
7. Current California Highway Patrol (CHP) certification for school buses is required
8. All old school buses may be eligible regardless of their compliance with the Truck and Bus Regulation. However, noncompliant school buses are subject to additional funding limitations specified in [Project Expenditure Limitations](#)
9. Compliance with the Truck and Bus Regulation must be submitted with the application. Acceptable documentation includes, but is not limited to, any of the following:
 - a. Invoice(s) for the purchase of the Diesel Particulate Filter (DPF) and its installation on the old bus specified on the application.
 - b. Pictures of the DPF on the bus engine specified on the application. The pictures must be able to identify both the DPF and the old bus.
 - c. CHP 292 school bus safety inspection of the installed DPF on the old bus specified on the application.
 - d. Compliance certificate from CARB TRUCRS database.
10. Applicants must be in compliance with all CARB regulations
11. Although there is no minimum annual mileage requirement, the old bus must be a current, in-use, and operational bus.

12. For the purposes of calculating the NOx reductions of the project, applicant must submit the annual mileage of the bus on the application
 - a. Due to the impacts of COVID-19, applicants can submit as the annual mileage what the annual mileage of the old bus would have normally been if the old bus was not replaced.

D. Requirements for the New Bus

1. **Zero emission:** Hydrogen fuel cell and battery electric-powered vehicle technologies are eligible projects. Eligible buses must be listed as an Eligible Vehicle for the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) and listed on the HVIP website at www.californiahvip.org/. SJVAPCD may consider other zero emission technologies for eligibility on a case by case basis, subject to approval by CARB. HVIP categorization of bus type (transit, shuttle, or school bus) will also be used as reference.
2. **New Vehicle:** The vehicle must be a new vehicle as defined in California Vehicle Code Section 430.
3. **Not converted:** SJVAPCD and CARB does not consider a new vehicle to be a new chassis that has been converted with aftermarket parts or equipment to create a zero-emission vehicle, unless the completed zero emission vehicle has obtained CARB new vehicle certification. Eligible vehicles (and vehicle chassis) must be new and not yet have been registered in any state or paid for by the purchaser (other than a vehicle down payment). Used vehicles (including vehicles used by dealers, manufacturers, or other entities or for demonstration purposes) are not eligible.
4. **GVWR 14,001 pounds or greater:** Zero-emission vehicle makes/models must be 14,001 pounds GVWR or greater.
5. **CARB certified:** The manufacturer must have obtained CARB approval/certification of the vehicle model.
6. **Stacking Eligibility:** Stacking VW Mitigation Trust Funds with HVIP funds and other CARB and State programs that do not claim NOx emission reductions are allowed. Applicants are responsible for verifying that any additional funding sources can be stacked with VW Mitigation Trust Funds. SJVAPCD reserves the right to request information regarding other funding sources. For additional information regarding match funding, please see section [Match Funding](#)
7. **CHP certification:** Current CHP 292 certification is required for the new school bus.

E. Project Expenditures

1. **Eligible Costs:** Eligible costs include purchase price and taxes for new eligible bus.
2. **Maximum Project Funding Expenditures:** Listed in Table 1: Maximum

Funding Expenditures per Bus.

Table 1: Maximum Funding Expenditures per Bus

New Bus	Maximum Funding Level
Battery Electric Transit bus	\$216,000
Fuel Cell Transit bus*	\$480,000
Electric School bus (replacing a compliant old bus)	\$400,000
Electric School bus (replacing a non-compliant old bus)	\$380,000
Electric Shuttle bus	\$192,000

*Although only transit agencies can apply for Transit Bus Component, applicants that are replacing a transit-style bus with a fuel cell transit-style bus may be eligible to receive \$480,000 if that project would have been approved for \$480,000 had the applicant been a transit agency.

