

The Innovative Small E-Fleet (ISEF) Set-Aside Small Fleet, Provider, and Dealer Information Session

May 2024



Agenda

- Background – What is ISEF?
- Funding Recap FY 22-23
- Funding Year 23-24 Updates + Changes
- ISEF Eligible Vehicles
- ISEF Definitions
- Small Fleet Compliance
- Voucher Request Process
- Provider and Dealer Process Flow
- Provider Eligibility
- Voucher Amounts + Modifiers
- Voucher Request Intake + Helpful Links

What is ISEF?

What: Set-aside with the Clean Truck and Bus Voucher Incentive Project (HVIP) designed to support small fleets and individual owner operators in accessing zero-emission vehicles. Fleets have the option to request vouchers for all-inclusive leases, peer-to-peer truck sharing, truck-as-a-service, and other alternative business models

Who: Small fleets (*California owned companies, non-profit and public agencies*) of 20 or fewer MHD vehicles and have a revenue less than \$15 million*. **Government agencies and non-profits are exempt from the revenue cap.*

Why: The California Air Resources Board (CARB), in partnership with CALSTART, launched ISEF in 2021 to lower the entry barriers that smaller fleets often face and to explore the integration of flexible options when acquiring a zero-emission vehicle.



ISEF = Innovative

ISEF allows for flexibility otherwise not accepted in HVIP. Small fleets looking to do traditional lease and purchases can do so through standard HVIP, and still get a double voucher!



Funding Year 2022 – 2023 Recap



\$111 million
requested



184 unique
fleets applied



Average fleet
size: 5



78% domiciled
in DAC

Projects Breakdown:

357 - Standard Purchase

192 - Truck as a Service

11 – Leases

25 - Rental

53 - Financing

28 - Providers

ISEF Funding Year: 2023-2024

June 3, 2024

ISEF is currently open to applications. New policy rules and changes will take effect June 3rd.

ISEF is solely dedicated to innovative voucher requests that typically involve 3 primary parties – Provider, HVIP approved Dealer and an eligible small fleet.

ISEF Funding Year: 2023-2024

Changes and Updates

- ISEF is solely dedicated to innovative request offerings such as rentals, short term-leases, truck-as-a-service (TAAS), bus-as-a-service and other solutions.
 - The ISEF agreement term may be any length of time – such as a short-term rental or multi-year service or financed agreement.
 - Small fleet straight purchases and leases 36 months or longer are now processed through standard HVIP.
- New requests placed on or after June 3rd, 2024 will receive double the base voucher and any additional voucher modifiers will be calculated on the new double base.
- Certain buses are now eligible for ISEF Funding.
 - Certain buses, including student activity and youth buses, those utilized by daycares, and those utilized by retirement centers and similar organizations are eligible. School buses that transport pupils at or below a 12th grade level to school or school activities and meet the definition of school bus in CVC section 545(a) are not eligible. Class 2b and 3 transit vehicles are now eligible. Transit Class 4 and up is ineligible. Transit agencies are encouraged to use the HVIP Transit set-aside before exploring ISEF, which is designed for third-party operators and provider solutions.

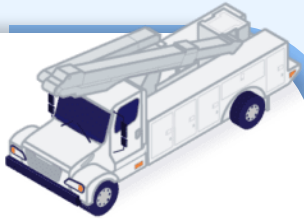


ISEF Funding Year: 2023-2024 Cont'd

Changes and Updates

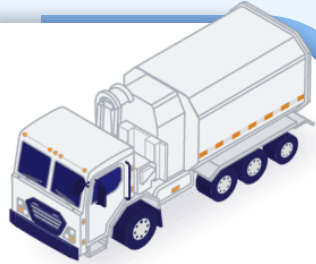
- Public agencies with 20 or fewer MHD vehicles may now participate.
- Fleets of 20 or fewer vehicles are exempt from the manufacturer soft rolling cap.
- The Provider cap has been increased to 30 voucher requests per funding year (previously 20).
 - Providers may only request a maximum of 30 vouchers in the first 90 days from opening day, after which the cap will be lifted and additional requests can be made.
- Short-term rentals will be required to provide a report every 6 months disclosing, but not limited to, identifying small fleet users and terms of service.

