



**California Energy Commission  
February 15, 2023 Business Meeting  
Backup Materials for Agenda Item No 06a:  
Aptera Motors Corp.**

The following backup materials for the above-referenced agenda item are available in this PDF packet as listed below:

1. Proposed Resolution (attached below).
2. Grant Request Form or Grant Amendment Request Form or Contract Request Form or Loan Request Form (applicable form attached below).
3. Scope of Work (attached below).
4. CEQA documents (if applicable, attached below).
5. Other relevant documentation or link to other documentation (if applicable, attached below).

STATE OF CALIFORNIA  
STATE ENERGY RESOURCES  
CONSERVATION AND DEVELOPMENT COMMISSION

**RESOLUTION: Aptera Motors Corp.**

**RESOLVED**, that the State Energy Resources Conservation and Development Commission (CEC) adopts the staff CEQA findings contained in the Agreement or Amendment Request Form (as applicable); and

**RESOLVED**, that the CEC approves Agreement ZVI-22-029 with Aptera Motors Corp. for a \$21,911,630 grant to install vehicle production equipment at two existing manufacturing facilities in Carlsbad and Vista, California. The manufactured product is a three-wheeled, two-passenger on-road vehicle that will be available for commercial sale in California; and

**FURTHER BE IT RESOLVED**, that the Executive Director or their designee shall execute the same on behalf of the CEC.

**CERTIFICATION**

The undersigned Secretariat to the CEC 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 CEC held on February 15, 2023.

AYE:  
NAY:  
ABSENT:  
ABSTAIN:

Dated:

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Liza Lopez  
Secretariat



## GRANT REQUEST FORM (GRF)

### A. New Agreement Number

**IMPORTANT:** New Agreement # to be completed by Contracts, Grants, and Loans Office.

**New Agreement Number:** ZVI-22-029

### B. Division Information

1. Division Name: Fuels and Transportation Division
2. Agreement Manager: Jonathan Bobadilla
3. MS-27
4. Phone Number: 916-477-1589

### C. Recipient's Information

1. Recipient's Legal Name: Aptera Motors Corp.
2. Federal ID Number: 83-4079594

### D. Title of Project

Title of project: Aptera Solar Mobility Manufacturing Project

### E. Term and Amount

1. Start Date: 02/15/2023
2. End Date: 03/31/2026
3. Amount: \$21,911,630

### F. Business Meeting Information

1. Are the ARFVTP agreements \$75K and under delegated to Executive Director? No
2. The Proposed Business Meeting Date: 02/15/2023
3. Consent or Discussion? Discussion
4. Business Meeting Presenter Name: Pilar Magaña
5. Time Needed for Business Meeting: 5 minutes.
6. The email subscription topic is: Clean Transportation Program

#### **Agenda Item Subject and Description:**

Aptera Motors Corp. Proposed resolution approving Agreement ZVI-22-029 with Aptera Motors Corp. for a \$21,911,630 grant to install vehicle production equipment at two existing manufacturing facilities in Carlsbad and Vista, California, and adopting staff's determination that this action is exempt from CEQA. The manufactured product is a three-wheel, two-passenger on-road vehicle that will be available for commercial sale in California.

### G. California Environmental Quality Act (CEQA) Compliance

#### **1. Is Agreement considered a "Project" under CEQA?**

Yes

If yes, skip to question 2.

If no, complete the following (PRC 21065 and 14 CCR 15378) and 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 skip to question 2. Otherwise, provide explanation.

**2. If Agreement is considered a "Project" under CEQA answer the following questions.**

a) Agreement **IS** exempt?

Yes

Statutory Exemption?

No

If yes, list PRC and/or CCR section number(s) and separate each with a comma. If no, enter "None" and go to the next question.

PRC section number: None

CCR section number: None

Categorical Exemption?

Yes

If yes, list CCR section number(s) and separate each with a comma. If no, enter "None" and go to the next question.

CCR section number: Title 14, section 15301 "Existing Facilities". Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use.

Common Sense Exemption? 14 CCR 15061 (b) (3)

No

If yes, explain reason why Agreement is exempt under the above section. If no, enter "Not applicable" and go to the next section.

Not applicable

b) Agreement **IS NOT** exempt.