F. Project Expenditure Limitations

- 1. Category Funding Limitation:** Of the three bus categories – transit, school bus, and shuttle – funding for a single bus category must not exceed 50 percent of the available VW Mitigation Trust Funds, including earned interest, in each installment.
 - a. Beginning January 1, 2024, this category funding limitation will be removed.
- 2. Equipment Options:** While not specifying any particular ineligible equipment options, SJVAPCD reserves the right to deny reimbursement for non-standard accessories and equipment considered excessive peripheral costs. The applicant may still choose to purchase these options, however, they are not eligible for reimbursement nor will they be used in the calculation of the limitations of funding amounts specified below.
- 3. Bus Funding Limitation:** Funding amounts for buses must not exceed actual project costs.
- 4. Non-government owned limitation:** Funding amounts for non-government owned transit, school, and shuttle buses must not exceed 75 percent of project costs.
- 5. Non-Compliant School Bus:** For school buses that are not compliant with the CARB Truck and Bus Regulation, the maximum funding amounts will be reduced by \$20,000 to account for the cost of compliance through the purchase of a DPF.
- 6. Multiple Funds Limitation:** Selected applicants may not receive more funds than the eligible project costs, whether funded solely with the VW Mitigation Trust Funds or funded with multiple funding sources.
- 7. Leasing Limitations:** Replacement bus owners can lease the buses purchased using VW Mitigation Trust Funds to third parties, provided the following requirements are met:

- a. Lease agreement must be a minimum of 36 months
 - b. Lease agreements must contain program requirements, including, but not limited to: requirements of the new bus, contract requirements, record requirements, reporting requirements. Additional requirements can be found in Section [Vehicle Leasing or Rental Agencies](#)
8. **Returned VW Mitigation Trust Funds:** The SJVAPCD must spend returned trust funds on eligible projects, or return trust funds to the Trustee.
9. **Unspent VW Mitigation Trust Funds:** CARB Executive Officer or designee reserves the right in his or her sole discretion to award any remaining unspent trust funds to another Project Administrator or other mitigation projects.

G. Match Funding (Co-Funding)

Match funding from the applicant is encouraged and required for school bus purchases (at least 5 percent) and all non-government owned purchases (at least 25 percent). For school bus purchases, the cost of the required infrastructure for the new, replacement bus is used to meet the required 5 percent match.

Match funding may include funding from other State, local, federal, non-profit, or private revenue sources that do not claim NOx emission reductions. Applicants are responsible for verifying that any additional funding sources can be stacked with VW Mitigation Trust Funds. SJVAPCD reserves the right to request information regarding other funding sources used on VW Mitigation Trust Fund projects..

Specific to EPA DERA match funding, VW Mitigation Trust Funds cannot be used as the applicant's required match.

The applicant must report all match funding amounts and sources to SJVAPCD prior to contract and again during the reimbursement process.

H. Inspections

SJVAPCD will perform inspections, as required by CARB, to verify engine/equipment information, eligibility, destruction of the old engine/equipment and funding amounts. SJVAPCD will perform inspections via submission of documentation, pictures, invoices, or other documentation with assistance from the applicant, new bus dealer, and/or dismantler/recycler, and/or the SJVAPCD or their designee. The SJVAPCD reserves the right to conduct any physical inspections or to select a designee to conduct physical inspections. The old engine/equipment must be scrapped by a CA-licensed dismantler, or other dismantling entity that has been approved by the SJVAPCD.

