

The Innovative Small E-Fleet (ISEF) Set-Aside: Informational Session for Small Fleets

August 2022



About ISEF

The California Air Resources Board (CARB), in partnership with CALSTART, is launching ISEF to lower the entry barriers that smaller fleets often face in their transition away from diesel-fueled engines and to explore the integration of flexible financing options.

\$25M

Funding
Available

≤20 trucks

Designed exclusively for small fleets

Class 3-8

Eligible MHD vehicles



A Small Fleet-Focused Approach to Incentives

First-come, first-served vouchers for Class 3-8 zero-emission trucks in the HVIP catalog.
Purchasers can receive vouchers for a maximum of five vehicles.

Providers, in addition to dealers, learn the voucher system.
This allows fewer complications for small fleets.

Voucher Applications will open on August 31.
Eligible costs include an increase in individual voucher amounts per vehicle.

Innovative financing options for the end user.
Vehicle-as-a-service, charging stations, insurance, fuel costs, and more.



ISEF Definitions

- Eligible Small Fleets:
 - California companies with 20 or fewer trucks operating in California and less than \$15 million in annual revenue
 - Privately owned trucking companies and non-profits
 - Independent owner-operators

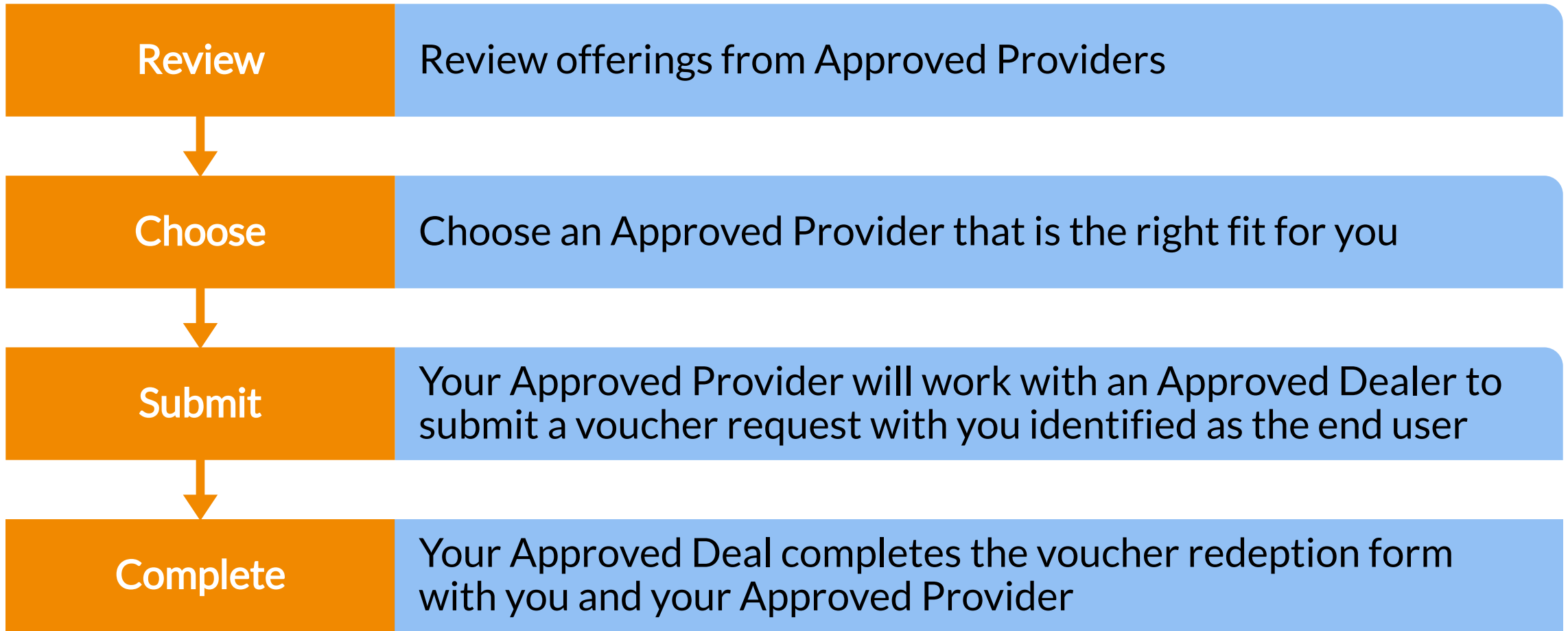
ISEF Definitions

- **ISEF Provider:** ISEF providers may include companies involved in the sale, rental, financing, and fueling of zero-emission commercial trucks and are hereafter referred to as "Providers." Providers develop an offering proposal designed to offer small fleets monthly or per-mile costs for zero-emission trucks that are equivalent to comparable combustion vehicle operating costs. The proposal may take the form of a purchase, lease, rental, financing, or other service agreement.