**IMPORTANT:** consult with the legal office to determine next steps.

Enter Yes or No

If yes, answer yes or no to all that applies. If no, list all as "no" and "None" as "yes".

| <b>Additional Documents</b>            | <b>Applies</b> |
|--|----------------|
| Initial Study                          | No             |
| Negative Declaration                   | No             |
| Mitigated Negative Declaration         | No             |
| Environmental Impact Report            | No             |
| Statement of Overriding Considerations | No             |
| None                                   | Yes            |



**H. Subcontractors**

List all Subcontractors listed in the Budget (s) (major and minor). Insert additional rows if needed. If no subcontractors to report, enter “No subcontractors to report” and “0” to funds. **Delete** any unused rows from the table

| Subcontractor Legal Company Name | CEC Funds | Match Funds |
|----------------------------------|-----------|-------------|
| Gridchange LLC                   | \$ 98,000 | \$142,200   |
| SWF Consulting LLC               | \$ 98,000 | \$300,376   |

**I. Vendors and Sellers for Equipment and Materials/Miscellaneous**

List all Vendors and Sellers listed in Budget(s) for Equipment and Materials/Miscellaneous. Insert additional rows if needed. If no vendors or sellers to report, enter “No vendors or sellers to report” and “0” to funds. **Delete** any unused rows from the table.

| Vendor/Seller Legal Company Name                  | CEC Funds   | Match Funds |
|---|-------------|-------------|
| Axis Trading Company, LLC                         | \$369,950   | \$369,950   |
| Bent River Machine Inc                            | \$1,100,000 | \$1,100,000 |
| Bosch Rexroth Corporation / FlexLink Systems, Inc | \$676,000   | \$724,000   |
| BrightSpot Automation, LLC                        | \$22,500    | \$7,500     |
| Elaphe Propulsion Technologies, Ltd.              | \$1,196,000 | \$2,824,000 |
| Fanuc America Corporation                         | \$64,754    | \$64,754    |
| Flexible Assembly Systems, Inc                    | \$2,385,000 | \$2,235,000 |
| Hunter Tires, Inc.                                | \$17,500    | \$17,500    |
| Inceptra Solutions, Inc                           | \$176,500   | \$176,500   |
| Integrated Automation Engineers, Inc              | \$1,645,938 | \$548,646   |
| Intraratio Corporation                            | \$83,608    | \$87,192    |
| Munro & Associates, Inc                           | \$373,653   | \$226,347   |
| Radian Laser Systems, LLC                         | \$114,000   | \$38,000    |
| RedViking Group, LLC                              | \$1,442,035 | \$1,442,035 |
| SACI Corp Automatización                          | \$318,300   | \$244,100   |
| Schenck Corporation USA                           | \$175,190   | \$175,190   |
| Schmalz, Inc.                                     | \$58,000    | \$58,000    |
| Bosch Rexroth Corporation / FlexLink Systems, Inc | \$676,000   | \$724,000   |



**J. Key Partners**

List all key partner(s). Insert additional rows if needed. If no key partners to report, enter "No key partners to report." **Delete** any unused rows from the table.

| Key Partner Legal Company Name       |
|--------------------------------------|
| Munro & Associates, Inc              |
| Elaphe Propulsion Technologies, Ltd. |

**K. Budget Information**

Include all budget information. Insert additional rows if needed. If no budget information to report, enter "N/A" for "Not Applicable" and "0" to Amount. **Delete** any unused rows from the table.

| Funding Source | Funding Year of Appropriation | Budget List Number | Amount       |
|----------------|-------------------------------|--------------------|--------------|
| General Fund   | FY 2021-22                    | 601.129 MGA        | \$21,911,630 |

**TOTAL Amount:** \$21,911,630

R&D Program Area: Enter R&D Program Area. Example: EDMFO: EDMF

Explanation for "Other" selection Enter explanation for "Other"

Reimbursement Contract #: Enter Reimbursement Contract Number

Federal Agreement #: Enter Federal Agreement Number

**L. Recipient's Contact Information**

**1. Recipient's Administrator/Officer**

Name: Blake Ryan

Address: 5818 El Camino Real

City, State, Zip: Carlsbad, CA 92008

Phone: (760) 236-6321

E-Mail: blake.ryan@aptera.us

**2. Recipient's Project Manager**

Name: Pablo Ucar

Address: 5818 El Camino Real

City, State, Zip: Carlsbad, CA 92008

Phone: (248) 515-5235

E-Mail: pablo@aptera.us

**M. Selection Process Used**

There are three types of selection process. List the one used for this GRF.