I. Reimbursement Requirements

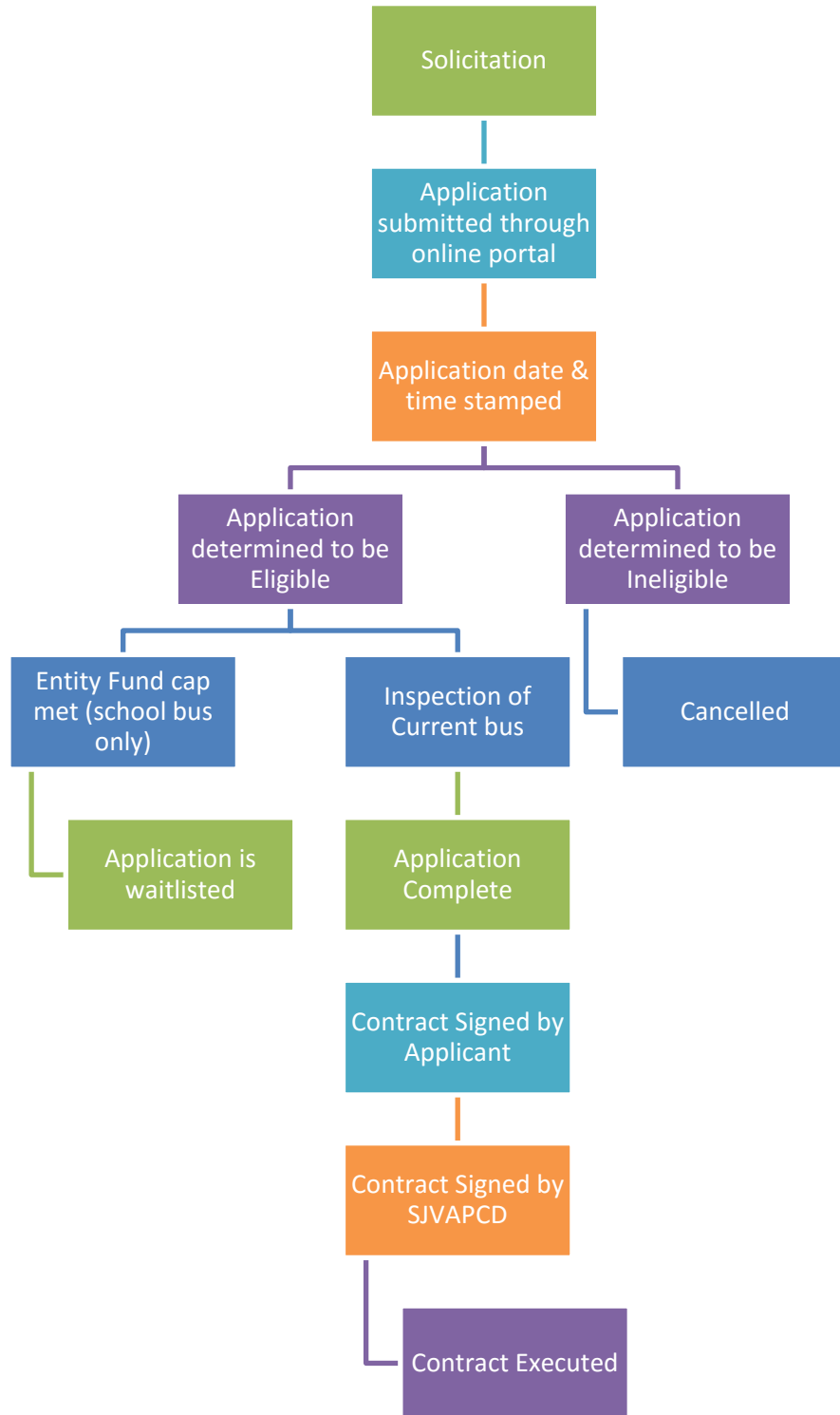
Contract must be fully executed before the new bus can be purchased or the old bus can be dismantled. No payments will be made until the all required documentation has

been submitted and all inspections have been completed. The reimbursement process begins when the applicant submits the Claim for Payment Packet and the Records Required for Payments. Applicants may begin the dismantling inspection process and/or new bus inspection process after the contract has been executed and prior to the submission of the Claim for Payment Packet, however, the reimbursement process does not begin until the Claim for Payment Packet has been submitted.

