



2023



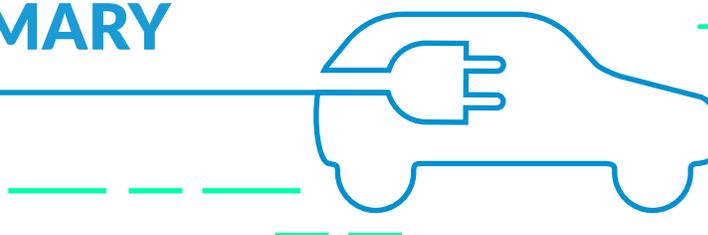
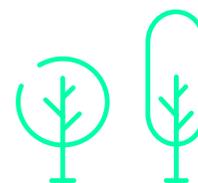
ANNUAL
REPORT

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EXECUTIVE SUMMARY



In response to global climate concerns, anticipated government regulatory changes, the high price of fossil fuels, and the resultant local, state, and federal tax incentives to purchase or lease new electric vehicles (EVs) or plug-in hybrid electric vehicles (PHEVs), the customer base continues to grow year over year, thus heavily incentivizing a growing number of original equipment manufacturers (OEMs) to produce new EV/PHEV models. This sea change in the traditionally internal combustion engine (ICE)-based automotive marketplace has led to numerous advances in battery and vehicle technologies that benefit consumers and the environment in ways we are only beginning to realize fully.

To support this crucial transition in vehicle technology and use, stimulated by the California Air Resources Board (CARB)'s Low Carbon Fuel Standard (LCFS), as well as supported by electric distribution utility (EDU) companies statewide, the California Clean Fuel Reward (CCFR) program was officially launched in late 2020 and has rewarded hundreds of thousands of EV customers in the State of California.

Since its launch and through 2021, CCFR maintained a \$1,500 point-of-sale reward amount for purchasing eligible new plug-in light-duty vehicles at participating retailers. However, market conditions presented many challenges to the long-term sustainability of the reward amount. In late 2021, the CCFR Steering Committee approved a reduction of the maximum reward amount from \$1,500 to \$750. In September 2022, the reward amount was temporarily reduced to \$0, which remained through the end of 2023, significantly impacting the number of enrolled retailers and EV customer purchase intent.

While 2021 focused CCFR's marketing and communications efforts primarily on seasonality—targeting peak automotive sales periods—and 2022 focused on consistency—an even distribution of dollars allocated throughout the year, 2023's efforts were focused on promoting EV education.

Similarly, in 2021, CCFR's training efforts targeted securing retailer enrollments. In 2022, with an expanded retailer audience, CCFR education efforts shifted toward enhancing the retailer team's EV sales knowledge. In 2023, while continuing to educate retailer sales teams with an ever-increasing EV owner base—owners who need to bring their EVs back to the retailer for vehicle maintenance and repair or to enhance their ownership experience with EV parts and accessories—training efforts expanded again to include EV retailer service departments. CCFR Training Consultants spent the year gathering information on service team educational needs and delivering targeted, multimodal training interventions, including onsite instruction, virtual touchpoints, and broadcast communications.

As in prior years, retailer and customer surveys were implemented to capture data on CCFR program viability and input on desired future enhancements to the program. On the consumer side, with the reward amount still paused, engaging existing EV customers who have previously claimed the CCFR reward and potential future customers who visit the CCFR website was the priority, rather than surveying new EV owners only. Thousands of respondents shared their thoughts on the program and the reward, with a pair of follow-up surveys revealing that 88% of customers say reinstating the CCFR reward would increase their interest in buying or leasing another EV, and 90% of customers agreed that receiving the CCFR rebate at the time of purchase was convenient.

The website visitor surveys further revealed the continued importance of the reward with customers, showing that 83% of customers are eager to be informed if and when the reward is reinstated. Another 81% of website visitors indicated they visit the CCFR website regularly to see if the reward has been restored.

While previous retailer-focused surveys were targeted at retailers and retailer management team members only, in 2023, all levels of retailer employees were surveyed instead, gaining their unique perspectives on the program's efficacy and resources provided, as well as gathering additional ideas for improvement. The survey results were extremely favorable, with 87% of employees agreeing that CCFR is an effective tool in selling or leasing EVs and PHEVs. The vast majority of retailer employees and leaders at all levels strongly agree that the training and tools they receive are valuable and worthy of recommendation.

Due to the continued temporary suspension of the reward amount, new retailers were temporarily suspended from enrolling in the CCFR program in 2023. By year-end, the number of retailers enrolled in the program was lower than in 2022 due to several dropouts among previously enrolled retailers, precipitated by retailer ownership changes and the suspension of new enrollments. Yet, even without an active reward in effect and new enrollments temporarily paused, the CCFR program remains extremely popular among retailers and consumers as an educational tool supporting the sales, service, and ownership of EVs.



01 BACKGROUND

01 BACKGROUND

HISTORY

The following milestone dates outline the history and formation of the CCFR program.

September 27, 2018

After determining that transportation electrification was essential to achieving California's greenhouse gas (GHG) reduction targets, the CCFR program was conceived with the stated goal of accelerating EV adoption by offering a simplified and consistent EV reward on all new vehicle purchases or leases. CARB adopted amendments to the LCFS Regulation (17 CCR§ 95480 et seq.) that mandated that utilities contribute a certain percentage of their LCFS credit revenue to a statewide program. To that end, electric utilities, in collaboration with CARB, the California Public Utilities Commission (CPUC), and automakers, created a statewide, electric utility-operated, point-of-sale reward program for the purchase of new qualifying PHEVs or battery electric vehicles (BEVs). Southern California Edison Company (SCE) was chosen to administer the program on behalf of all participating electric utilities.

The LCFS regulation defines a progressive reward offered on any plug-in light-duty vehicle, starting with a battery size greater than 5 kilowatt-hour (kWh), with the full reward amount available on vehicles with batteries larger than 16 kWh. Light-duty vehicles are defined as all on-road vehicles with a gross vehicle weight rating (GVWR) of less than 8,500 pounds.

April 2, 2019

SCE submitted Advice Letter 3982-E to the CPUC requesting authorization to act as the interim CCFR administrator for three years and to work with the other utility sponsors to establish a CCFR Governance Agreement that would define the rules of operation for the program. On August 16, 2019, the CPUC issued Resolution E-5015 approving SCE's request with modifications, and SCE has served as the Program Administrator since.

Fall 2019

A group of more than 20 utilities from across the state negotiated the Governance Agreement for the CCFR. The document defined the roles and responsibilities of several committees, including the CCFR Steering Committee, a body made up of voting representatives from each of the five large electric distribution utilities (EDUs) in the state and one representative each for the smaller and medium utilities in the northern and southern parts of the state, and non-voting representatives from CARB and the Program Administrator. The CCFR Steering Committee was given approval authority for all vendor selections and invoices and for setting the reward amount. The Governance Agreement further stipulated that the Program Administrator would use third-party implementers to facilitate the program. At least one of these implementers would be an audit firm with no affiliation to any participating utility to perform annual program audits.

The Governance Agreement places additional requirements on the participating utilities, outside of the LCFS regulation, to set a regular and recurring schedule for the utilities to contribute LCFS credit proceeds to the program. A final version of the CCFR Governance Agreement was filed with the CPUC by SCE in supplemental Advice Letter 4090-E-A on December 20, 2019.

March 3, 2020

After approval of the Governance Agreement via a disposition from the CPUC Energy Division (on January 7, 2020), the program's implementation began when the five large EDUs —Pacific Gas & Electric (PG&E), SCE Los Angeles Department of Water and Power (LADWP), San Diego Gas and Electric (SDG&E), and Sacramento Municipal Utility District (SMUD)—executed the Statewide Clean Fuel Reward Governance Agreement. Shortly thereafter, the governing CCFR Steering Committee was formed with

representatives of the five EDUs as well as representatives of the Northern and Southern publicly owned utilities (POUs). This enabled the program to develop and issue requests for third-party implementer proposals and establish a program funds account to receive and hold utility deposits.

