

GRANT REQUEST FORM (GRF)

CEC-270 (Revised 02/13)

CALIFORNIA ENERGY COMMISSION

New Agreement ARV-14-044 (To be completed by CGL Office)

Division	Agreement Manager:	MS-	Phone
600 Fuels and Transportation Division	Darren Nguyen	27	916-654-5144

Recipient's Legal Name	Federal ID Number
Proterra, Inc.	27-1878459

Title of Project
California Zero Emission Public Transit Bus Manufacturing Project

Term and Amount	Start Date	End Date	Amount
	5 / 1 / 2015	12 / 31 / 2018	\$ 3,000,000

Business Meeting Information
 ARFVTP agreements under \$75K delegated to Executive Director.

Proposed Business Meeting Date	4 / 8 / 2015	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Discussion
Business Meeting Presenter	Darren Nguyen	Time Needed:	5 minutes

Please select one list serve. Select

Agenda Item Subject and Description

Proposed resolution approving Agreement ARV-14-044 with Proterra, Inc. for a \$3,000,000 grant to design, develop, and operate a state-of-the-art manufacturing line for battery, all electric, zero-emission, public transit buses in the City of Industry in San Gabriel Valley, California. The project will provide a high-tech manufacturing plant in the heart of Los Angeles, the largest bus market in the United States. The manufacturing facility will reduce production costs and accelerate the deployment of zero-emission, public transit buses throughout the State. Investment in the project will spark job creation, accelerate economic and environmental benefits, provide lasting GHG emissions reductions, and eliminate toxic emissions in communities throughout California. (ARFVTP funding) Contact: Darren Nguyen. (Staff presentation: 5 minutes)

California Environmental Quality Act (CEQA) Compliance

- Is Agreement considered a "Project" under CEQA?
 - Yes (skip to question 2)
 - No (complete the following (PRC 21065 and 14 CCR 15378)): Explain why Agreement is not considered a "Project": Agreement will not cause direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment because .
- If Agreement is considered a "Project" under CEQA:
 - a) Agreement **IS** exempt. (Attach draft NOE)
 - Statutory Exemption. List PRC and/or CCR section number:
 - Categorical Exemption. List CCR section number: 14 C.C.R. sects. 15301, 15303, 15304
 - Common Sense Exemption. 14 CCR 15061 (b) (3)

Explain reason why Agreement is exempt under the above section:
The project consists of minor alteration of existing facilities and mechanical equipment involving negligible or no expansion of use beyond that existing: new construction of small accessory structures; and minor alterations to land including minor trenching and backfilling where surface is restored. Specifically, this project proposes modifications to the interior of an existing industrial-zoned building. Interior modification work includes installation of manufacturing equipment inside the existing building. The alterations will not change the structure of the building. The interior alterations will be performed in a space of approximately 157,055 ft² of the existing building and will require no increase in square footage. For the interior modifications, all power will be provided from existing electrical panels. Additionally, one electric vehicle fast charging system will be installed in a parking lot outside of the building. The proposed charging area is approximately 40 ft by 70 ft. Work on the fast charging system includes installations of conduit, wiring, electrical connections and mounting equipment. Minor trenching may be required to bring power from local sources to the fast charge system. If trenching occurs, surface will be restored.
 - b) Agreement **IS NOT** exempt. (Consult with the legal office to determine next steps.)
Check all that apply
 - Initial Study
 - Negative Declaration
 - Mitigated Negative Declaration
 - Environmental Impact Report
 - Statement of Overriding Considerations

List all subcontractors (major and minor) and equipment vendors: (attach additional sheets as necessary)

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CALIFORNIA ENERGY COMMISSION



Legal Company Name:	Budget
	\$ 0
	\$ 0
	\$ 0

List all key partners: (attach additional sheets as necessary)

Legal Company Name:

Budget Information

Funding Source	Funding Year of Appropriation	Budget List No.	Amount
ARFVTF			\$3,000,000
Funding Source			\$
R&D Program Area:	Select Program Area	TOTAL:	\$3,000,000
Explanation for "Other" selection			
Reimbursement Contract #:		Federal Agreement #:	