1. SJVAPCD receives Purchase Order for the new bus. Purchase Order is to be dated after the date of contract execution.
 - a. Purchase Order to be submitted within **90 days** of contract execution.
2. The vendor delivers the new bus to the selected applicant.
 - a. Delivery of new bus is estimated to be within **12 months** of the Purchase Order date.
3. SJVAPCD receives proof that the old bus has been scrapped.
 - a. The old bus must be scrapped within **60 days** of the receipt of the new bus.
 - b. The selected applicant will submit a Notice to Dismantle Form and a Self-Certification Affidavit to SJVAPCD before taking the current bus to an approved Dismantler.
 - c. SJVAPCD will coordinate an inspection of the dismantling of the current bus with the selected applicant and/or the Dismantler.
 - d. The selected applicant to submit the Verification of Vehicle Destruction filled out and signed by both the selected applicant and the Dismantler.
 - e. SJVAPCD completes an inspection report of the dismantling.
 - f. The selected applicant to submit the REG 42 Form, obtained from the Dismantler, to the SJVAPCD.
4. SJVAPCD receives proof that the new bus has been received and is in operating condition.
 - a. The selected applicant to submit a Self-Certification Affidavit and Verification of Replacement Bus Information Form to SJVAPCD.
 - b. SJVAPCD will coordinate an inspection of the new bus with the selected applicant.
 - c. SJVAPCD completes an inspection report of the new bus.
 - d. The selected applicant to submit the proof of current insurance, DMV Registration, and Title to the SJVAPCD.
 - e. (For school buses only) CHP has inspected school buses and has completed written documentation signifying that the school bus is safe to operate with children aboard and the applicant has provided a copy of the documentation to the SJVAPCD.

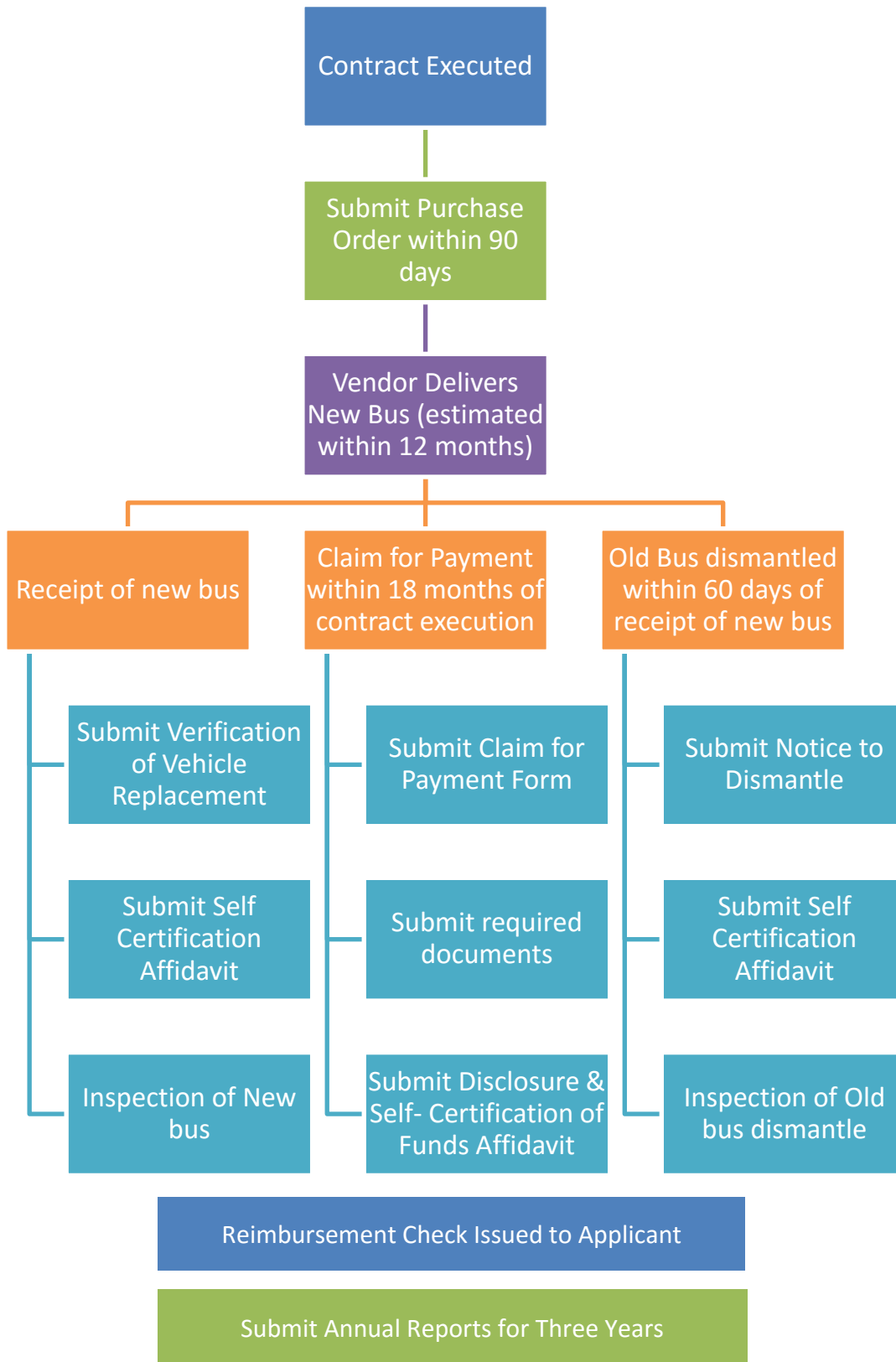
5. SJVAPCD receives complete and signed Records Required for Payments (listed above) from the selected applicant.
6. SJVAPCD receives Disclosure and Self-Certification of Funds Affidavit from the selected applicant that confirms match funds do not claim NOx emission reductions.
7. Project Implementation to be completed within **18 months** of contract execution.