November 17, 2020

After two years of collaboration with CARB, the CPUC, and EDUs throughout the state, the CCFR program was officially launched on November 17, 2020, providing an instant reward of up to \$1,500 at the point of sale for the purchase of an eligible new plug-in light-duty vehicle at a participating retailer. Quick speed-to-market was required to aid customers in a time of increasing financial need during the COVID-19 pandemic.

November 11, 2021

2021 presented many challenges to the CCFR that were working in opposition to the program's goals. General travel continued to be depressed, which both reduced the amount of LCFS credits being generated by EV charging and the demand for LCFS credits to offset the sale of more carbon-intense fuels (a reduction in program revenues). Yet consumer demand for new EVs was higher than anticipated by most market analysts.

The result was that the program experienced an apparent cash flow shortfall that required changes to keep it within its statutory obligations and to ensure a stable reward amount for future customers. In response, the CCFR Steering Committee approved a reduction of the maximum reward amount from \$1,500 to \$750. This date was chosen to align with the first day of the November automotive sales cycle.

August 1, 2022

Due to the increasing popularity of EVs and higher-than-estimated growth of EV sales in California, CCFR's goal of sustainably maintaining a robust and consequential reward amount was severely challenged. Rapid growth in EV sales drew down reward funds more quickly than expected, leaving less revenue than initially estimated from the sale of LCFS credits. At the same time, the program still maintained a legal obligation to retain at least \$10 million in program funds in reserve. As such, the CCFR Steering Committee approved another temporary reduction of the reward amount, this time to \$0.

May 24, 2023

The CCFR reward amount remained at \$0 for the first two quarters of 2023. In early February, the CCFR Steering Committee met and was given time to weigh four possible reward return options. During the CCFR Steering Committee meeting on May 24, 2023, a vote was taken that comprised of two options. The first option was to return the reward to \$500. The second option was to take no action and continue with the reward reduction at \$0, while accumulating funds for use in the future, knowing that changes to the program were likely forthcoming as part of the LCFS rulemaking. The CCFR Steering Committee decided to maintain the reduction and continue to reserve funds for a future iteration of the program.

December 20, 2023

CARB released a new draft language on December 19, 2023, proposing amendments to the LCFS regulation. This draft language included potential changes to the CCFR. If adopted, the CCFR will be modified from a light-duty (LD) EV rebate program to a medium- and heavy-duty (MDHD) EV only rebate program. The date for the CARB board to vote to adopt the proposed amendments to the LCFS regulation has not been determined.

CCFR GUIDING PRINCIPLES

SCE's Advice Letter 3982-E from April 2019 laid out a set of 12 guiding principles for the CCFR that SCE and the other utilities continue to rely on when making programmatic decisions.

- 1 Accelerate the sale of plug-in electric vehicles (PEVs) with an instant reduction in price to all PEV purchases in California at the point of sale or lease.
- 2 Mitigate the risk of a waitlist or program insolvency.
- 3 Maximize the CCFR, including by stacking the CCFR with other state, local, and federal incentives, while minimizing the amount of LCFS revenue expended on administration and marketing.
- 4 Implement the program with an equity-based framework consistent with CARB's direction.
- 5 Maximize dealer (retailer) participation.
- 6 Promote transparency to all vested stakeholders by, among other things, publishing the CCFR amount at the time of sale.
- 7 Provide continuity, certainty, and simplicity in the CCFR program for California's PEV purchasers and minimize changes to the CCFR amount.
- 8 Launch the program as soon as possible by ensuring sufficient, fair, and timely contributions for startup costs using existing LCFS funds.
- 9 Facilitate the collection of data on PEV sales in the state for grid planning, rate enrollment, and other good utility practices.
- 10 Create a Steering Committee of utilities with appropriate decision-making authority and create a supporting advisory committee comprised of stakeholders.
- 11 Develop robust risk mitigation and fraud management policies.
- 12 Support utility cobranding and marketing of the statewide program and complementary utility-specific programs.

The following sections of this report provide detail and insight regarding the implementation of the CCFR program, a presentation of program results during calendar year 2023, an overview of the new initiatives and resources launched, and a discussion of lessons learned and opportunities for continued improvement.

02

IMPLEMENTATION

02 IMPLEMENTATION

MARKETING, EDUCATION, AND OUTREACH

Consumer Outreach

As in prior years, consumer outreach efforts were tailored to different marketing persona types to better speak to the unique motivations of EV buyers. However, in 2023, the messaging shifted from promoting program awareness to promoting EV education.

The website content and outreach messaging pivoted to help guide potential buyers to relevant content about EV ownership and direct them to EDU websites. As a result of the changes, we saw a shift in consumer behavior on the website, with higher engagement and more time spent on the site.



Outreach Results:

In 2023, the CCFR consumer marketing campaign achieved:



Education and Training

As a result of the temporary reward reduction to \$0, the CCFR training team decreased the number of retailers receiving face-to-face consultation during 2023, focusing instead on 702 select retailers who were identified to receive continued EV consultation based on factors such as geographic location, CCFR program engagement level, etc.

Training objectives for 2023 were similarly refined and refocused, with a particular emphasis on:

- Gathering and targeting retailer training needs for education
- Developing new training material based on market demands
- Expanding training to support retailer service teams

Throughout 2023, the first of these three objectives took advantage of the onsite visits conducted by CCFR Training Consultants and their ongoing contact with retailer stakeholders. By gathering and pinpointing specific training needs, or “pain points,” within retailer operations, targeted educational interventions were chosen and applied strategically. This enabled a better understanding of what retailers were looking for in terms of training, thereby allowing the program to target educational efforts toward effectively responding to the evolving market. Multimodal, or blended, learning continued through a combination of onsite visits, virtual touchpoints, and text message communications. Education of retailer sales teams remained a focal point, building on the approach developed in 2022. Retailer communications and engagement opportunities were enhanced through the delivery of a monthly CCFR newsletter, with content that supported training goals and the CCFR program overall.

Furthermore, recognizing the integral role of service excellence in retailer success, in the latter half of 2023, the program expanded training offerings during onsite visits to support the retailer’s Service Department. This expansion is intended to equip service personnel with the skills and knowledge necessary to support EV customers and ensure consistent messaging and communication across the sales and service departments.

Once again, due to the temporary reward reduction to \$0 in 2022, in 2023, the number of CCFR Training Consultants was strategically reduced to six, plus one additional lead consultant. Each consultant’s territory included approximately 117 retailers. As a result of the reduced team size, less program performance data was gathered overall, with the information that was collected refined to three areas of focus:

- Program performance metrics
- Website and search analysis
- EV education for retailer sales and service teams

Program Performance Metrics

Using the program dashboard, CCFR Training Consultants advised retailers on program performance, assessing strengths and opportunities for improvement. The goal was to help the retailers drive interest in EVs and effectively educate customers about available rewards programs and how to find them. The Retailer Area Comparison Tool allowed CCFR Training Consultants to compare individual retailer performance to their parent OEM brand and to other retailers in a specified radius.

In addition, consumer survey data gathered in late 2022 continued to provide valuable insights from the perspective of customers who received the CCFR reward. This data included a rating of the overall purchase experience and specific questions related to EV knowledge during the sales interaction, informing training development decisions and content used for retailer engagement.

Website and Search Analysis

Website interaction and search engine analysis conducted by Maritz Automotive continued to be an asset during the CCFR Training Consultants’ onsite engagements. The analysis focused on evaluating whether the site is useful to customers and effective in driving relevant traffic currently searching for related EV terms, as well as appropriately answering common questions associated with EVs. Additionally, site performance in search engine rankings was evaluated, including its visibility to potential shoppers searching for EVs in the local area and its effectiveness in both organic and paid search results. In total, 702 website and search analysis reports were delivered as of December 2023.