Recipient's Administrator/ Officer

Name: Eric J. McCarthy

Address: 1 Whitlee Court

City, State, Zip: Greenville, SC 29607

Phone: 864-214-2668

Fax: 864-751-5890

E-Mail: emccarthy@proterra.com

Recipient's Project Manager

Name: Eric J. McCarthy

Address: 1 Whitlee Court

City, State, Zip: Greenville, SC 29607

Phone: 864-214-2668

Fax: 864-751-5890

E-Mail: emccarthy@proterra.com

Selection Process Used Competitive Solicitation First Come First Served Solicitation

Solicitation #: PON-14-604

The following items should be attached to this GRF

1. Exhibit A, Scope of Work	<input checked="" type="checkbox"/>	Attached
2. Exhibit B, Budget Detail	<input checked="" type="checkbox"/>	Attached
3. CEC 105, Questionnaire for Identifying Conflicts	<input checked="" type="checkbox"/>	Attached
4. Recipient Resolution	<input checked="" type="checkbox"/> N/A	<input type="checkbox"/> Attached
5. CEQA Documentation	<input type="checkbox"/> N/A	<input checked="" type="checkbox"/> Attached

Agreement Manager

Date

Office Manager

Date

Deputy Director

Date

Exhibit A SCOPE OF WORK

TECHNICAL TASK LIST

Task #	CPR	Task Name
1		Administration
2	x	Facility Readiness
3	x	Manufacturing Readiness
4	x	Testing
5		Data Collection and Analysis

KEY NAME LIST

Task #	Key Personnel
1	Eric J. McCarthy
2	David Milligan
3	Ed Lyghtel
4	Joseph Lambert
5	Joseph Lambert

GLOSSARY

Specific terms and acronyms used throughout this scope of work are defined as follows:

Term/ Acronym	Definition
ARFVTP	Alternative and Renewable Fuel and Vehicle Technology Program
CAM	Commission Agreement Manager
CPR	Critical Project Review
Energy Commission	California Energy Commission
FTD	Fuels and Transportation Division
Recipient	Proterra, Inc.

Term/ Acronym	Definition
ZE	Zero Emission(s)

BACKGROUND

Assembly Bill (AB) 118 (Núñez, Chapter 750, Statutes of 2007), created the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP). The statute authorizes the California Energy Commission (Energy Commission) to develop and deploy alternative and renewable fuels and advanced transportation technologies to help attain the state’s climate change policies. AB 8 (Perea, Chapter 401, Statutes of 2013) re-authorizes the ARFVTP through January 1, 2024, and specifies that the Energy Commission allocate up to \$20 million per year (or up to 20 percent of each fiscal year’s funds) in funding for hydrogen station development until at least 100 stations are operational. The ARFVTP has an annual budget of approximately \$100 million and provides financial support for projects that:

- Reduce California’s use and dependence on petroleum transportation fuels and increase the use of alternative and renewable fuels and advanced vehicle technologies.
- Produce sustainable alternative and renewable low-carbon fuels in California.
- Expand alternative fueling infrastructure and fueling stations.
- Improve the efficiency, performance and market viability of alternative light-, medium-, and heavy-duty vehicle technologies.
- Retrofit medium- and heavy-duty on-road and non-road vehicle fleets to alternative technologies or fuel use.
- Expand the alternative fueling infrastructure available to existing fleets, public transit, and transportation corridors.
- Establish workforce training programs and conduct public outreach on the benefits of alternative transportation fuels and vehicle technologies.

The Energy Commission issued Solicitation PON-14-604 entitled “Advanced Vehicle Technology Manufacturing” under the ARFVT Program on September 5, 2014. This competitive grant solicitation was an offer to fund the development of advanced vehicle technology manufacturing facilities in California that produce zero- or near ZE vehicles, or vehicle components. The resulting projects will expand alternative fuel vehicle and component manufacturing within California and advance ARFVTP’s goals to reduce GHG emissions, reduce petroleum use, and provide economic and job benefits. To be eligible for funding under PON-14-604, projects must also be consistent with the Energy Commission’s ARFVTP Investment Plan updated annually. In response to PON-14-604, the Recipient submitted application #10 which was proposed for funding in the Energy Commission’s Notice of Proposed Awards on February 25, 2015. PON-14-604 is hereby incorporated by reference into this Agreement in its entirety.