Table 2: Application Processing Flow Chart



Submit Purchase Order within 90 days of contract execution

Table 3: Reimbursement Processing Flow Chart



J. Vehicle Purchasers

1. **Responsibilities for Vehicle Purchasers:** The bus purchaser is responsible for completing an application, executing a contract with SJVAPCD, complying with the terms of the contract, and obtaining funding for or paying the match portion of the vehicle cost.
2. **Requirements for Vehicle Purchasers:** The bus purchaser must be an individual, business, non-profit, or government entity that is based in California or has a California-based affiliate. A bus leasing/rental agency based outside of California is also eligible if the vehicle is leased/rented to an entity that will meet all operational, reporting, and other applicable requirements.
3. **Restriction for Vehicle manufacturers and Dealers:** Vehicle manufacturers and dealers may apply for no more than two vehicles in each installment. This applies to vehicles the manufacturer produces and for vehicles the dealer makes available for sale. Vehicle manufacturers and dealers will be required to provide SJVAPCD and CARB additional information including, but not limited to, manufacturing costs and dealer invoice or acquisition costs. If a vehicle manufacturer or dealer chooses to purchase a vehicle they do not produce or sell, then this condition will not apply.
4. **Insurance Requirement:** Maintain insurance as required by law. If an accident or other cause destroys or otherwise renders permanently inoperable the purchased vehicle, the bus purchaser must notify SJVAPCD within one week of the occurrence. The written notification must provide proof that the funded vehicle has become inoperable, including photographs of the inoperable vehicle with license plates or other identifying markings, as well as any applicable insurance or police documentation.
5. **Expectation to Operate:** SJVAPCD expects the vehicle to operate primarily in California for three years after purchase.
6. **Prohibition to Modify Vehicle:** Not make or allow any modifications to the vehicle's emissions control systems, hardware, or software calibrations, (Vehicle Code Section 27156), and not install any combustion source such as a fuel fired heater.
7. **Reporting Requirement:** Submit annual activity reports for three years. SJVAPCD requires the funded vehicle owner to complete activity reports. SJVAPCD and CARB reserve the right to bar a fleet that does not provide timely and accurate usage surveys/questionnaires as required from future project participation.
8. **Access to DMV Records:** Allow CARB, SJVAPCD, or their designees to verify the bus registration with the DMV for three years after initial registration.
9. **Inspection Availability:** Be available for follow-up inspection if requested by the SJVAPCD, CARB, or designees.
10. **Penalty for Falsifying Information:** The bus purchaser is responsible for ensuring the accuracy of the vehicle and purchaser information on the application

forms. SJVAPCD and CARB may consider submission of false information on these forms a criminal offense, punishable under penalty of perjury under the laws of the State of California.

