**IMPORTANT CHANGES TO HVIP**

*Going Forward - What Dealers Need to Know*

**Summary of changes to HVIP on October 26, 2018**

1) **Revised funding structure for hydrogen fuel cell trucks and buses:**

   The current $300,000 voucher incentive covers 40-foot transit buses and Class 8 trucks powered exclusively by hydrogen fuel cells.

   CARB will consider adding additional funding categories for smaller vehicles as they become commercially available. The approach would create a tiered allocation for hydrogen FC trucks and buses based on length and GVWR, with an interim system for case-by-case approval of voucher amounts until price data is available for commercial vehicles using hydrogen FC technologies. Voucher amounts would be lower for vehicles that supplement FC power with either combustion or plug-in range extenders.

2) **Revise funding for ePTOs:**

   ePTO truck incentives have previously been based on vehicle GVWR.

   Now the basis for determining voucher amounts for ePTOs is based on the size of the battery systems and work site performance. Voucher amounts cover up to half of the incremental cost of the ePTO system.

3) **Revised Incentive Amounts for New Hybrid Vehicles:**

   Incentive amounts for new hybrid vehicles are now limited to half of incremental cost, capped at the voucher amounts in the current GVWR voucher table.

   Hybrid vehicles that achieve a 35-mile all-electric range have a voucher adder that increases with GVWR, but still limits the voucher amount to half incremental cost.
4) Removal of “first three” voucher enhancements:

The first-three voucher enhancement has been removed for all new voucher requests.

5) Removal of reduced voucher amount for fleets with more than 100 vouchers in a year:

Voucher amounts are no longer reduced when a purchaser has more than 100 voucher requests in a year.

6) Optional and Extended Warranties:

The definitions used to determine optional and extended warranty voucher amounts have changed.

All HVIP manufacturers now can choose between providing a minimum standard 3-year/50,000-mile warranty and a 2-year/100,000-mile warranty for each eligible vehicle in HVIP. Low NOx engines and vehicles will continue to be covered by the ongoing, slightly different warranty requirements specific to Low NOx.

The optional warranty voucher enhancements have changed to require increases in the mileage requirements.

The $2,000 warranty coverage increases mileage from 120,000 to 300,000 miles.
The $4,000 warranty coverage increases mileage from 140,000 to 350,000 miles.
The $6,000 warranty coverage increases mileage from 160,000 to 400,000 miles.

The associated duration requirements for each tier remain at 6, 7, and 8 years.

7) 8.9-liter low NOx Engine Incentives:

Vouchers for new transit buses using the 8.9-liter low NOx natural gas engine have been discontinued.

Vouchers for refuse vehicles (collection trucks and rolloff trucks) using the 8.9-liter low NOX natural gas engine have been discontinued for fleets already using natural gas refuse vehicles. Voucher requests will be allowed for fleets using diesel refuse vehicles. CARB and CALSTART are working on the specific process that would define fleet eligibility.

Vouchers amounts for the 8.9-liter Low NOx for other applications not precluded above would increase to $45,000.
Voucher amounts for repowers using the 8.9-liter Low NOx engine would increase to $45,000 for all applications, including refuse and transit.

8) 11.9-liter low NOx Engine Incentives:
Voucher amount has increased to $45,000 for both new purchases and repowers for the 11.9-liter low NOx engine.

9) Small Fleet Waiver of RNG Requirement:
The required maximum fleet size to use the small-fleet RNG waiver has been increased from 3 total vehicles in the fleet to 10 total vehicles in the fleet.

Questions? Contact Joey Vollmer (JVollmer@CALSTART.org)