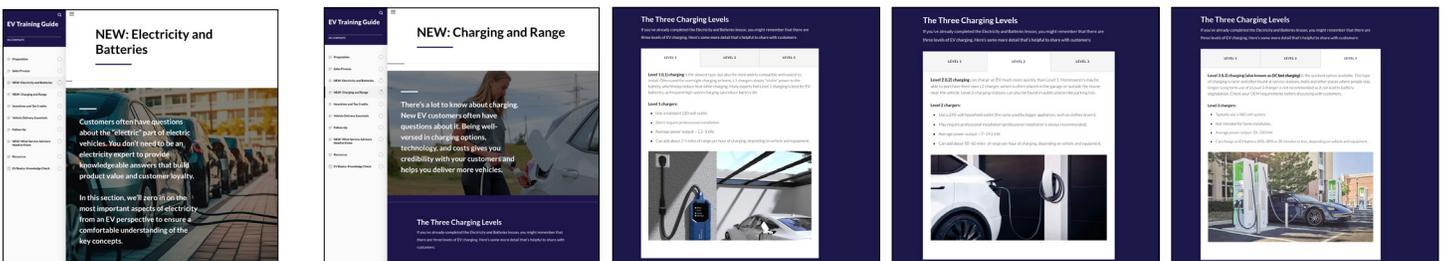
EV Education for Sales and Service Teams

The temporary program reward reduction meant retailers could not rely on financial incentives to entice customers. This provided an opportunity to optimize in-dealership training to focus on reinforcing best practices for EV sales (and, later in the year, EV service), with the goal of improving overall knowledge and effective customer communication and engagement. During the first CCFR Training Consultant visit to each dealership, education of retail teams was prioritized and geared toward enhancing retailer sales consultant and Business Development Center (BDC) personnel conversations on the key topics important to today's EV buyer: total cost of ownership (TCO), charging, warranty, roadside service, OEM apps, incentives, local EDU rates, etc.

The second CCFR Training Consultant visit focused on the service side, enhancing EV service-related knowledge from a customer experience perspective. The goal was to enhance the ability of service personnel to support and educate customers during the sales-to-service handoff and beyond when the service department becomes a critical touchpoint for long-term customer loyalty.

Need-Based Training Optimization

CCFR Training Consultants actively engaged with retailer personnel and stakeholders to address any challenges and knowledge gaps firsthand. Thus, CCFR Training Consultants could identify specific pain points, ranging from operational inefficiencies to gaps in knowledge related to EVs. This direct engagement, combined with insights from the 2022 customer survey, facilitated the development of more effectively optimized training solutions that directly addressed the identified issues. CCFR Training Consultants were able to offer more targeted training and support to alleviate these pain points and provide best practices for customer service excellence. Their takeaways also informed the development of new EV Training Guide modules. The first two modules, Batteries and Electricity and Charging and Range began development in late 2023 and are to be launched in early 2024. The training team also updated and optimized resources throughout the year. The Helpful QR Codes job aid was reverified to ensure that links and codes were still active. Using the QR codes in the job aid, sales and BDC teams can save these websites to their mobile device or laptop for quick retrieval during customer conversations.

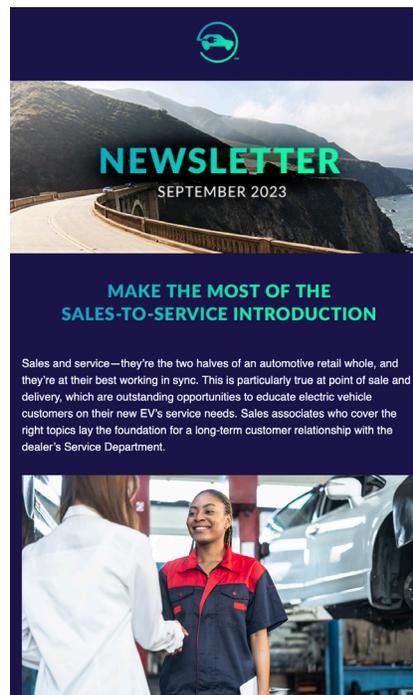


CCFR eNewsletter and Email Messaging

All CCFR enrolled retailers, prior to the reward temporarily being reduced to \$0, continued to receive email communications regarding key news and legal updates in 2023. Enrolled retailers also appreciated a consistent monthly cadence for the CCFR program eNewsletter.

The newsletter's style and focus were modified slightly to adopt a more conversational tone and deliver content targeted to needs brought up by CCFR Training Consultants. This resulted in a net increase in open rate for the newsletter throughout the year, as the content became more consumable and relevant and was focused on topics such as:

- Tips for educating customers on the EV ownership experience
- Optimizing retailer service websites with EV-specific language and maintenance information
- Best practices during the sales-to-service handoff
- What customers need to know about EVs
- Support and reference materials available to enrolled retailers



The program also continued its successful opt-in text messaging campaign, sending two messages monthly with useful sales tips and links to training content.

Building Awareness of Available Incentives

To ensure that retailer personnel were well-informed and equipped to maximize sales and customer satisfaction despite an ever-changing incentive landscape, CCFR Training Consultants had to stay current on the most recent federal, state, local, and EDU-based rebate and reward opportunities. Key changes and information were relayed to retailers to enable strategic sales approaches and customer engagement tactics based on the latest incentives. Maintaining an up-to-date understanding of these opportunities allowed CCFR Training Consultants to provide highly current training that maximized awareness and empowered retailer personnel to leverage incentives effectively, fostering a more dynamic EV sales culture.

CCFR Program and Brand Value Reinforcement

The Program Administrator and implementer teams were committed to ensuring that the temporary reward reduction would not be a major blow to the value of the CCFR program as a whole. Therefore, some education efforts were focused on the broader CCFR program benefits. While this was not a major area of training, it was important to the CCFR Training Consultant team and the program stakeholders that retailers recognize the benefits of participation extend beyond merely the reward. To this end, CCFR Training Consultants and the program implementer training team optimized and enhanced their messaging and existing core content throughout the year to ensure timeliness and accuracy while emphasizing the library of tools and resources available to program participants.

2023 Training Highlights

1,149
Onsite Meetings with Retailers

54
Virtual Retailer Meetings Conducted

2
New Job Aids + Additional EV Training Guide Modules Created to Enhance Retailer Education

38%
Open Rate of CCFR Monthly Newsletter

57%
Opt-In Text Message Enrollment Increase in the Platform for Program News and Updates

60%
Opt-In Text Message Enrollment Increase for EV Sales Tips

TAKE CHARGE OF EV SALES

Your leadership will guide your team's level of success in marketing and selling electric vehicles. Consider each of these when discussing the electric vehicle purchase experience with your sales team.

- C** **Coach Your Team**
During the sales process, coach your team to help the customer explore their electric utility vehicle to discover EV charging rates, rebates on home chargers, access to charging stations in their area, EV buying guides, EV incentive finders, and more. Be sure to reinforce your manufacturer's offerings with your sales team, as well as the most frequently used EV-sewer apps.
- H** **Host Web Content**
EV prospects are up to 50% more likely to actually purchase their car online. These tech savvy buyers will arrive through your website. Website analysis and consulting are included in your California Clean Fuel Reward program enrollment. The California Clean Fuel Reward Team will contact enrolled retailers with details on website analysis.
- A** **Advocate EVs**
You set the tone and attitude for your team. Embrace the enthusiasm and motivation of EV buyers by staying well-informed, fully charged, and smartly merchandise EVs in your showroom. Inform customers about additional post-sale federal, state, and local incentives they may qualify for.
- R** **Range Matters**
The range of EVs and time needed to recharge them have improved dramatically in recent years and will only get better as the technology advances. Help alleviate range concerns by consulting with customers on their everyday driving habits.
- G** **Get Driving**
The EV driving experience is what electric vehicle owners value most. The test drive is a critical moment of truth for both new and returning EV owners. Plan test drive routes that enable drivers to experience the thrilling acceleration and confident handling of your EVs.
- E** **Educate Everyone**
EV shoppers have done their homework and are excited about the opportunity to drive electric. They are looking for investors' expertise and enthusiasm. Prepare everyone in your store to greet EV customers with enthusiasm.