- 11. Requirement to Maintain Records:** Bus purchasers must keep written records of the bus purchase for buses funded with mitigation trust funds – including the vehicle invoice, proof of purchase, and DMV records – for the contract term plus three years.
- 12. Requirement to Provide Records:** A bus purchaser must provide SJVAPCD, CARB, or its designees with all requested information related to any bus purchased with mitigation trust funds within ten days of a written request for such information. Requested information may include but is not limited to purchase orders or agreements, vehicle payment information and related bank records, and purchaser fleet information. SJVAPCD and CARB may require selected applicants that submit false information to return the full mitigation trust fund amount and may exclude them from future project participation. In addition, SJVAPCD and CARB may pursue other remedies available under the law.
- 13. Requirement for Annual Reports:** The bus purchaser will provide annual reports to the SJVAPCD 12, 24, and 36 months after the new bus is in service. The SJVAPCD will generate an Annual Report for the bus purchaser to fill out and return. The Annual Report will include, but not be limited to, total miles traveled during the reporting period, odometer reading, and percent the bus was used in CA, and identification of any conditions that significantly affected the annual usage of the new bus.

K. Resale of Vehicles

- 1. Notification of Intent to Resell:** The original vehicle purchaser must notify SJVAPCD in writing of its intent to sell the vehicle at least seven calendar days prior to the vehicle resale.
- 2. CARB Approval:** CARB and SJVAPCD expects selected applicants to keep the vehicle and meet all applicable project requirements for a minimum three-year period after the vehicle purchase date. However, unforeseen or unavoidable circumstances may allow for the resale of a vehicle within this three-year period. Resale of a funded vehicle must receive SJVAPCD and CARB written approval prior to resale.
- 3. Prohibition To Resell More Than Once in Three-Year Project Life:** A funded vehicle may not be resold more than once within three years of the original purchase date.
- 4. Contract Amendment (Novation):** For vehicles resold within three years of the original vehicle purchase date (and after SJVAPCD and CARB provides written approval), the original vehicle purchaser must inform the new purchaser in writing about the project requirements – by sharing a copy of the project contract. The new vehicle purchaser must agree in writing to meet all applicable requirements

of original vehicle purchasers – by signing an amended version of the project contract with SJVAPCD.

- 5. Notification of Resell:** Within seven calendar days after the vehicle resale, the original vehicle or purchaser must notify SJVAPCD that the vehicle has been resold and provide the mailing address, phone number and email (if any) of the purchaser as well as the vehicle resale price.
- 6. Information Required from Second Owner During Three-Year Project Life:** Within thirty calendar days after the vehicle resale, the entity buying the vehicle from the original vehicle purchaser must also provide SJVAPCD with:
 - a. Mailing address
 - b. Phone number and email (if any)
 - c. A copy of the new DMV title documenting the vehicle resale
 - d. A written commitment to meet the project requirements
 - e. A written commitment to complete and return the annual usage survey/questionnaire as required by the project contract.
- 7. Prorated Funds for Resell or Moving Out-of-State:** For funded vehicles resold or moved out of the State, the vehicle purchaser must refund promptly to SJVAPCD a prorated portion of their mitigation trust funds received, in an amount equivalent to the original amount divided by 36 months and then multiplied by the number of months remaining in the original 60 month period (rounded to the nearest month): $(\text{Original Voucher Amount} \div 36 \text{ Months}) \times (36 - \text{months since vehicle purchase date})$.
- 8. Pursuit of Remedies for Noncompliance:** SJVAPCD and CARB reserve the right to pursue all remedies available under the law for noncompliance with these requirements.