ISEF Eligible Vehicles: Class 2b - 8



ePTO

\$20,000 - \$50,000



Refuse

\$85,000 - \$120,000



Medium-Duty Bus

\$30,000 - \$85,000



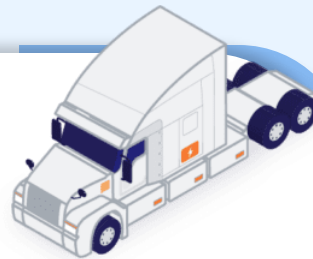
Step and Panel Van

\$7,500 - \$85,000



Straight Truck

\$30,000 - \$120,000



Tractor

\$120,000 - \$240,000

Vehicle incentives are base amounts. These amounts are **DOUBLED** for small fleets.

Search at CaliforniaHVIP.org



ISEF Definitions

Small Fleet: Private or public companies, non-profits, independent owner-operators with 20 or fewer vehicles operating in California with less than \$15 million in annual revenue.

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.

HVIP Approved Dealer: HVIP-approved dealers include 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.



Small Fleets: Everything you need to know

Small Fleet Definition:

- Companies with 20 or fewer MHD vehicles* operating in California and less than \$15 million** in annual revenue
 - Private or Public agency
 - Non-profit
 - Independent owner operators

*As of January 1, 2024 fleet size is inclusive of the fleet's vehicles domiciled anywhere globally that are over 8,500 lbs. GVWR - including all such vehicles under common ownership or control as defined in HVIP's IM.

**Government agencies and non-profits are exempt from revenue cap.

Small Fleet Compliance

Dealers and Providers should be verifying all information prior to voucher requests.

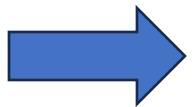
Fleet Size Check:

[SAFER system](#) - Verify fleet DOT# and CA# are active and confirm fleet size.

Dot# & CA#:

STEPS:

1. GET A DOT NUMBER FROM [FMCSA \(FEDERAL MOTOR CARRIER SAFETY ASSOCIATION\)](#)
 - Note: once registered your information will be public and many users experience a high number of spam and scam calls and solicitations, please ignore these they are NOT official communications.
2. WITH YOUR DOT # YOU CAN THEN APPLY FOR CA NUMBER WITH [CHP \(CALIFORNIA HIGHWAY PATROL\)](#)
 - The application will need to be faxed, mailed, or hand delivered to your local CHP office. After you send this in it usually takes about two weeks to get a CA #.



HVIP voucher requests require a DOT and a CA number. Small fleets may not have needed these before, but if acquiring a vehicle over 10,000 GVWR, these are required.



Small Fleet Compliance Cont'd

Dealers and Providers should be verifying all information prior to voucher requests.

CARB Compliance:

[TRUCRs Check](#) – Verify fleet is registered and compliant in TRUCRs.

- [Compliance overview](#) – Describes the compliance requirements for reporting.
- Many small fleets do not need to register in TRUCRs due to not meeting the weight threshold. The Dealer must submit an exemption letter stating the reason.

Labor Law Attestation:

[Attestation](#) - Small fleets must complete a labor law attestation during the voucher request process. It is encouraged fleets do this at the time of voucher request or just before.

Fleet Revenue:

Annual fleet revenue must be less than \$15 million. At any time CARB and its administrator may ask for documents verifying revenue.