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COMMON EV SERVICE CONCERNS AND CUSTOMER QUESTIONS

With the increasing number of EV sales, it's important that the service team is aligned with customer expectations and needs. Meanwhile, as requirements change from manufacturer to manufacturer, service personnel—particularly Service Advisors and Service Managers—should be familiar with the questions often asked by customers seeking help or maintenance. As the specifics of EVs vary by model and manufacturer, you and your service team should be prepared to address the most common EV service-related questions and concerns to provide a great customer experience.

- Walk a customer through the process of plugging into and unplugging from a charging station.
- Know the kWh capacity and kW max charge rate for all EVs you offer.
- Describe the common causes of range reduction, and advise customers on how to minimize it.
- Explain what battery pre-conditioning is, and show customers how to pre-condition their EV battery to improve range and charging performance in extreme weather.
- Help customers get in touch with their electric utility provider to discuss total home rebates and a Level 2 charger installation.
- Be aware of whether any EVs you offer are capable of towing, and know their maximum payload.
- Inform customers about your EV's towing requirements—i.e., flat, dolly, or flatbed tow—and whether their new EV can be towed behind an RV.
- If bi-directional charging is available, demonstrate how to plug in external items and run them from the EV's battery.
- Help customers set onboard systems and/or the mobile app for best time-of-use rates when charging at home.
- Show customers where all the jack points on the vehicle are for changing a tire.
- Be aware of the procedure for getting an EV into neutral and out of traffic if it stalls on the road.
- Explain how to reset the system to lock or unlock the doors if the 12V battery dies.
- Indicate whether software needs to be reset or recalibrated if the 12V battery is replaced.
- Show customers how to reset the system software if it locks up or fails so the vehicle can be towed.

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LEADERSHIP SURVEY

I found the training/consultant interaction valuable*

* Strongly Agree
○ Agree
○ Neither agree nor disagree
○ Disagree
○ Strongly Disagree

I would recommend this experience to another store*

* Strongly Agree
○ Agree
○ Neither agree nor disagree
○ Disagree
○ Strongly Disagree

Please add additional comments

CCFR Consultant Name*

○ Amy Welton
○ Chris Burnhoff
○ Dave Parsons
○ Christopher Walby
○ Marcy Ellinger
○ Marli Stubb
○ Steve Kent

Customer Surveys

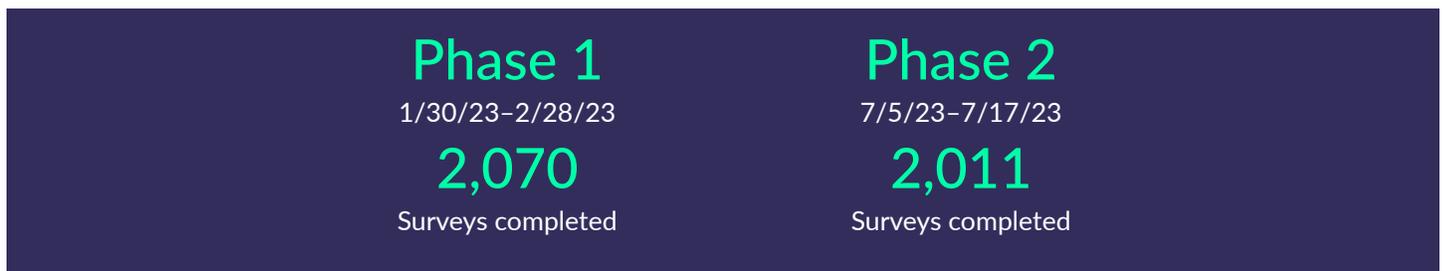
With the reward pause in effect during 2023 (see Temporary Reward Amount Reduction), it was critically important to continue engaging EV owners who had previously received the CCFR, as well as visitors to the CCFR website. In support of that goal, a pair of surveys were created and implemented, each comprised of two survey phases.

Customer Follow-up Surveys

To engage existing EV drivers who have already received the reward, two specific goals were targeted:

- Gather feedback to improve how retailers and electric utilities structure and manage future rebate programs.
- Guide future marketing and development efforts.

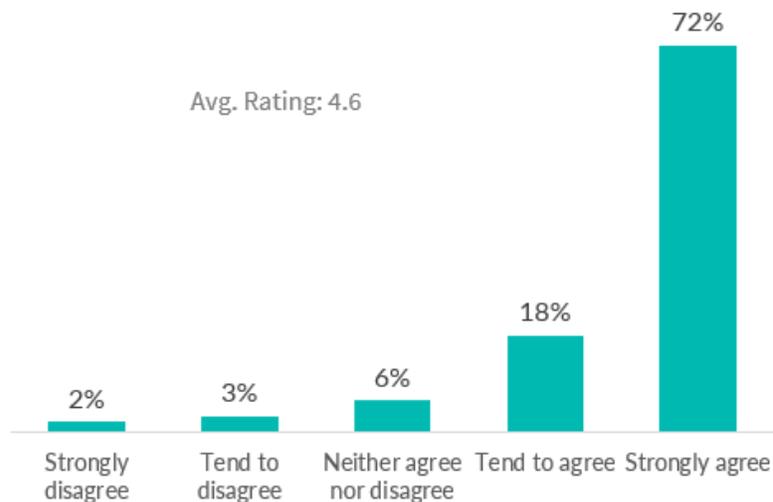
In total, over 4,000 survey responses were received between the two phases.



Phase 1 Survey Highlights

Four out of every five customers surveyed recalled receiving the CCFR reward at the time of purchase. Of those, nine out of ten agreed that the process of having their rebate at the time of purchase was convenient.

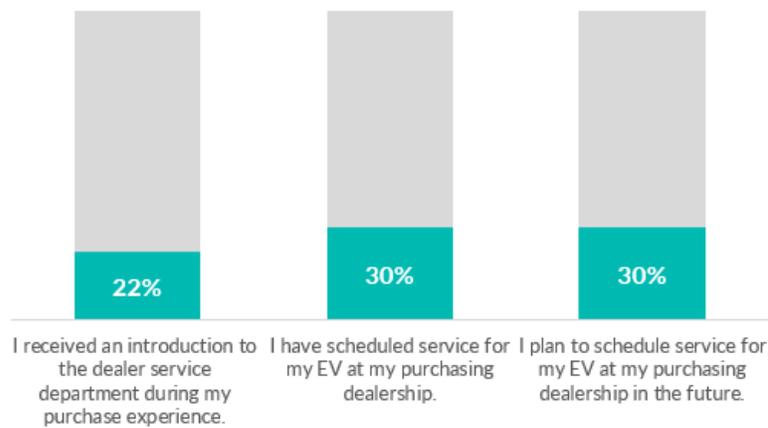
“The process to have the California Clean Fuel Reward rebate applied at time-of-purchase at the dealership was convenient.”