| Selection Process                      | Additional Information |
|--|------------------------|
| Competitive Solicitation #             | GFO-21-605             |
| First Come First Served Solicitation # | Not Applicable         |
| Other                                  | Not Applicable         |

**N. Attached Items**

- List all items that should be attached to this GRF by entering “Yes” or “No”.

| Item Number | Item Name  | Attached |
|-------------|--|----------|
| 1           | Exhibit A, Scope of Work/Schedule                | Yes      |
| 2           | Exhibit B, Budget Detail                         | Yes      |
| 3           | CEC 105, Questionnaire for Identifying Conflicts | Yes      |
| 4           | Recipient Resolution                             | No       |
| 5           | Awardee CEQA Documentation                       | Yes      |

**Approved By**

Individuals who approve this form must enter their full name and approval date in the MS Word version.

**Agreement Manager:** Jonathan Bobadilla

**Approval Date:** 10/19/22

**Office Manager:** Charles Smith

**Approval Date:** 12/21/22

**Deputy Director:** Melanie Vail

**Approval Date:** 1/4/2023

## Exhibit A SCOPE OF WORK

### TECHNICAL TASK LIST

| Task # | CPR | Task Name   |
|--------|-----|---|
| 1      |     | Administration  |
| 2      | X   | Aptera Low-Volume Vehicle Production Line (MY24)  |
| 3      |     | Aptera High-Volume Vehicle Production Line (MY24-26)  |
| 4      |     | Aptera Solar Manufacturing Production Line  |
| 5      | X   | Aptera Vehicle Battery Assembly Line  |
| 6      |     | Relocate Aptera-Elaphe In-Wheel Motor Manufacturing Line to California                              |
| 7      |     | Establish Aptera's Underserved Communities Initiative to Support Workforce Development and Training |
| 8      |     | Data Collection and Analysis  |
| 9      |     | Project Fact Sheet  |

### KEY NAME LIST

| Task # | Key Personnel   | Key Subcontractor(s)     | Key Partner(s)           |
|--------|---|--------------------------|--------------------------|
| 1      | Pablo Ucar<br>Steve Fambro<br>Chris Anthony<br>Blake Ryan<br>Nicole Jeleniowski       | Jay Friedland-Gridchange |                          |
| 2      | Pablo Ucar<br>Steve Fambro<br>Chris Anthony<br>Akos Fehr<br>Ahmed Fouad<br>Nick Rocco |                          | Sandy Munro & Associates |
| 3      | Pablo Ucar<br>Steve Fambro<br>Chris Anthony<br>Akos Fehr<br>Amed Fouad<br>Nick Rocco  |                          | Sandy Munro & Associates |
| 4      | Pablo Ucar<br>Anuj Thakkar<br>Steve Fambro<br>Chris Anthony                           |                          | Sandy Munro & Associates |
| 5      | Pablo Ucar<br>Steve Fambro<br>Chris Anthony   |                          | Sandy Munro & Associates |

| Task # | Key Personnel   | Key Subcontractor(s)     | Key Partner(s)                 |
|--------|---|--------------------------|--------------------------------|
|        | Akos Fehr<br>Luke Bockman<br>Nick Rocco                                   |                          |                                |
| 6      | Pablo Ucar<br>Steve Fambro<br>Chris Anthony<br>Akos Fehr<br>Karl Schaffer |                          | Elaphe Propulsion Technologies |
| 7      | Pablo Ucar<br>Steve Fambro<br>Stacie Fujii<br>Sarah Cravens               | Jay Friedland-Gridchange |                                |
| 8      | Pablo Ucar<br>Steve Fambro<br>Chris Anthony                               | Jay Friedland-Gridchange |                                |
| 9      | Pablo Ucar<br>Steve Fambro<br>Sarah Hardwick                              | Jay Friedland-Gridchange |                                |