*non-profits and gov agencies are exempt from revenue cap

Domicile Address:

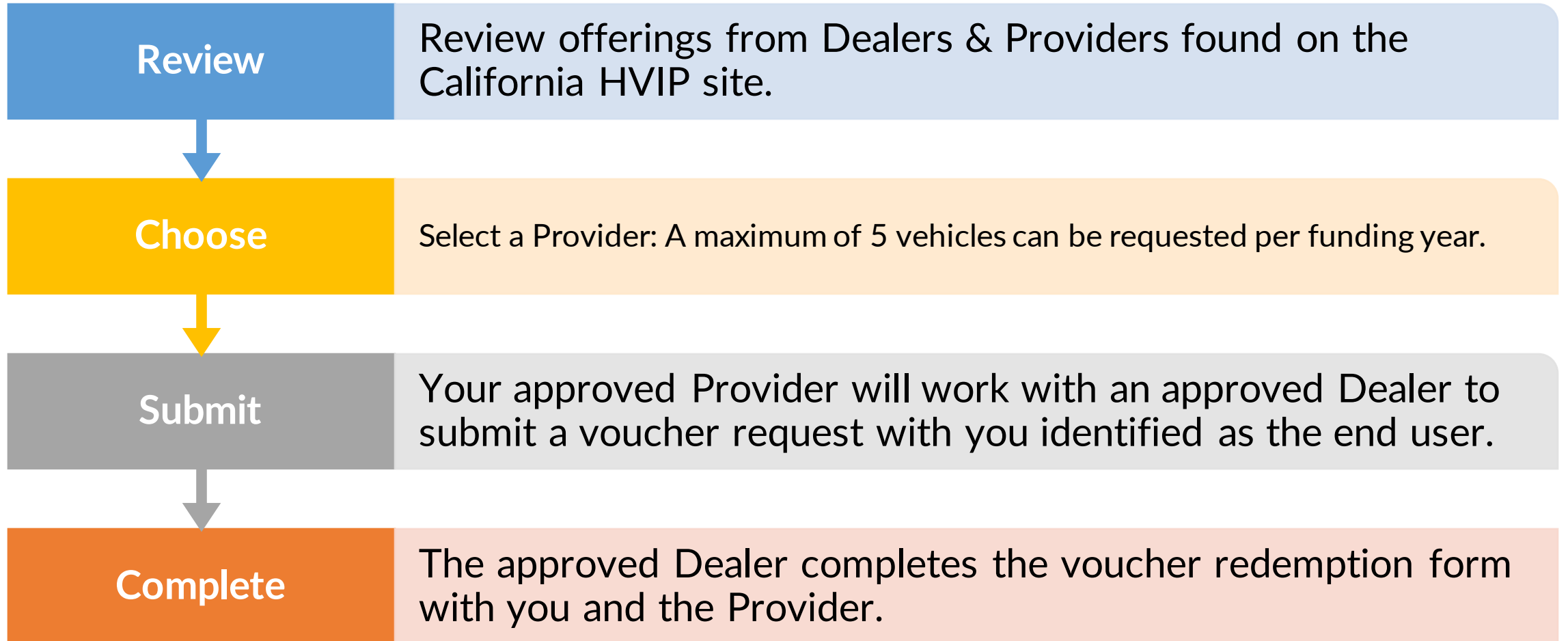
The domicile address of the vehicle must be verifiable. If domicile address is a residential address, official documents with the fleet business name and address will be required during the voucher review.



Small Fleet Responsibilities

1. Small Fleets are responsible for:
 - a) Providing accurate and timely information to their dealers & providers
 - b) Signing and returning voucher process documents
 - c) Adhering to the terms and conditions
 - Can be found at the end of the Appendix:
 - d) Completing user surveys