L. Vehicle Leasing or Rental Agencies

Any vehicle lease or rental entity that leases or rents a vehicle purchased with VW Mitigation Trust Funds maintains responsibility for all recordkeeping and reporting requirements, and must disclose the recordkeeping and reporting requirements to the vehicle renter or lessee. The lease or rental agreement must include all commitments needed from the lessee or renter to ensure that:

1. The vehicle operates primarily in California as required by the contract with SJVAPCD; and
2. The lease must ensure that all required annual activity reports are submitted to SJVAPCD.

SJVAPCD, CARB or its designees reserve the right to review lease or rental agreements to confirm appropriate disclosures are made regarding VW Mitigation Trust Funds received and vehicle activity and reporting requirements. Selected applicants must provide SJVAPCD, CARB, or its designee all requested information related to any

vehicle purchased with VW Mitigation Trust Funds (including lease or rental agreements) within ten days of SJVAPCD or CARB's written request for such information. The selected applicant (i.e. the lessor for lease agreements) is responsible for ensuring annual activity reports are accurate and are submitted as required. SJVAPCD provides a contract at time of vehicle purchase only, and not at the time a vehicle is leased or rented.

IV. Project Non-Performance

SJVAPCD, CARB or its designee has the authority to recoup VW Mitigation Trust Funds received based upon misinformation or fraud, or for which SJVAPCD or its subcontractors, a dealership, manufacturer, or vehicle purchaser is in significant or continual non-compliance with this Implementation Manual or State law. SJVAPCD and CARB also retains the authority to prohibit any entity from participating in other incentive programs due to non-compliance with project requirements.

V. Definitions

“Administrative Expenditure” means those administrative expenditures specified in Appendix D-2 of the Environmental Mitigation Trust.

“All-Electric” means powered exclusively by electricity provided by a battery, fuel cell, or the grid.

“Beneficiary Mitigation Plan” is the document that contains the eligible mitigation actions (projects) for California that the California Air Resources Board (CARB or Board) will fund from the State's \$423 million allocation of the Environmental Mitigation Trust. Including Board Memo 4.18.2023 and Attachment 1 to Board Memo 4.18.2023 ⁵

“CARB-Certified” means a vehicle that has been certified and issued an Executive Order by CARB.

“Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Buses)” means vehicles with a Gross Vehicle Weight Rating (GVWR) 14,001.pounds or greater used for transporting people. See definition for School Bus below.

“CNG” means Compressed Natural Gas.

“Confidential Information” means information or data that is considered confidential under relevant state or federal laws, including but not limited to, application records and supporting documentation that personally identifies or describes an individual or individuals (see California Civil Code sections 1798, et seq.). Confidential fields include social security numbers and Driver's License numbers.

“Consent Decree” means the First Partial Consent Decree in In re: Volkswagen “Clean Diesel” Marketing, Sales Practices, and Products Liability Litigation, MDL No.

⁵ California's Beneficiary Mitigation Plan for the Volkswagen Environmental Mitigation Trust webpage at: <https://ww2.arb.ca.gov/resources/documents/californias-beneficiary-mitigation-plan>

2672 CRB (JSC) (Dkt. No. 2103-1), and the Second Partial Consent Decree in that case (Dkt. No. 3228-1).

“Eligible Mitigation Action” means any of the actions listed in Appendix D-2 of the Environmental Mitigation Trust.

“Environmental Mitigation Trust” means The Trust funded with Mitigation Trust Payments according to the terms of the First Partial Consent Decree and the Second Partial Consent Decree (jointly, the “Consent Decree”)

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

“Fast charge compatible” means battery-electric fast-charge compatible vehicles must:

1. Be equipped to utilize direct current Level 3 fast chargers;
2. Be capable of charging from 15 percent state-of-charge to 85 percent state-of-charge within one-half hour (.5hr); and
3. Demonstrate that typical operating time is at least 8 times typical charging time (i.e. a vehicle must be capable of operating for 8 minutes for each minute of charge time).