In the event of any conflict or inconsistency between the terms of the Solicitation and the terms of the Recipient's Application, the Solicitation shall control. In the event of any conflict or inconsistency between the Recipient's Application and the terms of Energy Commission's Award, the Energy Commission's Award shall control. Similarly, in the event of any conflict or inconsistency between the terms of this Agreement and the Recipient's Application, the terms of this Agreement shall control.

Problem Statement

Manufacturing production capacity of heavy-duty ZE vehicles is not adequate to meet current and future demands for ZE bus and truck deployments on the West Coast. Expanded manufacturing capacity of ZE transit buses is especially needed in California to support the implementation of AB 32, the Governor's ZEV Executive Order and ZEV Action Plan, as well as the goals of AB 118 and AB 8.

Since 2010, Proterra has manufactured all of its ZE buses in Greenville, South Carolina. Due to significant demand, the facility has a growing backlog, including customers on the West Coast. This demand could be met in the near term by ramping up production shifts and manufacturing facilities on the East Coast, but the high shipping costs to deliver buses to the West Coast, the need for local service, repair and maintenance personnel to serve San Joaquin RTD and Foothill Transit, and additional West Coast customers all support implementing a West Coast manufacturing facility.

San Gabriel Valley is an optimal location to serve existing and future transit operators throughout California. The project will benefit economically distressed communities throughout the San Gabriel Valley—providing jobs in southern California's emerging center of high-tech manufacturing. This Agreement will help lower production costs, reduce the upfront cost of fast-charge ZE buses, provide a large physical presence in California to provide a strong spark to accelerate widespread deployment and adoption.

The technology is ripe, commercially available and being deployed throughout the nation. The principal barrier that has hindered the deployment and more widespread use of ZE buses by transit agencies throughout California is the upfront capital costs of the buses as compared to diesel or conventional natural gas buses. This project will lower the upfront delta by reducing the high transportation costs to ship buses to California. The economies of scale of increased production also will help drive down costs. Additionally, a prominent manufacturing facility in one of California's key manufacturing and logistics centers will provide a strong presence to help further educate transit operators about the economic and environmental benefits of ZE buses.

Goals of the Agreement

The goals of this Project are to:

- Provide a ZE, battery, all-electric transit bus complete manufacturing line.
- Accelerate ZE bus adoption and improve economies of scale in California and beyond.
- Help reduce California's use and dependence on petroleum transportation fuels.
- Support the state in achieving its aggressive environmental goals, including the goals of AB 118 and 8, and the implementation of AB 32 and the Governor's ZEV Action Plan to have 1.5 million zero-emission vehicles on California's roadways by 2025.
- Provide environmental benefits for California's disadvantaged communities.
- Spur job opportunities in California.
- Reduce ZE bus manufacturing, service, and maintenance costs.

Objectives of the Agreement:

The objectives of this Project are to:

- Design, develop, and construct a state-of-the-art manufacturing line in California to be operational by fourth quarter of 2015 for Proterra's CATALYST™, a 40' fast-charge, ZE transit bus.
- Create more than 70 new direct jobs in the San Gabriel Valley.
- Manufacture and sell an estimated 424 vehicles by the end of the grant term.
- Reduce greenhouse gas emissions by up to 905,664,000 lbs CO₂e over the lifetime of the vehicles manufactured during the grant term.

TASK 1 – ADMINISTRATION

Task 1.1 Attend Kick-off Meeting

The goal of this task is to establish the lines of communication and procedures for implementing this Agreement. The Commission Agreement Manager (CAM) shall designate the date and location of this meeting and provide an agenda to the Recipient prior to the meeting.