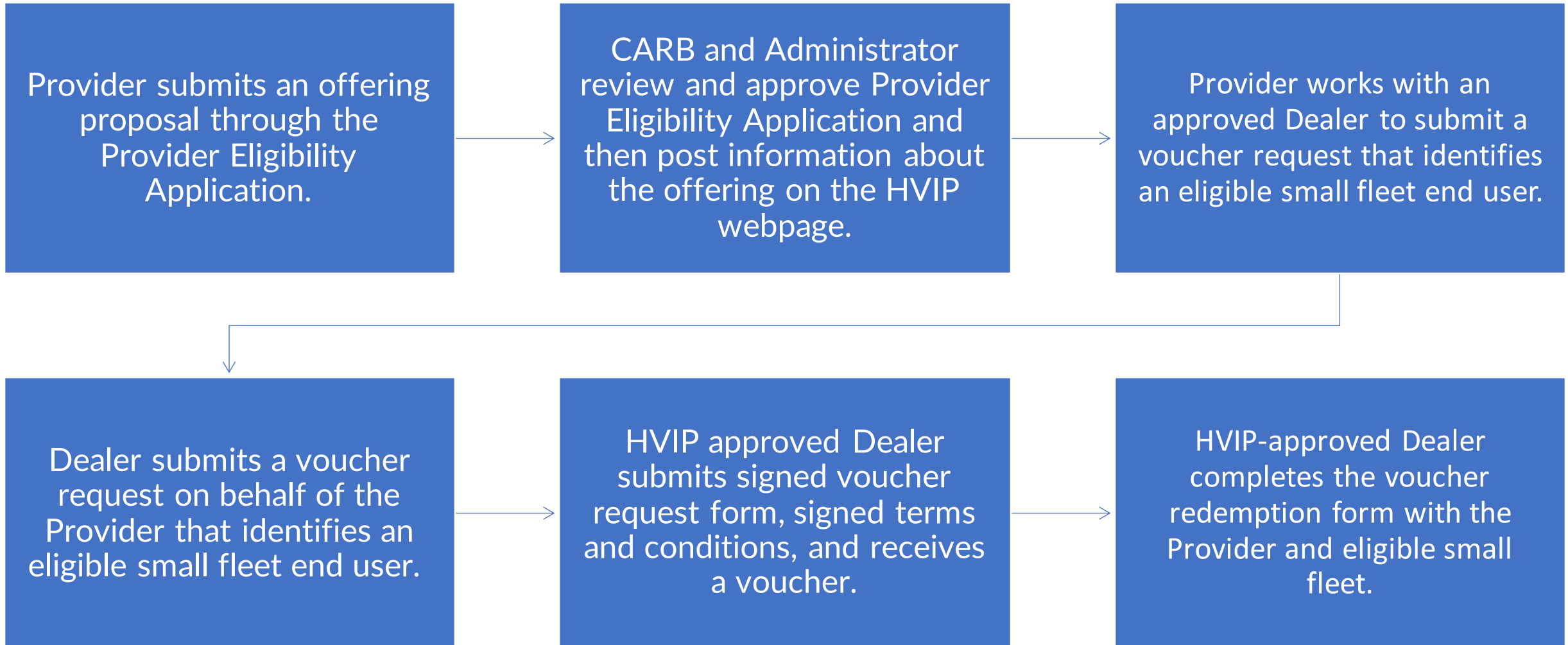
Small Fleets: Requesting a voucher



Providers/Dealers: How does ISEF work?