One in five customers recall receiving an introduction to their retailer’s service department. And three in ten have already scheduled service for their EV at their purchasing retailer. Receiving an introduction to the service department at the time of purchase is correlated to higher ratings of:

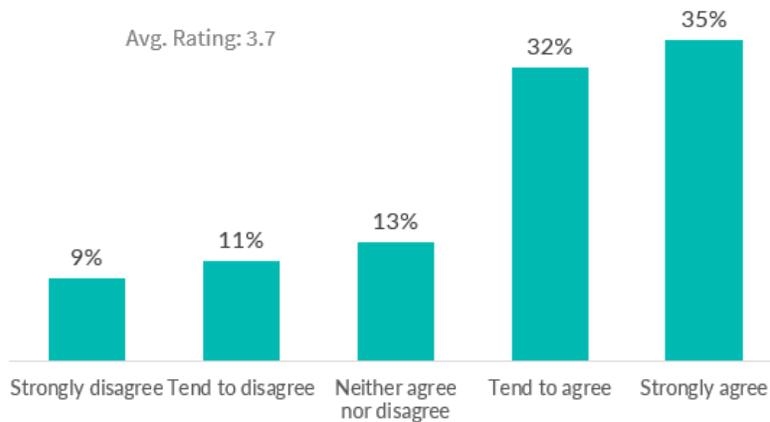
- Convenience of applying the CCFR rebate at the time of purchase
- Retailer providing helpful EV information since purchase
- Familiarity with EDUs programs/rates regarding EV charging
- Plan to purchase another EV in the future

“Which of the below are true for you? (Mark all that apply.)”



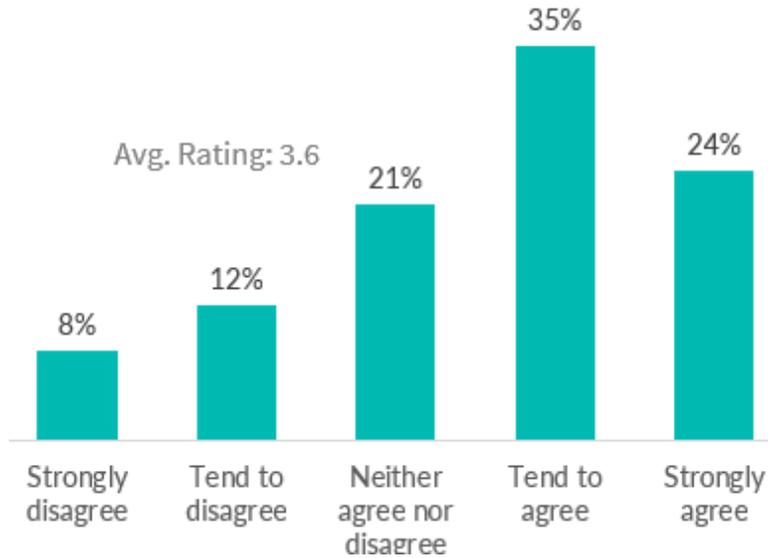
Two-thirds of respondents agree they are familiar with their electric utility’s programs and rates regarding effective EV charging. As ratings of this aspect increase, so do average ratings of other items on the survey—with the greatest correlation to the rating of helpfulness of EV-related information on the EDUs’ website.

“I am familiar with my electric utility’s programs/rates regarding effective EV charging.”



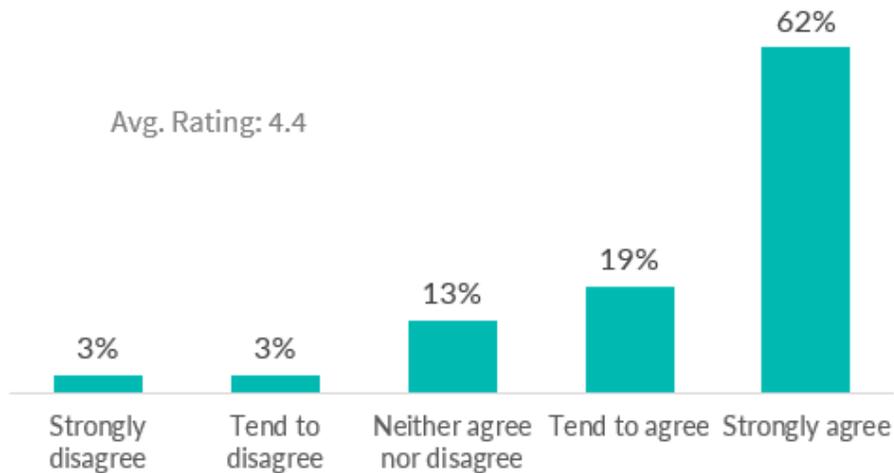
Eight in ten respondents have used their EDUs' website for EV-related information. Of those, six in ten agree that the information was helpful.

"My electric utility's website provides helpful EV-related information (home charging, where to charge, costs, etc.)"



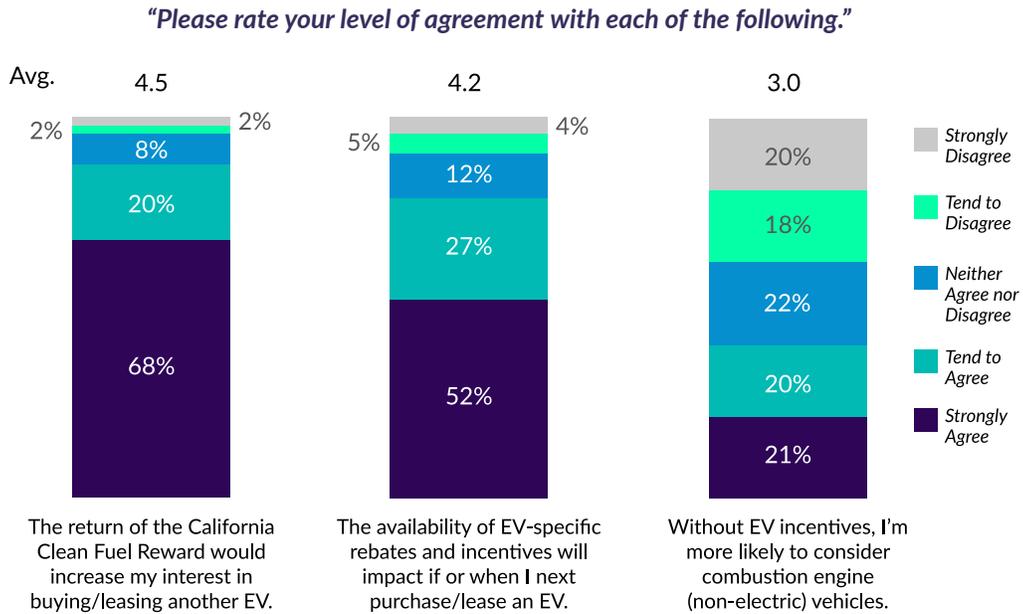
More than eight in ten EV purchasers plan to purchase or lease another EV in the future.

"I plan to purchase or lease another EV in the future."



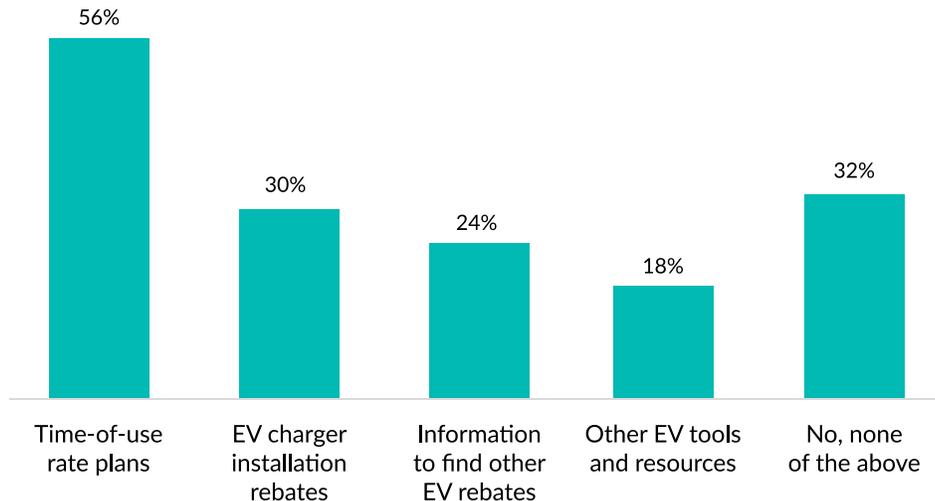
Phase 2 Survey Highlights

88% of respondents agree that a CCFR reward return would increase interest in buying or leasing another EV. 68% strongly agreed. And 79% of respondents agree that the availability of rebates and incentives will impact if or when they next purchase or lease an EV. 52% strongly agreed.