## GLOSSARY

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

| Term/<br>Acronym | Definition                                 |
|------------------|--|
| CAM              | Commission Agreement Manager               |
| CAO              | Commission Agreement Officer               |
| CEC              | California Energy Commission               |
| CTP              | Clean Transportation Program               |
| CPR              | Critical Project Review                    |
| FTD              | Fuels and Transportation Division          |
| Recipient        | Aptera Motors Corp.                        |
| AGV              | Automated Guided Vehicle                   |
| CEC              | California Energy Commission               |
| DAC              | Disadvantaged Community                    |
| GHG              | Greenhouse Gas                             |
| MT               | Metric Ton (of GHG or Criteria pollutants) |
| MY24             | Model Year 2024 (starts mid-2023)          |
| MY25             | Model Year 2025 (starts mid-2024)          |

| Term/<br>Acronym | Definition   |
|------------------|--|
| MY26             | Model Year 2026 (starts mid-2025)  |
| Takt             | Takt time, or simply Takt, is a manufacturing term to describe the required product assembly duration that is needed to match the demand |
| ZEV              | Zero-Emission Vehicle  |

## Background

The Budget Act of 2021 (Assembly Bill (AB) 128, Ting, Chapter 21, Statutes of 2021, as amended by Senate Bill (SB) 129, Skinner, Chapter 69, Statutes of 2021 and SB 170, Skinner, Chapter 240, Statutes of 2021) appropriated \$785,000,000 from the General Fund to support infrastructure deployments and manufacturing projects for zero-emission light-duty and medium- and heavy-duty vehicles. The Budget Act of 2022 (SB 154, Skinner, Chapter 43, Statutes of 2022, as amended by AB 178, Ting, Chapter 45, Statutes of 2022) appropriated an additional \$255,000,000 from the General Fund to support infrastructure deployments and manufacturing projects for zero-emission light-duty and medium- and heavy-duty vehicles.

On March 30, 2022, the California Energy Commission (CEC) released a Grant Funding Opportunity (GFO) entitled “Zero-Emission Transportation Manufacturing.” This competitive grant solicitation was to increase in-state manufacturing of zero-emission vehicles (ZEV), ZEV components and batteries, and ZEV charging or refueling equipment. In response to GFO-21-605, the Recipient submitted application #02 which was proposed for funding in the CEC’s Notice of Proposed Awards on August 24, 2022. GFO-21-605 and Recipient’s application are hereby incorporated by reference into this Agreement in their 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 CEC’s Award, CEC’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:**

Given the urgency of the climate crisis and its impact on all Californians, especially in underserved communities, zero-emission vehicle (ZEV) solutions are desperately needed, ideally those which can directly leverage renewable resources. In order for California to secure the benefits from transitioning to ZEV technologies, it will need to further expand the in-state supply chain for ZEVs. Additionally, considerable manufacturing has left California over the last 25 years thus limiting the number of high-quality manufacturing jobs available to Californians particularly in working class communities.

**Goals of the Agreement:**

The goal of this Agreement is to create the speed and scale needed to produce an affordable solar ZEV that uses the sun to fuel up to a 40-mile daily commute – without the need for grid-connected charging - and drive adoption by a broad array of Californians, helping reach California's 100 percent ZEV transition by 2035.

**Objectives of the Agreement:**

The objectives of this Agreement are to:

- Leverage resources for manufacturing scale-up to 20,000 Aptera solar ZEVs annually by 2025.
- Establish the manufacturing capacity to fill existing Aptera vehicle reservations that will result in a reduction to greenhouse gas (GHG) emissions by at least 100,000 metric tons (MT) and criteria pollutants by 200 MT during the term of the Project; and 200,000 MT and 400 MT, respectively, three years after the completion of the Project.
- Attract and employ a minimum of 5 percent of Aptera's workforce from disadvantaged communities (DAC), Indian Tribes, and community colleges serving DACs, focusing on the DACs near Ample's Vista, CA facility.
- Establish manufacturing operations in Vista, CA and Carlsbad, CA.
- Relocate Aptera-Elaphe In-Wheel Motor manufacturing from Europe to California by the fourth quarter of 2025.
- Train at least 444 Aptera factory workers for various Aptera manufacturing jobs.