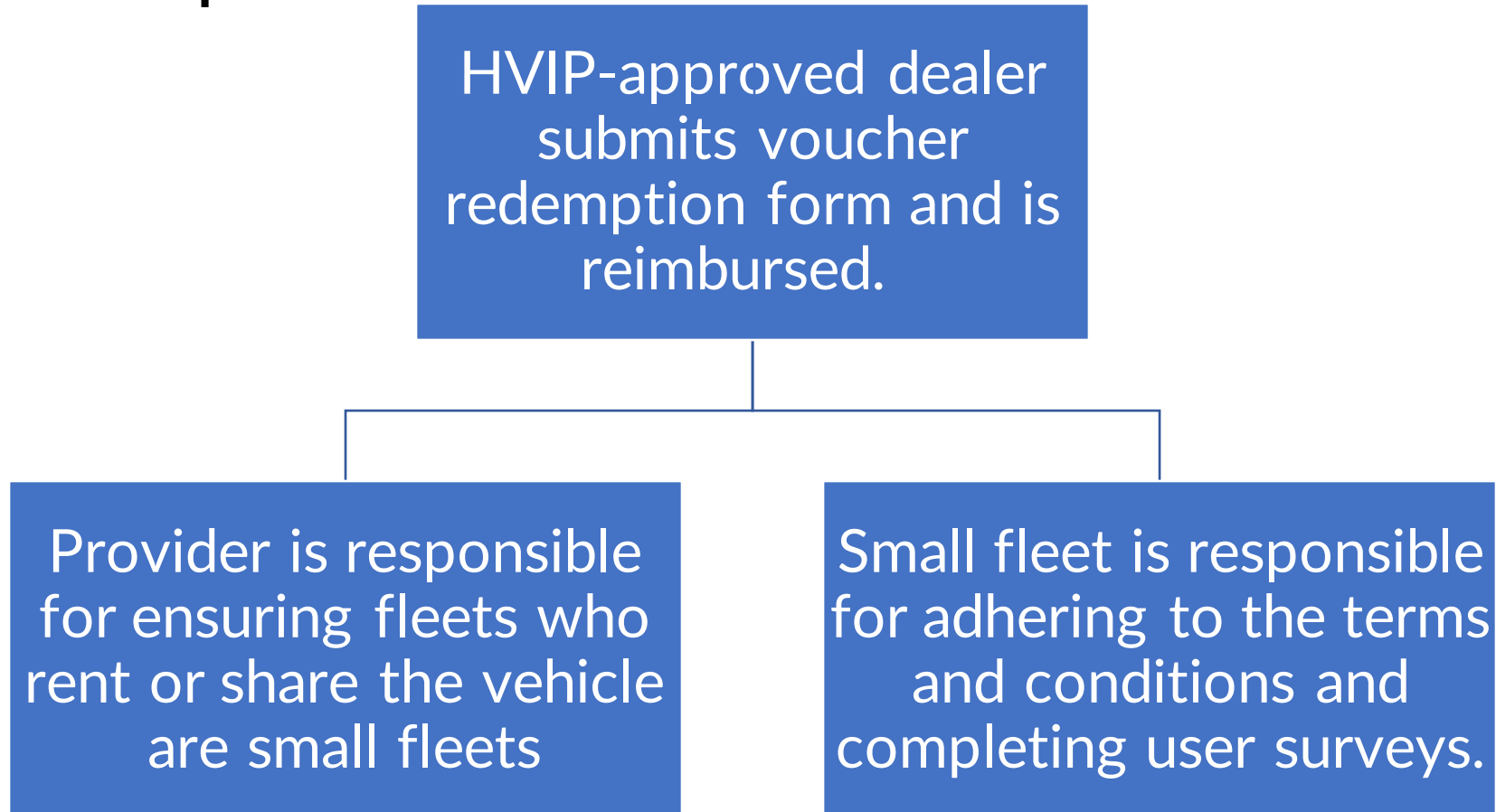
Process to Participate



Providers/Dealers: How does ISEF work?



Process to Participate



Provider Eligibility Application

1. Providers will submit a Provider Eligibility Application directly via an online portal found at <https://californiahvip.org/purchasers> . Provider application is open year-round.
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. HVIP Dealers offering Standard Purchases DO NOT need to become a Provider.



Reporting and Survey Requirements

- Providers must complete surveys for at least three years, in accordance with the HVIP IM.
- In addition, where an approved provider solution allows for frequent fleet turnover, such as a short-term rental, Providers must submit a report every 6 months that discloses the fleet and service use of the vehicles. This is in lieu of requiring pre-approval of all domicile address changes as outlined in the HVIP IM.
- Providers must track users to reasonably ensure that funded vehicles are with small fleet operators at least 200 days per year.