68% of consumers have inquired about one or more of four utility-provided resources. Most inquired about and/or used time-of-purchase rate plans.

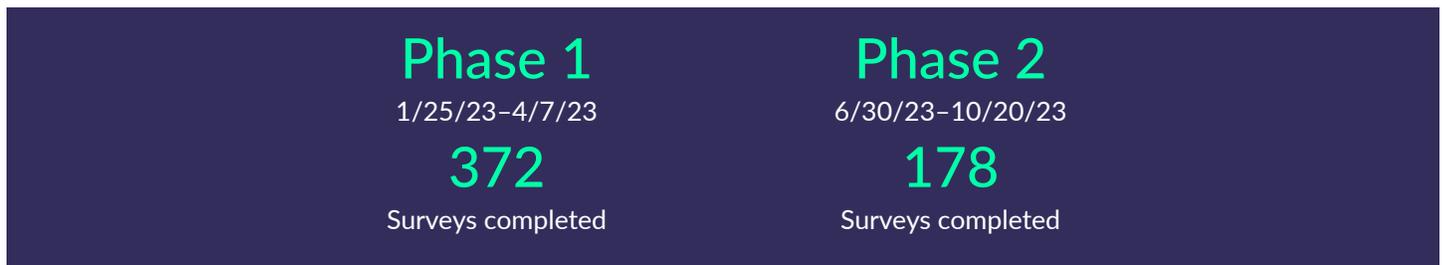
“Since purchasing/leasing an EV, have you inquired/used any of the following from your electric utility company? (Mark all that apply.)”



CCFR Website Surveys

Similar to the customer follow-up surveys, the website surveys were developed to continue the momentum of CCFR during the reward pause period with CCFR website visitors. The goals of the survey were to:

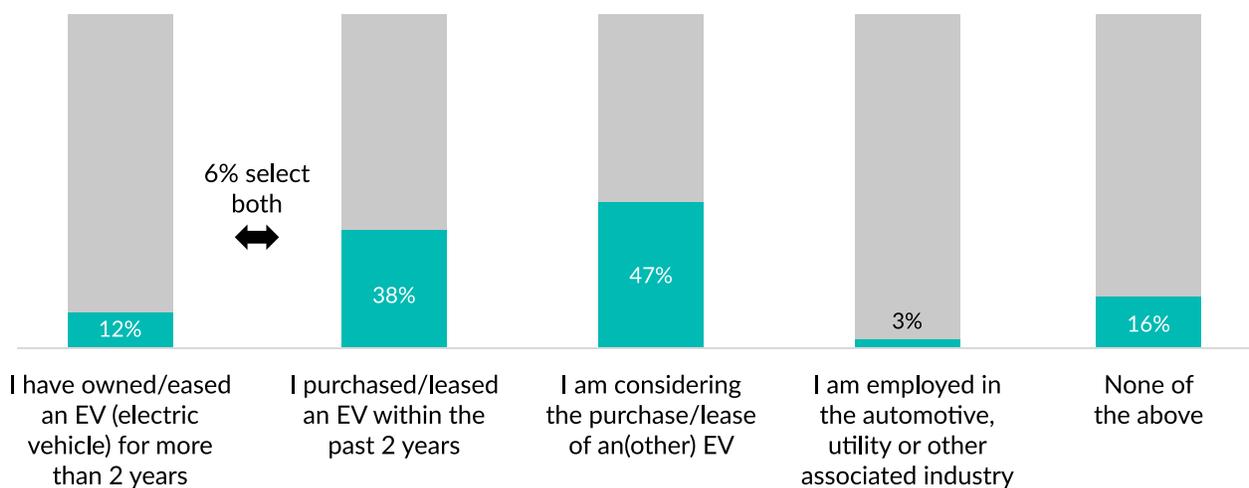
- Capture reasons for visiting the site, vehicle purchase intent, and awareness of electric utility programs
- Provide a mechanism for visitors to opt-in to be informed when the reward returns, as well as connect with their electric utility company
- Guide future marketing and development efforts



Phase 1

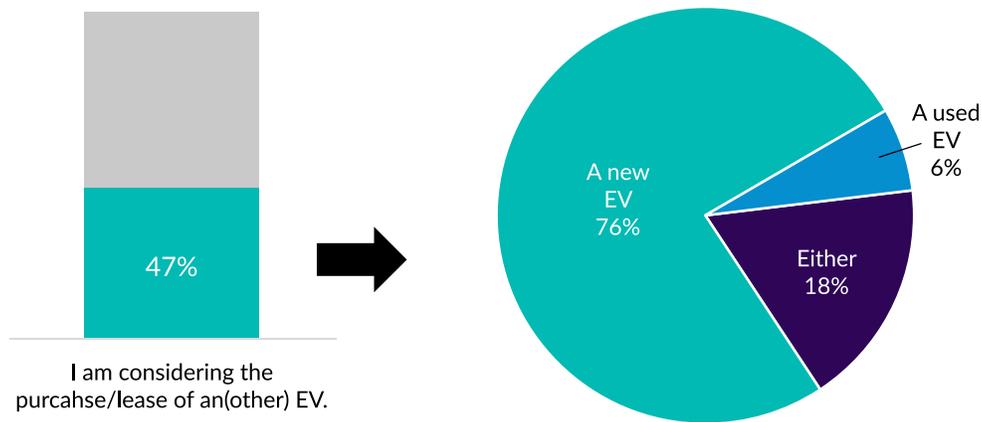
44% of survey respondents have purchased or leased an EV previously, while almost half of the respondents are considering the purchase or lease of an EV.

“Which of the below describes you? (Mark all that apply.)”



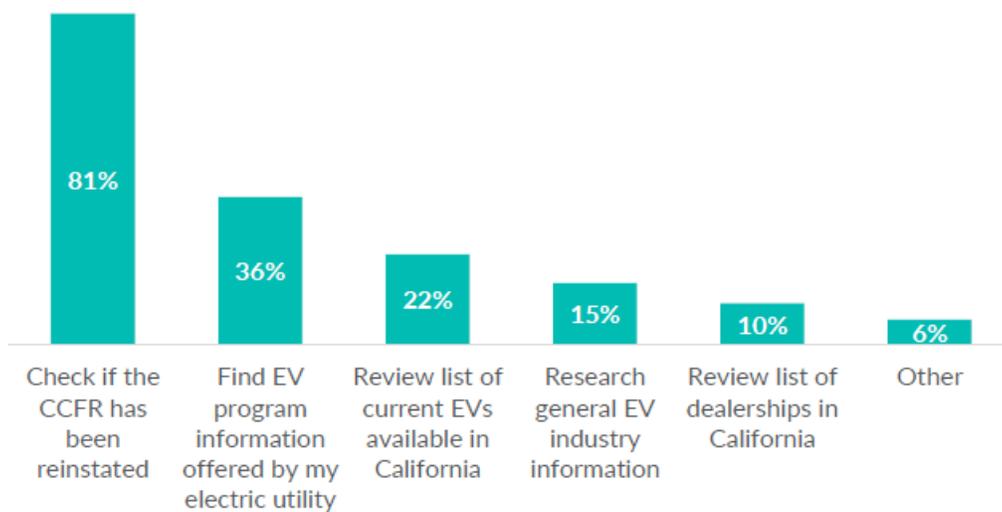
Of those considering an EV purchase or lease, more than three-quarters of respondents are considering a new vehicle, with another 18% open to new or used.

"I am considering the purchase/lease of..."