**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 CEC 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.

- Provide a written statement of project activities that have occurred after the notice of proposed awards but prior to the execution of the agreement using match funds. If none, provide a statement that no work has been completed using match funds prior to the execution of the agreement. All pre-execution match expenditures must conform to the requirements in the Terms and Conditions of this Agreement.
- Discuss the following administrative and technical aspects of this Agreement:
  - Agreement Terms and Conditions
  - Critical Project Review (Task 1.2)
  - Match fund documentation (Task 1.7) No reimbursable work may be done until this documentation is in place.
  - Permit documentation (Task 1.8)
  - Subawards needed to carry out project (Task 1.9)
  - The CAM's expectations for accomplishing tasks described in the Scope of Work
  - An updated Schedule of Products and Due Dates
  - Monthly Calls (Task 1.4)
  - Quarterly Progress Reports (Task 1.5)
  - Technical Products (Product Guidelines located in Section 5 of the Terms and Conditions)
  - Final Report (Task 1.6)

**Recipient Products:**

- Updated Schedule of Products
- Updated List of Match Funds
- Updated List of Permits
- Written Statement of Match Share Activities

**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 CEC and the Recipient. The goal of this task is to determine if the project should continue to receive CEC 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 CAO, the Fuels and Transportation Division (FTD) program lead, other CEC staff and Management as well as other individuals selected by the CAM to provide support to the CEC.

**The CAM shall:**

- Determine the location, date, and time of each CPR meeting with the Recipient. These meetings generally take place at the CEC, but they may take place at another location or remotely.
- 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 CEC 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 and the CAM. 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 CAM.

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 CAM will determine the appropriate meeting participants.

The administrative portion of the meeting shall be a discussion with the CAM about the following Agreement closeout items:

- What to do with any equipment purchased with CEC funds (Options)
  - CEC 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 Calls**

The goal of this task is to have calls at least monthly between CAM and Recipient to 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 verbally 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, to verify match funds are being proportionally spent concurrently or in advance of CEC funds or are being spent in accordance with an approved Match Funding Spending Plan, to form the basis for determining whether invoices are consistent with work performed, and to answer any other questions from the CAM. Monthly calls might not be held on those months when a quarterly progress report is submitted, or the CAM determines that a monthly call is unnecessary.

**The CAM shall:**

- Schedule monthly calls.
- Provide questions to the Recipient prior to the monthly call.
- Provide call summary notes to Recipient of items discussed during call.

**The Recipient shall:**

- Review the questions provided by CAM prior to the monthly call
- Provide verbal answers to the CAM during the call.

**Product:**

- Email to CAM concurring with call summary notes.

**Task 1.5 Quarterly 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 Quarterly 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. Progress reports are due to the CAM the 10<sup>th</sup> day of each January, April, July, and October. The Quarterly Progress Report template can be found on the ECAMS Resources webpage available at <https://www.energy.ca.gov/media/4691>.

**Product:**

- Quarterly Progress Reports

**Task 1.6 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 and is limited to 25-pages. If the Recipient has obtained confidential status from the CEC 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.

In addition to any other applicable requirements, the Final Report must comply with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability; all applicable regulations and guidelines issued pursuant to the ADA; Cal. Gov. Code sects. 7405 and 11135; and Web Content Accessibility Guidelines 2.0, or a subsequent version, as published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success criteria.

**The Recipient shall:**

- Prepare an Outline of the Final Report, if requested by the CAM.
- Prepare a Final Report complying with ADA requirements and 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 Final Report in Microsoft Word format or similar electronic format as approved by the CAM.

**Products:**

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

**Task 1.7 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 CEC budget for this task will be zero dollars, the Recipient may utilize match funds for this task. 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 CAM at least 2 working days prior to the kick-off meeting. If no match funds were part of the proposal that led to the CEC 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 CEC 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 CAM if during the course of the Agreement additional match funds are received.
- Notify the CAM 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 1.8 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 CEC budget for this task will be zero dollars, the Recipient may 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 CAM 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 CAM.
- As permits are obtained, send a copy of each approved permit to the CAM.
- If during the course of the Agreement permits are not obtained on time or are denied, notify the CAM 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 1.9 Obtain and Execute Subawards**

The goal of this task is to ensure quality products and to procure subrecipients 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.