ISEF Definitions

- **HVIP-Approved Dealer:** HVIP-approved dealers includes dealers and manufacturers that sell new and conversion medium- or heavy-duty vehicles. In ISEF, HVIP-approved dealers coordinate with a Provider to submit a voucher request on behalf of an eligible small fleet participant. An HVIP-approved dealer may also be a Provider.

How Small Fleets Participate



What's different about ISEF?

HVIP

- Only allows purchasers and leases of more than three years
- Funding is applied to vehicles only.
- Open to ALL on a first-come, first-served basis
- Fleets request Voucher Requests directly through Dealers
- Voucher Order Cap per Fleet: 30 vehicles

VS

ISEF

- Allows for short-term rentals, flexible leases, truck-as-a-service, and is open to other proposals
- Funding for ISEF can include chargers, fueling, insurance, maintenance, and other costs.
- Only open to private trucking fleets and non-profits with 20 trucks or fewer and an annual revenue cap of \$15M
- Fleets work with Providers to request Vouchers through Dealers
- Voucher Order Cap per Fleet: five vehicles

FY21-22 Voucher Funding Amounts

- Voucher modifiers for drayage and disadvantaged communities (DACs) are also available
- Modifiers are applied using the same methodology as in HVIP

Truck Size	Funding Max
Class 3	\$90,000
Class 4-5	\$120,000
Class 6-7	\$170,000
Class 8	\$240,000

Check out www.californiahvip.org/ for the latest information and updates!

