

**Item #18**  
**April 22, 2014**  
**Energy Commission Business Meeting**

**Vehicle Buy-Down Incentive Reservations**  
**Totaling \$16,632,000.00**  
**for**  
**Natural Gas Vehicle Incentives**  
**(PON-13-610)**

On January 27, 2014, the Energy Commission released Program Opportunity Notice (PON) PON-13-610 that makes funding available from the Alternative and Renewable Fuel and Vehicle Technology Program established by Assembly Bill 118 (Núñez, Chapter 750, Statutes of 2007; subsequently amended by AB 109 ((Núñez, Chapter 313, Statutes of 2008), and AB 8 (Perea, Chapter 401, Statutes of 2013) for natural gas vehicle incentives to reduce the purchase price of new on-road natural gas vehicles. The natural gas vehicle incentives will directly benefit California's economy and the environment by expanding the use of a domestically produced non-petroleum fuel that is a low-cost alternative to gasoline and these incentives will assist public and private fleet operators and individual consumers in making the decision to purchase natural gas vehicles.

The natural gas vehicle incentives are available only for new, on-road natural gas light-, medium-, or heavy-duty vehicles or school buses that meet all 2010 or newer emission requirements of the Air Resources Board and that are fully warranted by the original equipment manufacturer. Purchasers must register the eligible vehicle(s) in California and agree to operate the eligible vehicle(s) on natural gas in California (at least 90 percent of the time) for at least 3 years. The natural gas vehicle incentives may be used in conjunction with vehicle purchase incentives available from other entities. Incentives are available at varying levels depending on the gross vehicle weight.

The PON is open to original equipment manufacturers (OEMs) on a first-come, first-served basis and the Energy Commission began accepting reservations on February 28, 2014. OEMs may designate California dealers and distributors to apply for the natural gas vehicle incentives on their behalf.

The incentive reservation and payment process is simple and efficient, designed to minimize staff workload and create an easy and transparent process for incentivizing the purchase of natural gas vehicles. The OEM or designated dealer/distributor submits a reservation form and any additional required documentation. These forms are screened for completeness and taken to the Commission for its approval to encumber the funds. Once approved, the applicant may begin selling eligible vehicles at a reduced

price to reflect the incentive payment. Upon sale and vehicle registration, the applicant submits a payment claim form and additional required documentation. Upon approval by the Commission Incentive Manager, the applicant receives a check for the incentive amount. The reservation terminates by its own terms after 365 days or when the incentives are expended, whichever occurs first.

The Chief Counsel's Office has reviewed this PON to determine what level of environmental review is necessary under the California Environmental Quality Act (CEQA) and recommends including a finding that the PON and incentives distributed under it are "not a project" and therefore not subject to environmental review.

- a. SOUTH BAY FORD, INC. (OEM - Ford Motor Company) (BDIR-13-02), in the amount of \$36,000 for six natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight and \$264,000 for 24 natural gas vehicles of 16,001 to 26,000 pounds gross vehicle weight, for a total reservation amount of \$300,000.
- b. DAIMLER TRUCKS NORTH AMERICA LLC (OEM – Daimler) (BDIR-13-03), in the amount of \$1,600,000 for 64 natural gas vehicles of 33,001 pounds gross vehicle weight and greater.
- c. CAPACITY TRUCKS (OEM – Capacity Trucks) (BDIR-13-04), in the amount of \$1,600,000 for 64 natural gas vehicles of 33,001 pounds gross vehicle weight and greater.
- d. TEC OF CALIFORNIA, INC. (OEM – Volvo Trucks of America) (BDIR-13-05), in the amount of \$300,000 for 12 natural gas vehicles of 33,001 pounds gross vehicles weight and greater.
- e. ISUZU COMMERCIAL TRUCK OF AMERICA, INC. (OEM – Isuzu) (BDIR-13-06), in the amount of \$1,596,000 for 266 natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight.
- f. TEC OF CALIFORNIA, INC. – La Mirada (OEM – Mack Trucks, Inc.) (BDIR-13-07), in the amount of \$300,000 for 12 natural gas vehicles of 33,001 pounds gross vehicles weight and greater.
- g. TOM'S TRUCK CENTER NORTH COUNTY, LLC dba CARMENITA TRUCK CENTER (OEM – Ford Motor Company) (BDIR-13-08), in the amount of \$110,000 for 10 natural gas vehicles of 16,001 to 26,000 pounds gross vehicle weight.
- h. CREATIVE BUS SALES, INC. (OEM – El Dorado National – California, Inc.) (BDIR-13-09), in the amount of \$300,000 for 12 natural gas vehicles of 33,001 pounds gross vehicle weight and greater.
- i. CREATIVE BUS SALES, INC. (OEM – Mobility Ventures LLC) (BDIR-13-12), in the amount of \$15,000 for 15 natural gas vehicles of up to 8,500 pounds gross vehicle weight.