**The Recipient shall:**

- Manage and coordinate subrecipient activities.
- If requested by the CAM, submit a draft of each subaward required to conduct the work under this Agreement to the CAM for review.
- If requested by the CAM, submit a final copy of the executed subaward.
- If Recipient intends to add new subrecipients or change subrecipients, then the Recipient shall notify the CAM.

**Products:**

- Letter describing the subawards needed, or stating that no subawards are required
- Draft subcontracts (if requested)
- Final subcontracts (if requested)

**TECHNICAL TASKS**

**TASK 2 APTERA LOW-VOLUME VEHICLE PRODUCTION LINE (MY24)**

The goal of this task is to acquire and integrate initial workstations for Aptera's low-volume production line manufacturing allowing initial production of Aptera Model Year 2024 (MY24) vehicles.

**The Recipient shall:**

- Prepare and provide to CAM a *Procurement Plan* which describes the manufacturing equipment, software, and tools identified for purchasing, the vendors, final location for the procured items, and the estimated timing of such purchases. The Procurement Plan may be updated by the Recipient as needed.
- Complete building facility modifications to support the installation of the initial low-volume Aptera manufacturing equipment and production line.
- Order and procure the necessary equipment and materials for establishment of the Aptera low-volume manufacturing line.
- Manage the installation, workflow logistics, manufacturing execution software installation, and asset management systems.
- Install engineering systems management, asset management systems and software, and establish production line protocol.
- Staff and train initial low-volume production line workers.
- Validate line processes recording initial Takt times.

- Produce 10 validation vehicles for testing manufacturing program and demonstration. Photograph validation vehicles and prepare a *Summary of Results and Accomplishments* that includes but is not limited to: quality controls; build quality standardization; and lessons learned for future builds; and provide the Summary to the CAM.
- Begin production of the initial MY24 vehicles to validate processes and vehicles for start of volume production. Provide *photographs of vehicle production line* in operation to the CAM.
- Prepare and provide to CAM an *Aptera Low-Volume Manufacturing Line Performance Report* that includes but is not limited to: analyzing performance (efficiency) of the low-volume production line; capacity of low-volume production line; and estimated low-volume throughput and quality of vehicles produced.

**Products:**

- Procurement Plan
- Photographs of validation vehicles and Summary of Results and Accomplishments
- Photographs of Aptera vehicle production line
- Aptera Low-Volume Manufacturing Line Performance Report

**[CPR WILL OCCUR DURING THIS TASK. SEE TASK 1.2 FOR MORE DETAILS.]**

**TASK 3 APTERA HIGH-VOLUME VEHICLE PRODUCTION LINE (MY24-26)**

The goal of this task is to acquire stations for additional production steps. This will include, but is not necessarily limited to, additional machines, tools, equipment, and finish line automation upgrades, lift assist fixtures, and subassemblies fixtures enabling high-volume Aptera vehicle production.

**The Recipient shall:**

- Complete building facility modifications to support the installation of the high-volume Aptera manufacturing equipment and production line.
- Order and procure the necessary equipment and materials for establishment of the Aptera high-volume manufacturing line including additional Automated Guided Vehicles (AGV).
- Manage the installation, workflow logistics, manufacturing execution software installation, and asset management systems.
- Install engineering systems management, asset management systems and software, and establish volume production line protocol.
- Staff and train additional volume production line workers.
- Validate line processes recording initial Takt times.

- Produce up to 20 validation vehicles for testing manufacturing program and demonstration. Photograph validation vehicles and prepare a *Summary of Results and Accomplishments* that includes but is not limited to: quality controls; build quality standardization; and lessons learned for future builds and provide to CAM.
- Begin increased production of MY24 vehicles and transition to MY25 and MY26 vehicles to validate ramp-up to higher volume production processes. Provide *photographs of volume production line* in operation to the CAM.
- Prepare and provide to CAM an *Aptera High-Volume Manufacturing Line Performance Report* that includes but is not limited to: analyzing performance (efficiency) of the high-volume production line; capacity of the high-volume production line; and estimated high-volume throughput and quality of vehicles produced.

**Products:**

- Photographs of Aptera volume validation vehicles and Summary of Results and Accomplishments
- Photographs of Aptera volume production line
- Aptera High-Volume Manufacturing Line Performance Report

**TASK 4 APTERA SOLAR MANUFACTURING PRODUCTION LINE**

The goal of this task is to acquire machines, equipment, and conveyers to integrate the multi-station semi-automated solar panel component manufacturing line.