The Recipient shall:

- Attend a “Kick-Off” meeting with the CAM, the Commission Agreement Officer (CAO), and a representative of the Energy Commission Accounting Office. The Recipient shall bring their Project Manager, Agreement Administrator, Accounting Officer, and any others determined necessary by the Recipient or specifically requested by the CAM to this meeting.
- Discuss the following administrative and technical aspects of this Agreement:
 - Agreement Terms and Conditions
 - Critical Project Review (Task 1.2)
 - Match fund documentation (Task 1.6) No reimbursable work may be done until this documentation is in place.
 - Permit documentation (Task 1.7)
 - Subcontracts needed to carry out project (Task 1.8)
 - The CAM’s expectations for accomplishing tasks described in the Scope of Work
 - An updated Schedule of Products and Due Dates
 - Monthly Progress Reports (Task 1.4)
 - Technical Products (Product Guidelines located in Section 5 of the Terms and Conditions)
 - Final Report (Task 1.5)

Recipient Products:

- Updated Schedule of Products
- Updated List of Match Funds
- Updated List of Permits

Commission Agreement Manager Product:

- Kick-Off Meeting Agenda

Task 1.2 Critical Project Review (CPR) Meetings

CPRs provide the opportunity for frank discussions between the Energy Commission and the Recipient. The goal of this task is to determine if the project should continue to receive Energy Commission funding to complete this Agreement and to identify any needed modifications to the tasks, products, schedule or budget.

The CAM may schedule CPR meetings as necessary, and meeting costs will be borne by the Recipient.

Meeting participants include the CAM and the Recipient and may include the Commission Agreement Officer, the Fuels and Transportation Division (FTD) program lead, other Energy Commission staff and Management as well as other individuals selected by the CAM to provide support to the Energy Commission.

The CAM shall:

- Determine the location, date, and time of each CPR meeting with the Recipient. These meetings generally take place at the Energy Commission, but they may take place at another location.
- Send the Recipient the agenda and a list of expected participants in advance of each CPR. If applicable, the agenda shall include a discussion on both match funding and permits.
- Conduct and make a record of each CPR meeting. Prepare a schedule for providing the written determination described below.
- Determine whether to continue the project, and if continuing, whether or not modifications are needed to the tasks, schedule, products, and/or budget for the remainder of the Agreement. Modifications to the Agreement may require a formal amendment (please see section 8 of the Terms and Conditions). If the CAM concludes that satisfactory progress is not being made, this conclusion will be referred to the Lead Commissioner for Transportation for his or her concurrence.
- Provide the Recipient with a written determination in accordance with the schedule. The written response may include a requirement for the Recipient to revise one or more product(s) that were included in the CPR.

The Recipient shall:

- Prepare a CPR Report for each CPR that discusses the progress of the Agreement toward achieving its goals and objectives. This report shall include recommendations and conclusions regarding continued work of the projects. This report shall be submitted along with any other products identified in this scope of work. The Recipient shall submit these documents to the CAM and any other designated reviewers at least 15 working days in advance of each CPR meeting.
- Present the required information at each CPR meeting and participate in a discussion about the Agreement.

CAM Products:

- Agenda and a list of expected participants
- Schedule for written determination
- Written determination

Recipient Product:

- CPR Report(s)

Task 1.3 Final Meeting

The goal of this task is to closeout this Agreement.

The Recipient shall:

- Meet with Energy Commission staff to present the findings, conclusions, and recommendations. The final meeting must be completed during the closeout of this Agreement.
This meeting will be attended by, at a minimum, the Recipient, the Commission Grants Office Officer, and the Commission Agreement Manager. The technical and administrative aspects of Agreement closeout will be discussed at the meeting, which may be two separate meetings at the discretion of the Commission Agreement Manager. The technical portion of the meeting shall present an assessment of the degree to which project and task goals and objectives were achieved, findings, conclusions, recommended next steps (if any) for the Agreement, and recommendations for improvements. The Commission Agreement Manager will determine the appropriate meeting participants. The administrative portion of the meeting shall be a discussion with the Commission Agreement Manager and the Grants Officer about the following Agreement closeout items:
 - What to do with any equipment purchased with Energy Commission funds (Options)
 - Energy Commission's request for specific "generated" data (not already provided in Agreement products)
 - Need to document Recipient's disclosure of "subject inventions" developed under the Agreement
 - "Surviving" Agreement provisions
 - Final invoicing and release of retention
- Prepare a schedule for completing the closeout activities for this Agreement.