“Government” means a State or local government agency (including a school district, municipality, city, county, special district, transit district, joint powers authority, or port authority, owning fleets purchased with government funds), and a tribal government or native village. The term “State” means the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

“Gross Vehicle Weight Rating (GVWR)” means the maximum weight of the vehicle, as specified by the manufacturer. GVWR includes total vehicle weight plus fluids, passengers, and cargo.

Class 1: < 6000 pounds

Class 2: 6001-10,000 pounds

Class 3: 10,001-14,000 pounds

Class 4: 14,001-16,000 pounds

Class 5: 16,001-19,500 pounds

Class 6: 19,501-26,000 pounds

Class 7: 26,001-33,000 pounds

Class 8: > 33,001 pounds

“Hybrid” means a vehicle that combines an internal combustion engine with a battery and electric motor.

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

“Infrastructure” means the equipment used to enable the use of electric powered vehicles (e.g., electric vehicle charging station).

“Match funding” means those funds contributed by the Project Administrator, selected applicant, or other entity for the sole purposes of completely funding vehicles.

“Mitigation Action” means Eligible Project and is any of the actions listed in Appendix D-2 of the Environmental Mitigation Trust.

“Plug-in Hybrid Electric Vehicle (PHEV)” means a vehicle that is similar to a Hybrid but is equipped with a larger, more advanced battery that allows the vehicle to be plugged in and recharged in addition to refueling with gasoline. This larger battery allows a driver to operate the car on a combination of electric and gasoline fuels.

“Project Administrator” is SJVAPCD, which is the entity selected by CARB to administer this project. This Implementation Manual and the Project Agreement between CARB and the SJVAPCD describes the responsibilities of the SJVAPCD. The SJVAPCD is responsible for ensuring it and any subcontractors meet all project requirements.

“Repower” means to replace an existing engine with a newer, cleaner engine or power source that is certified by EPA and, if applicable, CARB, to meet a more stringent set of engine emission standards. Repower includes, but is not limited to, diesel engine replacement with an engine certified for use with diesel or a clean alternate fuel, diesel engine replacement with an electric power source (e.g., grid, battery), diesel engine replacement with a fuel cell, diesel engine replacement with an electric generator(s) (genset), diesel engine upgrades in Ferries/Tugs with an EPA Certified Remanufacture System, and/or diesel engine upgrades in Ferries/Tugs with an EPA Verified Engine Upgrade. All-Electric and fuel cell Repowers do not require EPA or CARB certification.

“School Bus” means a Class 4-8 bus sold or introduced into interstate commerce for purposes that include carrying students to and from school or related events. May be Type A-D. HVIP categorization of bus type (transit, shuttle, or school bus) will also be used as reference.

“Scrapped” means to render inoperable and available for recycle, and, at a minimum, to specifically cut a 3-inch hole in the engine block for all engines. If any Eligible Vehicle will be replaced as part of an Eligible project, scrapped also includes the disabling of the chassis by cutting the vehicle’s frame rails completely in half.

“Shuttle Bus” for the purposes of this program means an on-road with a GVWR of 14,001 pounds or greater normally powered by a heavy-duty engine fueled by diesel or alternative fuel, that transports passengers between two predetermined, fixed destinations on a fixed schedule. HVIP categorization of bus type (transit, shuttle, or school bus) will also be used as reference.

“Transit bus” for the purposes of this program means an on-road vehicle with a GVWR of 14,001 pounds or greater normally powered by a heavy-duty engine fueled by diesel or alternative fuel, owned or operated by a transit agency, operated by a city or county government; a transportation district / transit district; or a public agency, including paratransit services including urban buses. HVIP categorization of bus type (transit, shuttle, or school bus) will also be used as reference.

“Zero-emission vehicle (ZEV)” means a vehicle that itself produces no emissions of pollutants (including carbon dioxide, carbon monoxide, hydrocarbons, oxides of nitrogen, and particulates) from the onboard source of power (e.g., All-Electric or hydrogen fuel cell vehicles) when stationary or operating.