**The Recipient shall:**

- Complete building facility modifications to support the installation of the Aptera solar panel component manufacturing equipment and production line.
- Order and procure the necessary equipment and materials for establishment of the Aptera solar panel component manufacturing line.
- Manage the installation, workflow logistics, manufacturing execution software installation, and asset management systems.
- Install engineering systems management, asset management systems and software, and establish volume production line protocol.
- Staff and train solar panel production line workers.
- Validate line processes recording initial Takt times.
- Produce validation solar panel components for testing manufacturing program and validation with vehicles. Photograph validation solar panel components and prepare a *Summary of Results and Accomplishments* that includes but is not limited to: quality controls; build quality standardization; and lessons learned for future builds and provide to CAM.

- Begin production of initial solar panel components and transition to support and validate ramp-up to volume production processes. Provide photographs of solar panel component production line in operation to the CAM.
- Prepare and provide to CAM an *Aptera Solar Panel Component Manufacturing Line Performance Report* that includes but is not limited to: analyzing performance (efficiency) of solar panel component production line; capacity of new solar panel component production line; and estimated throughput and quality of solar panel components.

**Products:**

- Photographs of Aptera validation solar panel components and Summary of Results and Accomplishments
- Photographs of Aptera solar panel components production line
- Aptera Solar Panel Component Manufacturing Line Performance Report

**TASK 5 APTERA VEHICLE BATTERY ASSEMBLY LINE**

The goal of this task is to install the initial volume battery production line to meet the volume vehicle line build objectives and allow for the line to expand for more volume throughput.

**The Recipient shall:**

- Complete building facility modifications to support the installation of the Aptera battery assembly equipment and production line
- Order and procure the necessary equipment and materials for establishment of the Aptera battery assembly line
- Manage the installation, workflow logistics, manufacturing execution software installation, and asset management systems
- Install engineering systems management, asset management systems and software, and establish volume production line protocol
- Staff and train battery production line workers
- Validate line processes recording initial Takt times
- Produce validation battery packs for testing manufacturing program and validation with vehicles. Photograph validation battery packs and prepare a *Summary of Results and Accomplishments* that includes but is not limited to: quality controls; build quality standardization; and lessons learned for future builds and provide to CAM.
- Begin production of initial battery packs and transition to support and validate ramp-up to volume production processes. Provide *photographs of battery pack production line* in operation to the CAM.

- Prepare and provide to CAM an *Aptera Battery Manufacturing Line Performance Report* that includes but is not limited to: analyzing performance (efficiency) of the battery pack assembly line; capacity of the volume batter pack assembly line; and estimated throughput and quality of battery packs produced.

**Products:**

- Photographs of Aptera validation battery packs and Summary of Results and Accomplishments
- Photographs of Aptera battery pack production line
- Aptera Battery Manufacturing Line Performance Report

**[CPR WILL OCCUR DURING THIS TASK. SEE TASK 1.2 FOR MORE DETAILS.]**

**TASK 6 RELOCATE APTERA-ELAPHE IN-WHEEL MOTOR MANUFACTURING LINE TO CALIFORNIA**

The goal of this task is to plan for the integration of in-wheel motor manufacturing at Ample's Vista factory before the third quarter of 2025.

**The Recipient shall:**

- Work with key partner Elaphe to plan for the integration of in-wheel motor manufacturing at Ample's Vista factory.
- Complete building facility modifications to support the installation of the Aptera motor assembly equipment and manufacturing line.
- Order and procure the necessary equipment and materials for establishment of the Aptera motor assembly line.
- Manage the installation, workflow logistics, manufacturing execution software installation, and asset management systems.
- Install engineering systems management, asset management systems and software, and establish volume production line protocol.
- Staff and train motor production line workers.
- Validate line processes recording initial Takt times.
- Produce validation motors for testing manufacturing program and validation with vehicles. Photograph validation motors and prepare a *Summary of Results and Accomplishments* that includes but is not limited to: quality controls; build quality standardization; and lessons learned for future builds and provide to CAM.
- Begin production of initial motors and transition to support and validate ramp-up to volume motor production processes. Provide *photographs of motor assembly line* in operation to the CAM.