Products:

- Written documentation of meeting agreements
- Schedule for completing closeout activities

Task 1.4 Monthly Progress Reports

The goal of this task is to periodically verify that satisfactory and continued progress is made towards achieving the objectives of this Agreement on time and within budget.

The objectives of this task are to summarize activities performed during the reporting period, to identify activities planned for the next reporting period, to identify issues that may affect performance and expenditures, and to form the basis for determining whether invoices are consistent with work performed.

The Recipient shall:

- Prepare a Monthly Progress Report which summarizes all Agreement activities conducted by the Recipient for the reporting period, including an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns. Each progress report is due to the Commission Agreement Manager within 10 days of the end of the reporting period. The recommended specifications for each progress report are contained in Section 6 of the Terms and Conditions of this Agreement.
- In the first Monthly Progress Report and first invoice, document and verify match expenditures and provide a synopsis of project progress, if match funds have been expended or if work funded with match share has occurred after the notice of proposed award but before execution of the grant agreement. If no match funds have been expended or if no work funded with match share has occurred before execution, then state this in the report. All pre-execution match expenditures must conform to the requirements in the Terms and Conditions of this Agreement.

Product:

- Monthly Progress Reports

Task 1.5 Final Report

The goal of the Final Report is to assess the project's success in achieving the Agreement's goals and objectives, advancing science and technology, and providing energy-related and other benefits to California.

The objectives of the Final Report are to clearly and completely describe the project's purpose, approach, activities performed, results, and advancements in science and technology; to present a public assessment of the success of the project as measured by the degree to which goals and objectives were achieved; to make insightful observations based on results obtained; to draw conclusions; and to make recommendations for further projects and improvements to the FTD project management processes.

The Final Report shall be a public document. If the Recipient has obtained confidential status from the Energy Commission and will be preparing a confidential version of the Final Report as well, the Recipient shall perform the following activities for both the public and confidential versions of the Final Report.

The Recipient shall:

- Prepare an Outline of the Final Report, if requested by the CAM.
- Prepare a Final Report following the latest version of the Final Report guidelines which will be provided by the CAM. The CAM shall provide written comments on the Draft Final Report within fifteen (15) working days of receipt. The Final Report must be completed at least 60 days before the end of the Agreement Term.
- Submit one bound copy of the Final Report with the final invoice.

Products:

- Outline of the Final Report, if requested
- Draft Final Report
- Final Report

Task 1.6 Identify and Obtain Matching Funds

The goal of this task is to ensure that the match funds planned for this Agreement are obtained for and applied to this Agreement during the term of this Agreement.

The costs to obtain and document match fund commitments are not reimbursable through this Agreement. Although the Energy Commission budget for this task will be zero dollars, the Recipient may utilize match funds for this task. Match funds shall be spent concurrently or in advance of Energy Commission funds for each task during the term of this Agreement. Match funds must be identified in writing and the associated commitments obtained before the Recipient can incur any costs for which the Recipient will request reimbursement.

The Recipient shall:

- Prepare a letter documenting the match funding committed to this Agreement and submit it to the Commission Agreement Manager at least 2 working days prior to the kick-off meeting. If no match funds were part of the proposal that led to the Energy Commission awarding this Agreement and none have been identified at the time this Agreement starts, then state such in the letter. If match funds were a part of the proposal that led to the Energy Commission awarding this Agreement, then provide in the letter a list of the match funds that identifies the:
 - Amount of each cash match fund, its source, including a contact name, address and telephone number and the task(s) to which the match funds will be applied.
 - Amount of each in-kind contribution, a description, documented market or book value, and its source, including a contact name, address and telephone number and the task(s) to which the match funds will be applied. If the in-kind contribution is equipment or other tangible or real property, the Recipient shall identify its owner and provide a contact name, address and telephone number, and the address where the property is located.
- Provide a copy of the letter of commitment from an authorized representative of each source of cash match funding or in-kind contributions that these funds or contributions have been secured. For match funds provided by a grant a copy of the executed grant shall be submitted in place of a letter of commitment.
- Discuss match funds and the implications to the Agreement if they are reduced or not obtained as committed, at the kick-off meeting. If applicable, match funds will be included as a line item in the progress reports and will be a topic at CPR meetings.
- Provide the appropriate information to the Commission Agreement Manager if during the course of the Agreement additional match funds are received.
- Notify the Commission Agreement Manager within 10 days if during the course of the Agreement existing match funds are reduced. Reduction in match funds must be approved through a formal amendment to the Agreement and may trigger an additional CPR meeting.