- j. PETERBILT MOTORS COMPANY (OEM – Peterbilt Motors Company) (BDIR-13-14), in the amount of \$1,600,000 for 64 natural gas vehicles of 33,001 pounds gross vehicle weight and greater.
- k. AUTOCAR, LLC (OEM – Autocar, LLC) (BDIR-13-15), in the amount of \$1,600,000 for 64 natural gas vehicles of 33,001 pounds gross vehicle weight and greater.
- l. HANSEL FORD INC. (OEM – Ford Motor Company) (BDIR-13-18), in the amount of \$54,000 for 9 natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight.
- m. KENWORTH TRUCK COMPANY (OEM – Kenworth Truck Company) (BDIR-13-19), in the amount of \$1,600,000 for 64 natural gas vehicles of 33,001 pounds gross vehicle weight and greater.
- n. TED JONES FORD INC dba KEN GRODY FORD (OEM – Ford Motor Company) (BDIR-13-20), in the amount of \$60,000 for 10 natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight.
- o. BOB WONDRIES MOTORS dba WONDRIES FLEET GROUP (OEM – Ford Motor Company) (BDIR-13-21), in the amount of \$276,000 for 46 natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight and \$22,000 for two natural gas vehicles of 16,001 to 26,000 pounds gross vehicle weight, for a total reservation of \$298,000.
- p. GALPIN MOTORS INC dba GALPIN FORD (OEM – Ford Motor Company) (BDIR-13-22), in the amount of \$120,000 for 20 natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight and \$110,000 for 10 natural gas vehicles of 16,001 to 26,000 pounds gross vehicle weight, for a total reservation of \$230,000.
- q. MIRAMAR FORD TRUCK SALES, INC (OEM – Ford Motor Company) (BDIR-13-23), in the amount of \$55,000 for five natural gas vehicles of 16,001 to 26,000 pounds gross vehicle weight.
- r. KEARNY PEARSON FORD (OEM – Ford Motor Company) (BDIR-13-25), in the amount of \$84,000 for 14 natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight.
- s. VOLVO GROUP, NORTH AMERICA LLC (Volvo Trucks North America) (BDIR-13-26), in the amount of \$400,000 for 16 natural gas vehicles of 33,001 pounds gross vehicle weight and greater.
- t. CENTRAL VALLEY GMC (OEM – Volvo Trucks North America) (BDIR-13-27), in the amount of \$300,000 for 12 natural gas vehicles of 33,001 pounds gross vehicle weight and greater.
- u. TOWNE MOTOR COMPANY (OEM – Ford Motor Company) (BDIR-13-28), in the amount of \$1,000 for one natural gas vehicle of up to 8,500 pounds gross vehicle weight and \$36,000 for six natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight, for a total reservation of \$37,000.

- v. AMERICAN HONDA MOTOR COMPANY, INC. (OEM – American Honda) (BDIR-13-29,) in the amount of \$1,600,000 for 1,600 natural gas vehicles of up to 8,500 pounds gross vehicle weight.
- w. ROTOLO CHEVROLET INC, (OEM – General Motors) (BDIR-13-30), in the amount of \$120,000 for 20 natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight.
- x. GILLIG, LLC (OEM – Gillig, LLC) (BDIR-13-31), in the amount of \$375,000 for 15 natural gas vehicles of 33,001 pounds gross vehicle weight and greater.
- y. SERRAMONTE FORD (OEM – Ford Motor Company) (BDIR-13-32), in the amount of \$66,000 for 11 natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight.
- z. E-W TRUCK & EQUIPMENT CO., INC. (OEM – Volvo Trucks North America) (BDIR-13-33), in the amount of \$300,000 for 12 natural gas vehicles of 33,001 pounds gross vehicle weight and greater.
- aa. TEC OF OAKLAND (OEM – Volvo Trucks of America) (BDIR-13-34), in the amount of \$300,000 for 12 natural gas vehicles of 33,001 pounds gross vehicles weight and greater.
- bb. LAKE CHEVROLET (OEM – General Motors) (BDIR-13-35), in the amount of \$120,000 for 20 natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight.
- cc. MACK TRUCKS, INC (OEM – Mack Trucks, Inc.) (BDIR-13-36), in the amount of \$1,300,000 for 52 natural gas vehicles of 33,001 pounds gross vehicle weight and greater.
- dd. VILLA FORD (OEM – Ford Motor Company) (BDIR-13-37), in the amount of \$12,000 for two natural gas vehicles of 8,501 to 16,000 pounds gross vehicle weight.