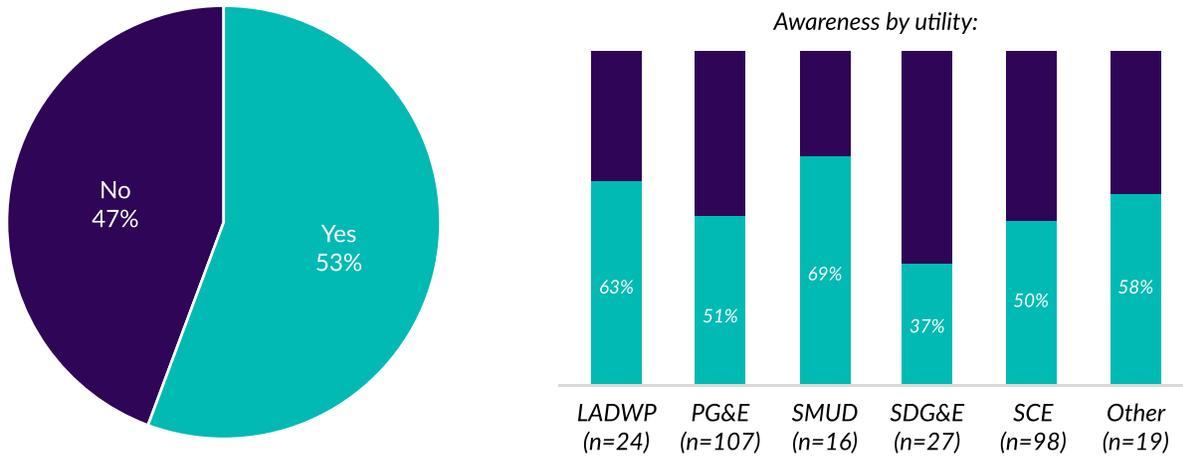
Most of the survey respondents (81%) are visiting the CCFR website to check if the reward has been reinstated. Additional reasons for visiting the site include finding EV information offered by their electric utility (31%) and reviewing current EVs available (22%). One in ten respondents who have visited the site are looking for a retailer.

"I am visiting this website to/for: (Mark all that apply.)"



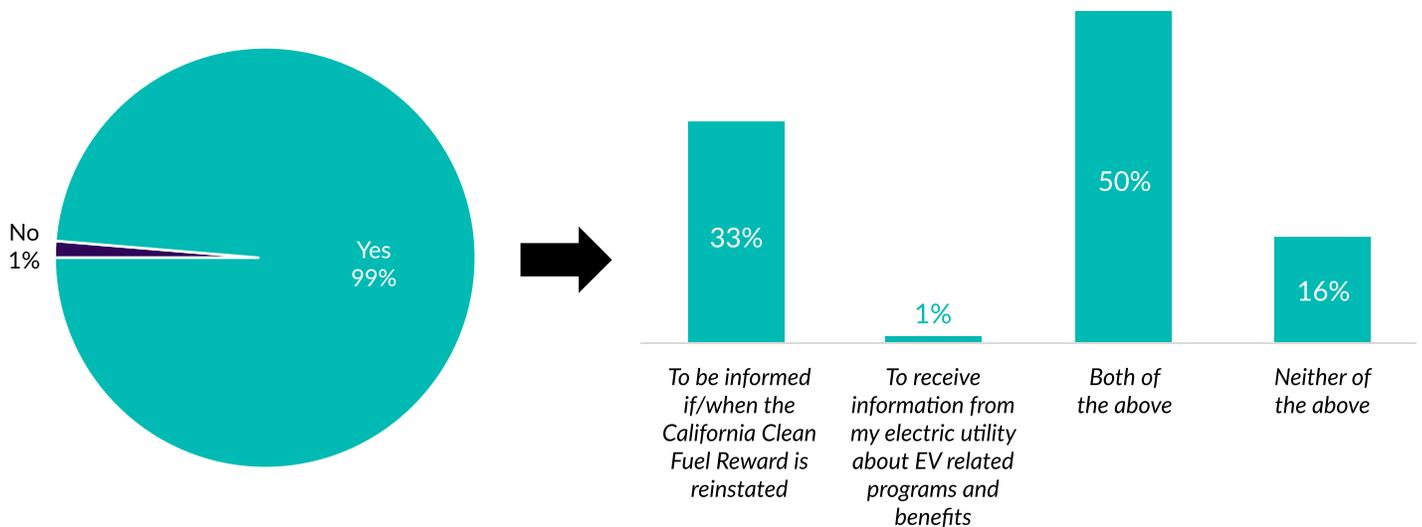
Just over half (53%) of site visitors consider themselves aware of the EV programs and benefits offered by their electric utility provider.

"I am aware of the EV-related programs and benefits offered by my electric utility."



Excluding the two non-California residents who responded to the survey, 83% would like to be informed if/when the CCFR reward is reinstated. Just over half of the respondents would like to receive information from their electric utility about EV-related programs and benefits.

"Are you a California resident? [If yes:] I would like..."



Phase 2

Because the Phase 2 website survey results were completely in-line with the Phase 1 results, it is unnecessary to recapitulate them here.

Retailer Surveys

In early 2022, CCFR completed its first retailer-focused survey, asking retailer leadership to evaluate the overall effectiveness of the program from the retailer perspective while gaining suggestions and preferences for future improvements. In 2023, retailer-focused surveys were directed at all levels of retailer employees rather than retailer management and leadership teams alone.

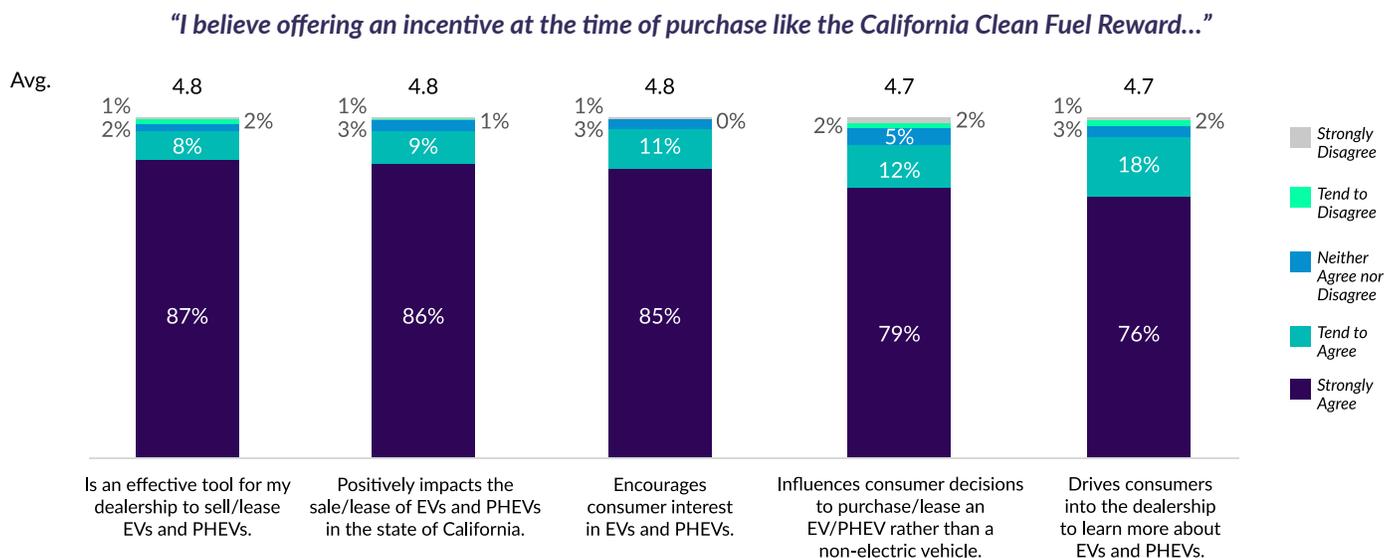
Employee EV Incentive Survey

This employee-centric survey allowed participating retailer employees to provide feedback on EV incentives like CCFR to help measure things such as:

- Program effectiveness
- Positive impact on sales
- EV interest
- Influence in decision-making
- Impact on customer traffic to the dealership

The survey ran from late June 2023 to the beginning of August 2023, and 107 surveys were completed. As with the 2022 retailer-focused survey, feedback from the 2023 employee survey will guide future program enhancements and structure.