FY23-24 Voucher Funding Amounts

Vehicle Weight Class	HVIP Base Voucher
Class 2B	\$7,500
Class 3	\$45,000
Class 4-5	\$60,000
Class 6-7	\$85,000
Class 8	\$120,000

Modifier Type	Modifier Amount
Class 8 Drayage Truck	+25%
Refuse Truck	+25%
Disadvantaged Community	+15%
Class 8 Fuel Cell	+100%

- HVIP Base Voucher is doubled for small fleets
- Modifiers are calculated on the ISEF double voucher amount.
- Port of Long Beach/Los Angeles funds are not applied to ISEF vouchers

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



Voucher Modifier Example: DAC

- An Example: Class 8 truck that performs drayage operations and domiciled in a qualifying disadvantaged community (DAC).
 - Class 8 - $\$120,000 \times 2 = \$240,000$
 - Drayage - $25\% \times \$240,000 = \$60,000$
 - DAC - $15\% \times \$240,000 = \$36,000$
 - Maximum voucher amount = \$336,000* (Voucher is capped at 90% of vehicle MSRP)

DAC Mapping Tool - <https://webmaps.arb.ca.gov/PriorityPopulations/>

- The DAC voucher modifier applies to small fleets with a domicile address that fall within the following:
 - Disadvantaged Communities (Yellow area on map legend)
 - Disadvantaged and Low Income Communities (Green; yellow AND blue area on map legend)
 - Low Income Communities within ½ mile of a Disadvantaged Community (Crosshatched purple area on map legend) and
 - Low Income Households within ½ mile of a Disadvantaged Community (Crosshatched grey area on map legend)



Prioritization in the Case of Oversubscription

1. No OEM may receive more than 30 percent of total ISEF set-aside voucher funding within the first 30 days after program launch June 3rd.
 - a) CARB will continue to evaluate needs in the funding categories after 30 days and may continue limits if warranted.
2. Providers may request up to 30 vehicle requests in the first 90 days. After 90 days has surpassed, the cap is lifted and additional requests can be made.
3. CARB reserves the right to set additional criteria for, modify, or eliminate any contingency lists.

ISEF Information Online: <https://californiahvip.org/purchasers/>

The screenshot shows the 'Purchasers' page of the California HVIP website. The page has a blue header with the HVIP logo and navigation links: Funding, Vehicles, **Purchasers** (circled in red), Sellers, News & Events, and Impact & Data. Below the header, there are links for 'But First, Infrastructure!', 'Funding Updates', 'FAQs', and 'Truck Fleet Technical Assistance'. A 'Select Funding Type:' dropdown menu is highlighted with a red circle and an arrow labeled '2. Dropdown Selection'. The dropdown menu shows 'Innovative Small E-F...' as the selected option. Below the dropdown, the page is divided into two columns. The left column, titled '01 ISEF: Funding Available', contains text about the Innovative Small E-Fleet (ISEF) set-aside and a list of resources circled in red, including 'Guidelines to ISEF - Appendix F', 'ISEF Innovative Voucher Terms & Conditions', 'Dealer and Provider Webinar Slides 2023', 'ISEF Voucher Request Guide', 'Small Fleet Webinar Slides 2023', 'Provider Eligibility Application', 'Fleet Size Verification', and 'ISEF FAQs'. The right column, titled '02 Find the Right Offering for Your Needs', contains text about finding the right offering and links for 'Small Fleets contact Cal Fleet Advisor for support' and 'Dealers and Providers contact the ISEF team for support'. A red arrow labeled '1. Purchaser Page' points to the 'Purchasers' tab in the header. A red arrow labeled '3. Resources' points to the list of resources in the left column.


1. Purchaser Page

2. Dropdown Selection

3. Resources



ISEF Provider Directory: californiahvip.org/isef



Funding

Vehicles

Purchasers

Sellers

News & Events

Impact & Data

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Provider Directory Resource

Innovative Solution Providers are listed below; these companies offer options which are not typically offered in HVIP like Truck-as-a-service, short term rentals & leases.