Products:

- A letter regarding match funds or stating that no match funds are provided

- Copy(ies) of each match fund commitment letter(s) (if applicable)
- Letter(s) for new match funds (if applicable)
- Letter that match funds were reduced (if applicable)

Task 1.7 Identify and Obtain Required Permits

The goal of this task is to obtain all permits required for work completed under this Agreement in advance of the date they are needed to keep the Agreement schedule on track.

Permit costs and the expenses associated with obtaining permits are not reimbursable under this Agreement. Although the Energy Commission budget for this task will be zero dollars, the Recipient shall budget match funds for any expected expenditures associated with obtaining permits. Permits must be identified in writing and obtained before the Recipient can make any expenditure for which a permit is required.

The Recipient shall:

- Prepare a letter documenting the permits required to conduct this Agreement and submit it to the Commission Agreement Manager at least 2 working days prior to the kick-off meeting. If there are no permits required at the start of this Agreement, then state such in the letter. If it is known at the beginning of the Agreement that permits will be required during the course of the Agreement, provide in the letter:
 - A list of the permits that identifies the:
 - Type of permit
 - Name, address and telephone number of the permitting jurisdictions or lead agencies
 - The schedule the Recipient will follow in applying for and obtaining these permits.
- Discuss the list of permits and the schedule for obtaining them at the kick-off meeting and develop a timetable for submitting the updated list, schedule and the copies of the permits. The implications to the Agreement if the permits are not obtained in a timely fashion or are denied will also be discussed. If applicable, permits will be included as a line item in the Progress Reports and will be a topic at CPR meetings.
- If during the course of the Agreement additional permits become necessary, provide the appropriate information on each permit and an updated schedule to the Commission Agreement Manager.
- As permits are obtained, send a copy of each approved permit to the Commission Agreement Manager.

- If during the course of the Agreement permits are not obtained on time or are denied, notify the Commission Agreement Manager within 5 working days. Either of these events may trigger an additional CPR.

Products:

- Letter documenting the permits or stating that no permits are required
- A copy of each approved permit (if applicable)
- Updated list of permits as they change during the term of the Agreement (if applicable)
- Updated schedule for acquiring permits as changes occur during the term of the Agreement (if applicable)
- A copy of each final approved permit (if applicable)

Task 1.8 Obtain and Execute Subcontracts

The goal of this task is to ensure quality products and to procure subcontractors required to carry out the tasks under this Agreement consistent with the Agreement Terms and Conditions and the Recipient’s own procurement policies and procedures. It will also provide the Energy Commission an opportunity to review the subcontracts to ensure that the tasks are consistent with this Agreement, and that the budgeted expenditures are reasonable and consistent with applicable cost principles.

The Recipient shall:

- Manage and coordinate subcontractor activities.
- Submit a draft of each subcontract required to conduct the work under this Agreement to the Commission Agreement Manager for review.
- Submit a final copy of the executed subcontract.
- If Recipient decides to add new subcontractors, then the Recipient shall notify the CAM.

Products:

- Letter describing subcontracts needed or stating that no subcontracts required
- Draft subcontracts
- Final subcontracts

TECHNICAL TASKS

TASK 2 – FACILITY READINESS

The goal of this task is to secure and prepare a facility for the production of electric mass transit buses. Proterra will accomplish this goal by securing a lease and installing the needed infrastructure to support production.

The Recipient shall:

- Acquire or lease a facility suitable for transit bus production.
- Modify the facility to accommodate a ZEV bus manufacturing line, including but not limited to:
 - Install the electrical infrastructure, including distribution panels, lighting, disconnects and outlets to support the equipment needed for bus manufacturing.
 - Install a 2" water line to facilitate fast-fill of leak testing tank.
 - Procure and install compressed air piping, air compressors, air dryers, accumulators and filtration needed to supply pneumatic tools.
 - Procure and install low velocity, high volume fans for temperature control.
 - Procure and install the necessary Information Technology equipment to support production.
 - Install a temperature controlled battery assembly enclosure to provide safety and security measures during the battery build process.
 - Hire production line staff and support staff as appropriate.
 - Complete facility modifications that will allow drive in/out access with the bus
 - Interior demolition as necessary to increase the size of the manufacturing floor.

