1. **Program Description**
   The Member Agency Medium and Heavy-Duty Vehicle Electrification Program (“Program”) provides CCCE Member Agencies with an opportunity to receive funding for the purchase of all-electric medium or heavy-duty vehicles (“MDHD EV”). The Program is intended to reduce GHG emissions from municipal fleet operations, as well as eliminate harmful pollution, including noise, emitted by traditional fossil fuel powered MDHD vehicles in close proximity to agency staff and community members.

2. **Program Objectives**
   2.1. Incentivize the purchase of at least four (4) MDHD EVs.
   2.2. Increase EV awareness and adoption for municipal fleets.
   2.3. Provide educational opportunities for agency staff and communities about transportation electrification by increasing EV adoption, awareness, and visibility.
   2.4. Expand distributed storage and DER penetration with potential resource participation in future programs.

3. **Program Term**
   3.1. February 16, 2022 – September 30, 2022, or until funds are fully reserved.

4. **Applicant Eligibility**
   4.1. County governments include Monterey, San Benito, Santa Cruz, and Santa Barbara.
   4.2. City governments include Arroyo Grande, Buellton, Capitola, Carmel, Carpinteria, Del Rey Oaks, Gonzales, Greenfield, Goleta, Grover Beach, Guadalupe, Hollister, Marina, Monterey, Morro Bay, Pacific Grove, Paso Robles, Pismo Beach, Salinas, Santa Maria, San Juan Bautista, San Luis Obispo, Sand City, Santa Cruz, Scotts Valley, Seaside, Soledad, Solvang, and Watsonville.

5. **Project Eligibility**
   5.1. The location where the MDHD EV is charged must be actively enrolled in CCCE service.
   5.2. Member Agency must have identified funds in their respective FY budget that can be appropriated to cover all remaining costs required to complete the purchase of the MDHD EV and the installation of charging equipment.

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1 CCCE maintains the right to modify the program design, including the eligibility guidelines and award amounts as needed.
5.3. The selected MDHD EV must be a battery electric (i.e., fully electric) medium or heavy-duty vehicle.
   5.3.1. Medium Duty: Class 4 – 7 vehicle or equivalent.
   5.3.2. Heavy Duty: Class 7 – 8 vehicle or equivalent.
   5.3.3. On-road or off-road vehicles are eligible.
5.4. Vehicle make and model must be identified prior to submittal of the application with a formal quotation or invoice from the Original Equipment Manufacturer (OEM).
5.5. Application must be received prior to the purchase/order of the selected vehicle.
5.6. Applicant must ensure sufficient Electric Vehicle Charging Equipment (EVSE) is fully operational and connected to CCCE service prior to taking delivery of the vehicle.
5.7. Applicant must retain ownership and operate the vehicle as described above for a minimum of 60 consecutive months after purchase.
5.8. The vehicle must be operated as proposed (days/hours in operation, average miles, etc.) in the funding request.
5.9. EVSE shall be network/Wi-Fi enabled, such that the MDHD EV may participate in future CCCE Programs offering participation in charge, discharge, and related energy services (DER) programs.

6. Incentives
6.1. A total of one million dollars ($1,000,000) is available for the Program.
6.2. Incentives are determined by calculating the difference in cost between a traditional fossil fuel (internal combustion engine aka ICE) powered vehicle and a fully electric equivalent.
6.3. Incentive shall not exceed $250,000 for each individual award.
6.4. Incentives are restricted to one per member agency.
6.5. Successful applicants will receive a Letter of Intent (LOI) as confirmation of the incentive reservation that describes the terms and conditions of the award.
6.6. At the time payment is due to the OEM (prior to delivery of the vehicle), CCCE will submit payment either, a) directly to the manufacturer of the awardee’s choosing on behalf of successful applicant; or b) directly to the applicant.

7. Application Process
7.1. Applicant shall provide CCCE the following information:
   a. OEM quotation or invoice for the desired MDHD EV
   b. OEM quotation or invoice for the fossil fuel powered vehicle equivalent (same weight class, function, capability, etc.)
   c. Provide a letter or other statement demonstrating the balance of funds are allocated to complete the purchase.
d. Estimated annual usage of the vehicle (On Road: vehicle miles traveled per
day/week/month/year, Off Road: hours of operation per day/week/month/year)
e. Specifications and location of EVSE infrastructure (existing or planned) to support
proposed MDHD EV

7.2. Applicant completes and submits online application form and uploads required
supporting documentation.
7.3. CCCE staff reviews application and verifies project eligibility and information.
7.4. CCCE staff recommends projects for approval to CCCE executive team.
7.5. CCCE staff sends approval email to successful applicant.
7.6. Successful applicant provides affirmative response accepting the award.
7.7. CCCE staff sends LOI to successful applicant.
7.8. Successful applicant submits purchase order to OEM.
7.9. MDHD EV is manufactured and prepared for delivery.
7.10. Notice of payment due sent to CCCE by OEM and/or successful applicant.
7.11. At the discretion of the successful applicant, CCCE issues incentive check payable to
OEM on behalf of applicant, or payable directly to the successful applicant.
7.12. Payment is delivered to the appropriate party within 30 days of notification.
7.13. MDHD EV is delivered.
7.14. Applicant will have the option to be notified about future demand response programs
that may be applicable for their incentivized MD/HD EV.
7.15. Successful applicant submits photo verifying MDHD EV charging at designated
charging port.
7.16. CCCE verifies charging via meter data.

8. CCCE Program Rules and Documents
8.1. CCCE retains the full rights to modify any aspect of this and other programs at any
time or, to cancel/rescind this or other programs at any time.