Previously, small fleets were able to purchase vehicles through ISEF. As of 11/17/2023, all standard purchases formerly made through ISEF will now be funded through Standard HVIP, and all existing ISEF standard purchase vouchers will be automatically adjusted to reflect the new HVIP small fleet incentive levels. The base voucher will be doubled for small public and private fleets submitting new voucher requests on or after 11/17/23 in Standard HVIP, the Drayage Truck Set-Aside, or the Public Transit Set-Aside, for any HVIP-eligible vehicles.

Fleets looking for guidance, please contact Cal Fleet Advisor www.calfleetadvisor.org.

Dealers and provider questions can be directed to isef@californiahvip.org.

[Provider eligibility application](#) is open year round, only required for Innovative Solution Providers, no longer required for HVIP dealers.

[ISEF Provider – Fleet Change Request](#)

[ISEF Provider – Fleet Purchase Request](#)

Provider	Dealer	Vehicles	Type	Contact	Description
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ISEF Voucher Request Intake Guide

Please see page 13 in the ISEF Appendix for a complete detail on what is required to submit an ISEF Voucher Request.



Innovative Small E-Fleet (ISEF) - Voucher Request Intake Guide

June 3, 2024

**To be used by Dealers to gather information in preparation of submitting ISEF voucher requests.*

Below are the requirements needed for **Dealers** to successfully request an Innovative Solution Provider Voucher request through the Voucher Processing Center (VPC). Please note, only approved HVIP Dealers may request vouchers through the VPC, however, this form can be used by Providers to gather information for the Dealers.

Required Information -

Small Fleet Information:

- o Fleet Company Name:
- o Fleet Contact Name:
- o Fleet Email Address:
- o Fleet Phone #:
- o Fleet Domicile Address:
- o Fleet Mailing Address:
- o Fleet Size (20 and fewer, this includes any unredeemed HVIP vouchers in queue):
 - Check fleet size here: [SAFER Web - Company Snapshot \(dot.gov\)](https://www.safecalifornia.com/company-snapshot)
- o Fleet DOT #:
- o Fleet CA # :
 - o *Fleets looking to lease a vehicle less than 10,000GVWR are exempt from needing to have a DOT or CA number.*
- o Fleet Annual Revenue (\$15M or less):
- o TRUCRs Compliance Check (*Compliance is required at Accepting Pending Confirmation status*)
 - Check TRUCRs here: [Truck and Bus Regulation: Check Compliance Status | California Air Resources Board](https://www.airresources.ca.gov/trucrs)
- o Fleet Attestation: [Submit Your Attestation \(cazevlaborlawcompliance.org\)](https://www.cazevlaborlawcompliance.org)

Provider Information:

- o Provider Company Name:
- o Provider Contact:
- o Provider Email Address:
- o Provider Phone Number:
- o Service Providing (Short term lease, rental, Truck-as-a-service, financing):
- o Signed purchase order between the Dealer and Provider.
 - Separate purchase orders are required for each customer request. Please do not submit one purchase order between the Dealer and Provider with all customer sales.
 - A service agreement will be required later in the voucher processing time, but not at the time of request.



Helpful Links

ISEF FAQ's: [About Us - Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project | California HVIP](#)

Current ISEF Availability: [Funding Updates - Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project | California HVIP](#)

Current June 3rd ISEF Appendix: [FY23-24-HVIP-ISEF-IM-Appendix-F.pdf \(californiahvip.org\)](#)

Provider Eligibility Application: [HVIP Innovative Small e-Fleet Application Part A \(formstack.io\)](#)

Fleet Size Verification, DOT and CA# check: [SAFER Web - Company Snapshot \(dot.gov\)](#)



Support Available : Cal Fleet Advisor

- Small fleets needing assistance choosing the right vehicle or ISEF provider are encouraged to reach out to Cal Fleet Advisor.
- Visit <https://calfleetadvisor.org/get-started-today/> and they team can answer any questions you may have on ISEF eligibility and help you better understand your options and benefits in transitioning to zero-emission vehicles.

Website: <https://calfleetadvisor.org/>

Contact: calfleetadvisor@californiahvip.org



Learn more at:

californiahvip.org

Email

isef@californiahvip.org