Products:

- Lease agreement
- Electrical drawings
- Compressed air system drawings
- Structural drawings for battery assembly area

TASK 3 – MANUFACTURING READINESS

The goal of this task is to procure and install the needed equipment for the manufacturing stations to begin production.

The Recipient shall:

- Procure and install lifting devices needed for production.
- Set up a fabrication shop to support production line.
- Procure and install vehicle finishing equipment for repair/rework on small bus components.

- Set up assembly stations with needed equipment.
- Procure and install an alignment rack.
- Procure material handling equipment
- Procure and install equipment for battery assembly.

Products:

- Engineering calculations for air emissions
- Air permit or exemption
- Engineering drawings for platform system
- Set-up and calibration records for alignment rack
- List of equipment procured and installed

TASK 4 – TESTING

The goal of this task is to provide the testing facilities and equipment needed to validate that completed buses are ready for shipment to customers.

The Recipient shall:

- Procure and install charging systems.
- Procure and install a water test and reclamation system.
- Hire direct and indirect labor to support testing operations.

Products:

- Design specifications for slow charge system
- Design specifications for fast charge system
- Design specifications for battery testing system
- Engineered drawings for water test and reclamation system
- Permit or exemption for runoff and waste water

TASK 5 –DATA COLLECTION AND ANALYSIS

The goal of this task is to collect operational data from the project, to analyze that data for economic and environmental impacts, and to include the data and analysis in the Final Report.

The Recipient shall:

- Develop data collection test plan.
- Troubleshoot any issues identified.
- Collect 6 months of throughput, usage, and operations data from the project including, but not limited to:
 - Maximum capacity of the new fueling system

- Gallons of gasoline and/or diesel fuel displaced (with associated mileage information)
- Expected air emissions reduction, for example:
 - Non-methane hydrocarbons
 - Oxides of nitrogen
 - Non-methane hydrocarbons plus oxides of nitrogen
 - Particulate Matter
 - Formaldehyde
- Duty cycle of the current fleet and the expected duty cycle of future vehicle acquisitions
- Specific jobs and economic development resulting from this project
- Identify any current and planned use of renewable energy at the facility.
- Identify the source of the alternative fuel.
- Describe any energy efficiency measures used in the facility that may exceed Title 24 standards in Part 6 of the California Code Regulations.
- Provide data on potential job creation, economic development, and increased state revenue as a result of expected future expansion.
- Provide a quantified estimate of the project's carbon intensity values for life-cycle greenhouse gas emissions.
- Compare any project performance and expectations provided in the proposal to the California Energy Commission with actual project performance and accomplishments.
- Collect data, information, and analysis described above and include in the Final Report.

Products:

- Data collection information and analysis will be included in the Final Report.

STATE OF CALIFORNIA

STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION - RE: PROTERRA, INC.

RESOLVED, that the State Energy Resources Conservation and Development Commission (Energy Commission) adopts the staff CEQA findings contained in the Agreement Request Form; and

RESOLVED, that the Energy Commission approves Agreement ARV-14-044 from PON-14-604 with **Proterra, Inc.** for a **\$3,000,000** grant to design, develop, and operate a state-of-the-art manufacturing line for battery, all electric, zero-emission, public transit buses in the City of Industry in San Gabriel Valley, California. The project will provide a high-tech manufacturing plant in the heart of Los Angeles, the largest bus market in the United States; and

FURTHER BE IT RESOLVED, that the Executive Director or his/her designee shall execute the same on behalf of the Energy Commission.

CERTIFICATION

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted at a meeting of the California Energy Commission held on April 8, 2015

AYE: [List of Commissioners]

NAY: [List of Commissioners]

ABSENT: [List of Commissioners]

ABSTAIN: [List of Commissioners]

Harriet Kallemeyn,
Secretariat