

EXHIBIT A SCOPE OF WORK

PURPOSE

The purpose of this Interagency Agreement is to transfer funds from the California Energy Commission's (Energy Commission) Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP) to the California Air Resources Board's (ARB) Clean Vehicle Rebate Project (CVRP). These funds will be used to increase the funding for the CVRP for qualified electric drive vehicles. Funds for this program will be used to amend ARB's Implementation Manual for the FY 2010-2011 CVRP (Manual), administer and fund the rebate program as it pertains to the Energy Commission funding, report rebate data as it pertains to the Energy Commission funding, and provide a Final Report. In December 2010, ARB selected, through a competitive solicitation, the California Center for Sustainable Energy (CCSE) as the Grantee for the CVRP. On January 27, 2011, ARB and CCSE executed Grant Agreement G10-AQIP-02 (Grant Agreement) to implement the CVRP.

BACKGROUND

Assembly Bill 118 (Núñez, Chapter 750, Statutes of 2007), created the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP). The statute, subsequently amended by AB 109 (Núñez, Chapter 313, Statutes of 2008), authorizes the Energy Commission to enter into interagency agreements to develop and deploy alternative and renewable fuels and advanced transportation technologies to help attain the state's climate change policies. The Energy Commission has an annual program budget of approximately \$100 million and provides financial support for projects that:

- Develop and improve alternative and renewable low-carbon fuels;
- Optimize alternative and renewable fuels for existing and developing engine technologies;
- Produce alternative and renewable low-carbon fuels in California;
- Decrease, on a full fuel cycle basis, the overall impact and carbon footprint of alternative and renewable fuels and increase sustainability;
- Expand fuel infrastructure, fueling stations, and equipment;
- Improve light-, medium-, and heavy-duty vehicle technologies;
- Retrofit medium- and heavy-duty on-road and non-road vehicle fleets;
- Expand infrastructure connected with existing fleets, public transit, and transportation corridors; and
- Establish workforce training programs, conduct public education and promotion, and create technology centers.

Under the ARFVTP, the Energy Commission must provide preference to those projects that maximize the goals of the ARFVTP. This Interagency Agreement with ARB will provide eligibility for funding of programs and projects that accelerate the commercialization of vehicles and alternative and renewable fuels including buy-down programs through near-market and market-path deployments, advanced technology

warranty or replacement insurance, development of market niches, and supply-chain development.

TASKS

Task 1: Amend and publish the 2010-2011 CVRP Manual

The goal of this task is to amend and publish the Manual to provide instructions to CCSE on the use of the Energy Commission funds. The Manual shall act as the guidelines for this program.

Task 1.1: Amend the Manual

The goal of this task is to amend the Manual.

ARB shall amend the Manual as follows:

- **Section 2.2.1 – Light-Duty Zero-Emission Vehicles (Light-Duty ZEVs)**
ARB shall add the following statement to the end of the existing paragraph: The funding provided by the Energy Commission will be used for Light-Duty Zero-Emission Vehicles capable of freeway operation and certified for four passengers or more.
- **Section 2.2.2 – Light-Duty Plug-in Hybrid Electric Vehicles (PHEVs)**
ARB shall add the following statement to the end of the existing paragraph: The funding provided by the Energy Commission will be used for Light-Duty Plug-In Hybrid Electric Vehicles capable of freeway operation and certified for four passengers or more.
- **Section 2.5 - Vehicle Rebate Amounts, Table 2**
CVRP Maximum Rebate Amounts shall be amended to add \$1,877,000 to the maximum project funding for “Light Duty Zero Emission Vehicles” and “Light-Duty Plug-In Hybrid Electric Vehicles”.

ARB shall provide a copy of the amended manual to the Energy Commission Contract Manager (CCM).

Deliverable:

- Copy of Amended Manual

Task 1.2: Post the amended manual on the ARB and CCSE websites

ARB and CCSE shall post the amended Manual on their respective websites. ARB shall provide electronic links to the amended Manual via email to the Commission Contract Manager (CCM) within 10 days of completing the amendment.

Deliverable:

- Electronic Links to Amended Manual

Task 1.3: Amend the Grant Agreement

The goal of this task is to amend the Grant Agreement to allow for the incorporation of funding from this Interagency Agreement. ARB shall provide a copy of the amended Grant Agreement to the CCM within 30 days of execution of this Interagency Agreement.

