



Appendix “I”: Demonstration Vehicles HVIP FY23-24 Implementation Manual

Effective October 31, 2024

Where this appendix deviates from the Standard Implementation Manual for the Clean Truck and Bus Voucher Incentive Project (HVIP), this appendix takes precedence; otherwise, the Standard HVIP Implementation Manual takes precedence (including all affiliated forms and Terms & Conditions). The most-updated Implementation Manual can be found at www.californiahvip.org/im.

Upon case-by-case approval by the California Air Resources Board (CARB), an HVIP vehicle manufacturer or dealer may request no more than 10 vouchers in any 12-month period for their own use, limited to 1-3 vouchers every 60 days.

This “demo vehicle” provision applies to vehicles the manufacturer produces, vehicles the dealer makes available for sale, demonstration vehicles, and vehicles to be made available for short-term customer use. All vehicles must be HVIP-eligible.

Demo vehicles are able to receive the base voucher amount only; demos are not eligible for any voucher enhancements / “plus-ups.”

The dealer / manufacturer must be an HVIP Approved Dealer in order to request a “demo voucher,” and dealers must have the manufacturer’s authority to sell that manufacturer’s technologies, per the Standard HVIP Implementation Manual. Dealer eligibility is on the individual level, not the dealership level. More information is in the Standard Implementation Manual and at www.californiahvip.org/sellers. The participating dealer / manufacturer also must be based in California.

Vehicles from no more than two vehicle categories (per www.californiahvip.org/vehiclecatalog) can be requested in any six-month period. For example, a request may be submitted for one ePTO vehicle, one Medium-Duty Bus, and one Tractor within six months, but not for three tractors in any given six-month period.

The intended use of the vehicle(s) must be described at the time of the voucher request. Rentals and leases are prohibited; the dealer / manufacturer may not profit financially from the use of the “demo vehicles,” and the vehicles cannot be previously registered with the California DMV.

Any fleet that has ever received an HVIP voucher is prohibited from receiving “demo vehicles,” as are logistics fleets and ISEF providers. Participating fleets must have operations in California, determined by

domicile address, however the vehicles can perform business operations out of state, including attendance at out-of-state trade shows, at the mileage percentage permitted per the Standard IM.

Fleets that are not permitted to request new HVIP vouchers due to their fleet size are also prohibited from participating in the demo provision. For example, some fleets size 50 and larger will be prohibited from requesting new vouchers starting January 1, 2025. Starting that date, participants in the demo provision must also adhere to the same fleet size definition in order to be eligible.

How to Request “Demo Vehicle” Vouchers:

1. Reach out via email to the Voucher Processing administrative team at Tetra Tech via voucherprocessing@tetratech.com and copy info@californiahvip.org.
2. Tetra Tech will send a link to an online form, in order to gather additional information such as intended use of vehicle, odometer reading (maximum 3,500 miles), VIN, dealer invoice or acquisition costs, contact information for staff managing the demo, domicile address, and details as to where the vehicle(s) will be demonstrated, geographically.
3. The requestor must complete the form within 10 business days and also must provide a valid Dealer License and supporting financial documentation that shows manufacturing costs -- in the form of a Purchase Order, another binding sales agreement, or an attestation letter stating what the purchase price would be and the cost for the vehicle. The requestor must also provide an agreement(s) with at least one participating demonstration fleet per vehicle showing that the demonstration is at no cost, and that there is no common ownership or control between the demonstration fleet and the dealer / manufacturer. The agreement must be signed by both the requestor and the fleet. See Appendix C of the Standard Implementation Manual for the definition of common ownership or control.
4. Upon receipt of the completed Form, the Voucher Processing admin team, in conjunction with CALSTART, will seek a review from CARB. The admin team will then notify the requestor about whether or not they are approved by CARB to proceed with a voucher request.
5. Unless otherwise specified, voucher requests will follow the standard HVIP voucher management and redemption process, aside from deviations described below, and the dealer / manufacturer must complete the annual HVIP purchaser survey for three years after redemption.

Voucher Management and Redemption:

The dealer / manufacturer will be required to submit quarterly telematics reporting and maintain a “log of use,” detailing the contact information and TIN for fleets that have used the vehicle every quarter, as well as the dates of use.

A specific fleet may not use a demo for more than 30 consecutive days or 60 days per year, and dealers must ensure that out of 365 days per year, the demo vehicles are in fleets’ hands at least 182 days per

year, per the quarterly “use log.” If this requirement is not met, the dealer will be required to pay back the voucher.

The vehicle(s) must be made available to participate in at least one HVIP-affiliated vehicle showcase or ride and drive per calendar year (dependent upon the vehicle types requested). Events information will be coordinated during the quarterly reporting process.

The “demos” must be owned and operated by the dealer / manufacturer for a minimum of three years post-redemption. Any vehicle resale within the three-year term must be approved in advance by CARB through a written request submitted to voucherprocessing@tetrattech.com. In addition, the dealer must report to CARB the actual sale price of the vehicle when it is sold.

After redemption, an HVIP decal sticker will be provided. The decal or a mini-wrap, approved by HVIP staff, must be displayed on the vehicle.

For more information, please reach out to info@californiahvip.org.