- Prepare and provide to CAM an *Aptera Motor Manufacturing Line Performance Report* that includes but is not limited to: analyzing performance (efficiency) of the motor assembly line; capacity of the motor assembly line; and estimated throughput and quality of motors produced.

**Products:**

- Photographs of Aptera validation motors and Summary of Results and Accomplishments
- Photographs of Aptera motor assembly line
- Aptera Motor Manufacturing Line Performance Report

**TASK 7 ESTABLISH APTERA’S UNDERSERVED COMMUNITIES INITIATIVE TO SUPPORT WORKFORCE DEVELOPMENT AND TRAINING**

The goal of this task is to create Aptera’s Underserved Communities Initiative driving workforce development and training procedures and programs.

**The Recipient shall:**

- Design and outline the Aptera workforce development training procedures and programs with a focus on reaching underserved communities including DAC, Tribal, and low-income communities
- Work with community partners to ensure workforce development programs will be effective and promoted within local communities and equity communities
- Establish an outreach and recruiting program to create a pipeline of qualified applicants. Prepare an *Outreach and Recruiting Program Summary of Outcomes and Results* that includes but is not limited to: hiring metrics; outreach and recruiting activities; and lessons learned and provide to CAM.
- Engage with local community colleges on job training and internship opportunities
- Test and deploy workforce development programs, iterating for continuous improvement
- Measure effectiveness and uptake of each workforce development program and the overall initiative
- Prepare and provide to CAM an *Aptera Underserved Communities Initiative Report* that includes but is not limited to: analyzing effectiveness and lessons learned from the outreach and recruiting program; quantitative and qualitative analysis on the impacts to underserved and local communities; and quantitative and qualitative analysis of Aptera’s workforce equity impacts. A bullet-point style *Outline of the Aptera Underserved Communities Initiative Report* will be submitted to the CAM for review.

**Products:**

- Outreach and Recruiting Program Summary of Outcomes and Results

- Outline of Aptera Underserved Communities Initiative Report
- Aptera Underserved Communities Initiative Report

## **TASK 8 DATA COLLECTION AND ANALYSIS**

The goal of this task is to collect operational data from the project and to analyze that data for economic and environmental impacts.

### **The Recipient shall:**

- Develop a *Data Collection Outline and Plan* and submit the outline and plan to the CAM for review.
- Identify key project issues encountered and resolution of the issues.
- Collect a minimum of 6 months of project and operations data.
- Identify the number and description of units produced from product beta testing and validation through commercial production. The Recipient shall also characterize the use of these products after the project.
- Describe the market(s) for the manufactured products and compare the market status from the time of the original project proposal to the time of the project's completion.
- Provide a projection of the number of units to be manufactured per year, for the products identified in the original application, 3 years after the completion of the project. The Recipient shall also provide assumptions for projected growth.
- Compare project performance and expectations provided in the original project proposal with actual project performance, results, and accomplishments.
- Provide data on specific jobs and economic impact as a direct result of the project, including, but not limited to:
  - Number and type of short-term jobs created or retained by the project
  - Number and type of sustained, long-term jobs created or retained by the project
  - Estimates and descriptions of future jobs resulting from the project
  - Estimates of local economic impacts and revenues to state and local governments
  - Number of employees participating in training programs, and types of training programs
  - Number of indirect jobs resulting from the project.

### **Products:**

- Data Collection Outline and Plan
- Data collection information and analysis

## **TASK 9 PROJECT FACT SHEET**

The goal of this task is to develop an initial and final project fact sheet that describes the CEC-funded project and the benefits resulting from the project for the public and key decision makers.

**The Recipient shall:**

- Prepare an *Initial Project Fact Sheet* at start of the project that describes the project and the expected benefits. Use the format provided by the CAM.
- Prepare a *Final Project Fact Sheet* at the project's conclusion that describes the project, the actual benefits resulting from the project, and lessons learned from implementing the project. Use the format provided by the CAM.
- Provide at least (6) six *High Quality Digital Photographs* (minimum resolution of 1300x500 pixels in landscape ratio) of pre and post technology installation at the project sites or related project photographs.

**Products:**

- Initial Project Fact Sheet
- Final Project Fact Sheet
- High Quality Digital Photographs