Deliverable:

- Copy of Amended Grant Agreement

Task 1.4: Acknowledgement of Energy Commission Funding

The goal of this task is for ARB to provide written acknowledgement on its website that Energy Commission funds have been provided for this program. ARB shall also have CCSE provide written acknowledgement on CCSE's website that Energy Commission funds have been provided for this program. ARB shall provide printouts of the ARB and CCSE web pages showing this acknowledgement to the CCM within 10 days of completing the amendment.

Deliverables:

- ARB and CCSE Webpage Printouts of Acknowledgement

Task 2: Administer Rebate Disbursement Program

The goal of this task is to ensure that vehicle rebates are disbursed and status reports are provided to the Energy Commission regarding the funds and rebate disbursement.

ARB shall administer vehicle rebates in accordance with the Manual, and in conjunction with the Air Quality Improvement Program (AQIP) Guidelines, which identify the minimum requirements for administration, implementation, and oversight of the CVRP. In accordance with the Manual and the Grant Agreement, 6.15 percent of the funding for this agreement may be used for administrative costs by the Grantee. ARB may not invoice for its own administrative costs. No administrative costs will be paid to ARB.

Task 2.1: Status Reports

ARB shall provide Status Reports to the Energy Commission as they apply to only the Energy Commission funding for this agreement. The Status Reports must be submitted every three months and shall provide information specific to the reporting period, and shall also include cumulative information for all previous reporting periods. The Status Reports shall be submitted as a Microsoft Word or Microsoft Excel document and must include, at a minimum, the following information:

- Number of rebates received, approved, disapproved and pending;
- Number and dollar amount of rebates issued detailed by vehicle type, model, purchase price, rebate amount, fleet type (e.g., individual, business, state government agency, or non-profit organization), Air District, and other financial incentives received (other than tax rebates);
- Grantee Administrative cost summaries;
- Remaining grant funding available; and
- Identified problems or concerns and proposed solutions.

The Status Report shall be transmitted via electronic mail (e-mail) to the CCM within 60 days after ARB receives and approves the status report from CCSE. The first Status Report shall be submitted as required by the Manual and in accordance with the schedule in the Grant Agreement between ARB and the CCSE.

Deliverable:

- Status Reports

Task 2.2: Establish Separate Tracking Process for Energy Commission Funds

ARB will require CCSE to separately track Energy Commission funds, including amounts received and payments made on behalf of the Commission. ARB and CCSE shall provide a description of the accounting process.

Deliverable:

- Description of Accounting Process

Task 3: Final Report

The goal of this task is to summarize the results of the program and Energy Commission funding in a final report to the Energy Commission.

The Final Report shall be delivered to the CCM as an electronic Microsoft Word file (.doc), or Excel (.xls) file. Additionally, ARB shall deliver to the CCM a hardcopy of the final version of each written deliverable, printed on 8 ½” by 11” paper, as a clean copy in black ink, readable if printed in black and white.

ARB shall prepare a final report after all vehicle rebates have been funded as a result of this agreement. The Final report shall include, at a minimum:

- Total fund expenditures (including match and in-kind funds)
- All vehicles funded by the CVRP for the period covered by the Grant Agreement (may be provided as summaries of previously submitted Status Reports)
- Identification of vehicle rebates funded using Energy Commission funding
- Vehicle Identification Number for each vehicle purchased
- City and ZIP code of where the rebate check was mailed
- Outreach efforts
- Implementation challenges
- Recommendations for potential program improvements

Deliverable:

- Final Report (no draft)

DELIVERABLES AND DUE DATES SCHEDULE

Task Number	Deliverable	Due Date
1.1	Copy of Amended Manual	Within 10 days of amending the Manual
1.2	Electronic Links to Amended Manual	Within 10 days of amending the Manual
1.3	Copy of Amended Grant Agreement	Within 30 days of execution of this Interagency Agreement
1.4	ARB and CCSE Webpage Printouts of Acknowledgement	Within 10 days of amending the Manual
2.1	Status Reports	Within 10 working days of ARB's receipt and approval of CCSE's Status Report
2.2	Description of Accounting Process	Within 30 days of execution of this Interagency Agreement
3	Final Report	September 28, 2012