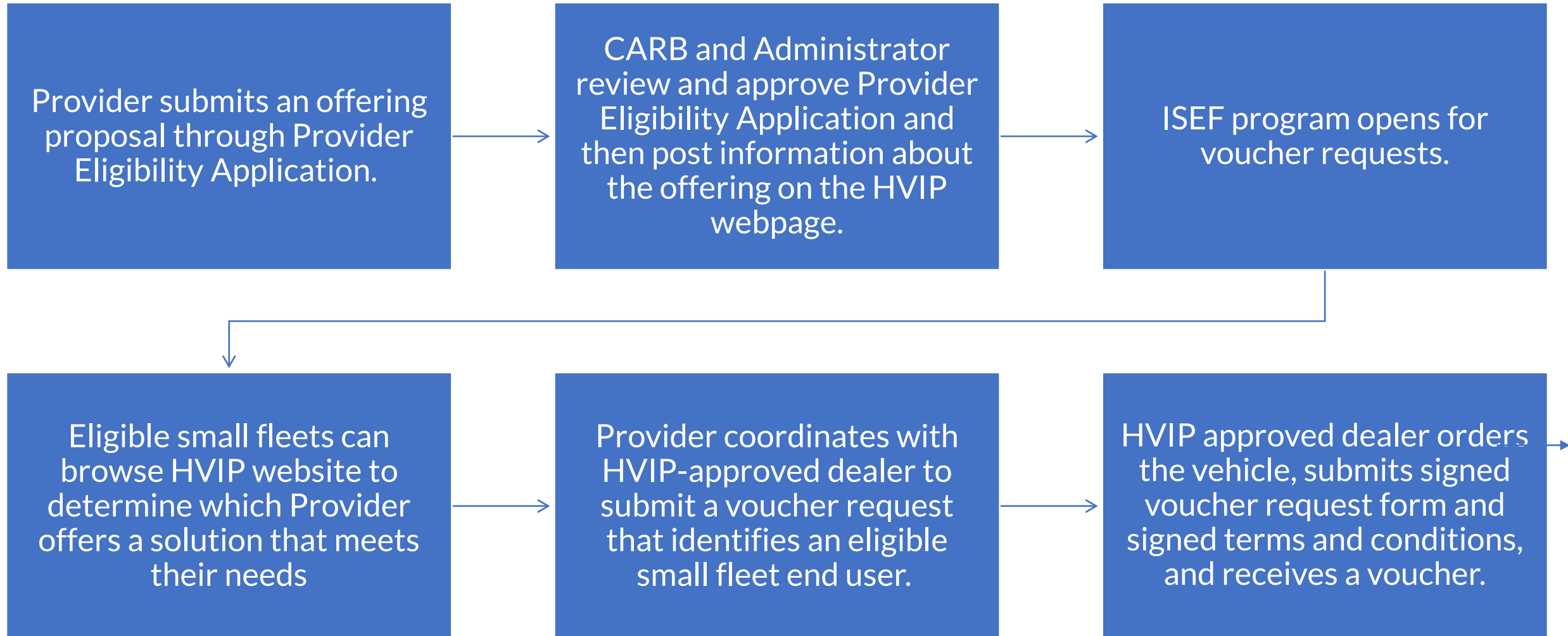


Voucher Modifiers for DACs

- **An Example:** Class 8 truck in ISEF (Class 8, \$120,000 x 2), performing drayage operations (25% x \$120,000), and domiciled in a qualifying DAC (15% x \$120,000) is eligible to receive the maximum voucher amount of \$240,000 plus the sum of its modifiers (\$30,000 + \$18,000), or \$288,000.
- Using the CCI Priority Populations tool: <https://webmaps.arb.ca.gov/PriorityPopulations/>
 - The DAC voucher enhancements will be applied for any ISEF-eligible small fleet with a domicile address using the mapping tool that fall within:
 - Disadvantaged Communities
 - Disadvantaged and Low-Income Communities
 - Low-income Communities within ½ mile of Disadvantaged Communities
 - Potential Low-income Households within ½ mile of Disadvantaged Communities



ISEF Process to Participate





Vehicle is built/delivered to HVIP-approved dealer.

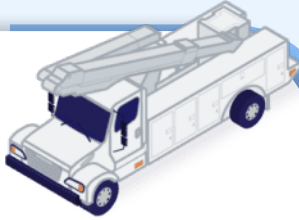
HVIP-approved dealer completes the voucher redemption form with the Provider and eligible small fleet.

HVIP-approved dealer submits voucher redemption form and is reimbursed. Funds in excess of the dealer invoice will be disbursed as indicated on the voucher request form.

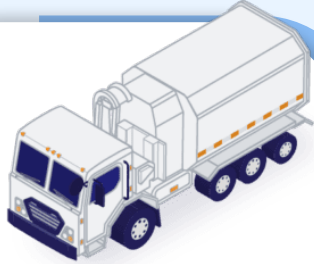
Provider is responsible for ensuring any additional fleets not identified on the original purchase agreement meet all eligibility requirements and sign terms and conditions, and that telematics and reporting are completed.

Small fleet is responsible for adhering to the terms and conditions and completing user surveys.

ISEF Eligible Vehicles



ePTO



Refuse



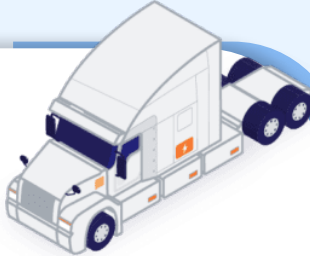
Medium-Duty Bus



Step and Panel Van



Straight Truck



Tractor

Search at CaliforniaHVIP.org



Provider Eligibility Application

1. Providers will submit a Provider Eligibility Application directly via an online portal found at californiahvip.org/purchasers starting July 20
2. Information to be listed in the Provider Eligibility Application
 - a) Contact information, project price by class/type of vehicle, comparable combustion vehicle pricing, total projected zero-emission cost on a per-month or per-mile basis, assurances of fueling provisions, and supportive warranty and service agreements.
 - b) As ISEF Providers are approved, their offerings and contact information will be added to <https://californiahvip.org/purchasers> so that fleets can find a provider that best aligns with their operational needs.
3. Open for voucher requests August 31



Voucher Request Process

1. An HVIP-approved dealer completes a voucher request on behalf of the Provider and eligible small fleet
 - a) If the Provider is not an HVIP-approved dealer, they will be listed on the voucher request separately
2. A maximum of five vouchers may be requested per eligible small fleet end user
3. Short-term rental and TAAS providers may request a maximum of 10 vouchers
4. An eligible small fleet end user must be identified in the voucher request
5. Once the HVIP-approved dealer submits the voucher request with all required documentation, it is considered complete and ready for review
 - a) HVIP administrators will work directly with the dealer to advance the voucher through redemption
6. An ISEF voucher can be provided only at time of vehicle purchase and is not provided at the time a vehicle is leased or rented



Small Fleet Responsibilities

1. Small Fleets are responsible for:

- a) Adhering to the terms and conditions
- b) Completing user surveys

Learn more at:

californiahvip.org

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