Overall, retailer employees provided very high ratings for all five of the impact statements that they were asked to rate, as shown in the table below.

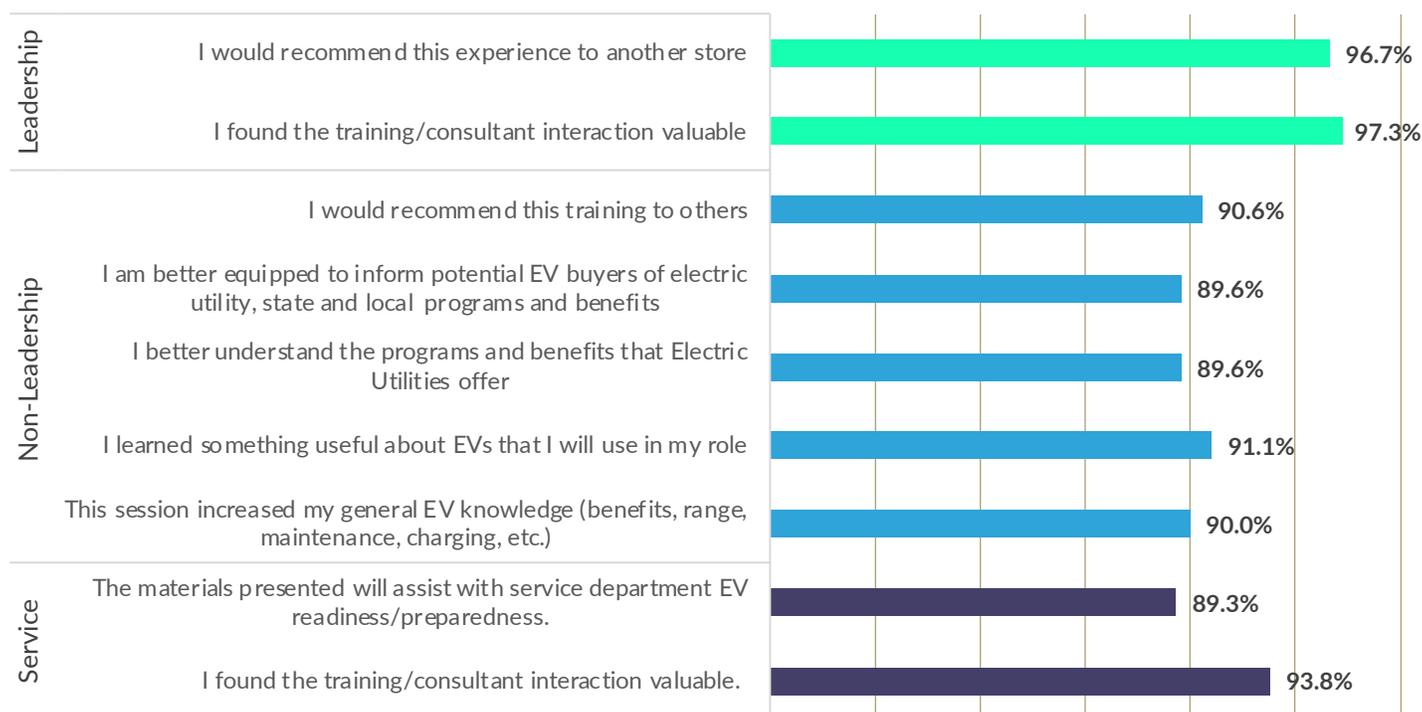


EV Education Training Survey

In 2023, with the reward temporarily reduced to \$0, the CCFR Training Consultants continued meeting with select enrolled retailers. Surveys were completed by retailer personnel following each meeting and were created and delivered based on whom the CCFR Training Consultant met with at the retailer location. CCFR Training Consultants met with retailer leadership and non-leadership (e.g., sales consultants, internet sales, and BDC sales) starting in January. Retailer service personnel were engaged beginning in July.

The goal of these surveys was to determine the value of EV education and resources delivered by the CCFR Training Consultants. Overwhelmingly, retailer teams strongly agreed that the education and training they received were highly valuable and worthy of recommendation.

Percentage of Responses "Strongly Agree"



TEMPORARY REWARD AMOUNT REDUCTION—STILL IN EFFECT

Reward Amount Reduced to \$0

Once again, a major change significantly affecting the CCFR program in 2022 and throughout 2023 was the continuing temporary reward amount reduction. While CCFR had maintained a \$1,500 point-of-sale reward amount for the purchase of eligible new plug-in light-duty vehicles at participating retailers since the program’s inception, effective November 2, 2021, the CCFR Steering Committee approved a temporary reduction of the reward to \$750. On September 1, 2022, the CCFR Steering Committee temporarily reduced it further to \$0, where it remained through 2023.

While implementing and maintaining a robust and meaningful reward is still the goal, continuing market and fiscal challenges, as well as legal considerations, have prevented removing the temporary status of the reward reduction. These influencing factors include:

- Higher than estimated growth of EV sales in California, which drew down reward funds more quickly than expected
- Less revenue than initially estimated from the sale of LCFS credits
- The program’s legal obligation to maintain at least \$10 million in program funds in reserve

OPERATIONS, AUDITING, AND MONITORING

Operations

With the reward pause still in effect in 2023, the focus of the program implementer operations team was to finalize claim auditing and payment of all remaining claims early in the year. In addition, throughout the year, operations focused on providing updated, relevant content on the website, such as new EV models, retailer name updates, electric utility content updates, portal updates, survey announcements and more. As in past years, the system was continually monitored to ensure operational excellence and the completion of all auditing deliverables.

Auditing

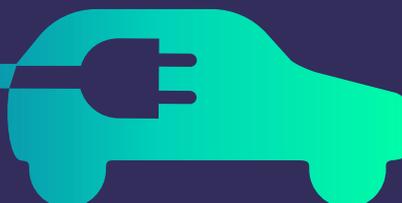
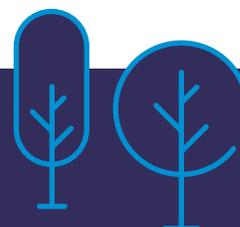
As in previous years, an independent auditor was engaged for the CCFR program to review and assess the continual operating effectiveness of controls in place during 2022. This requirement is in support of the CCFR guiding principle to “develop robust risk mitigation and fraud management policies.”

The 2022 Annual Audit Report was developed and distributed in July 2023 and covered activities through December 31, 2022. Specific areas of focus included:

- Retailer enrollment (and removal) processes
- Retailer reward and reimbursement processes
- Semi-annual retailer enrollment re-evaluation
- Weekly secondary verification of claims
- SCE’s internal accounting and payment processing to CCFR comparison validation for enrollments and claims
- Program metric definition, monitoring and reporting
- Implementer, financial institution, and program administrator billing (including cost allocation assumptions) and invoicing
- Segregation of duties (SOD) and approvals of system access, including semi-annual access reviews
- Accuracy and validity of program expenses
- Completeness and existence of account balances
- Omissions (Complaints) Process and communication to SCE
- Background checks performed for new Maritz employees and existing employees assigned to the CCFR project

Monitoring

The program operations team continues to use the feedback in the audit report to refine and improve program processes. The final 2022 Annual Audit Report is included on the CCFR website. The CCFR program will continue to be audited at the end of each fiscal year, with the 2023 annual audit planned for Q1 2024.

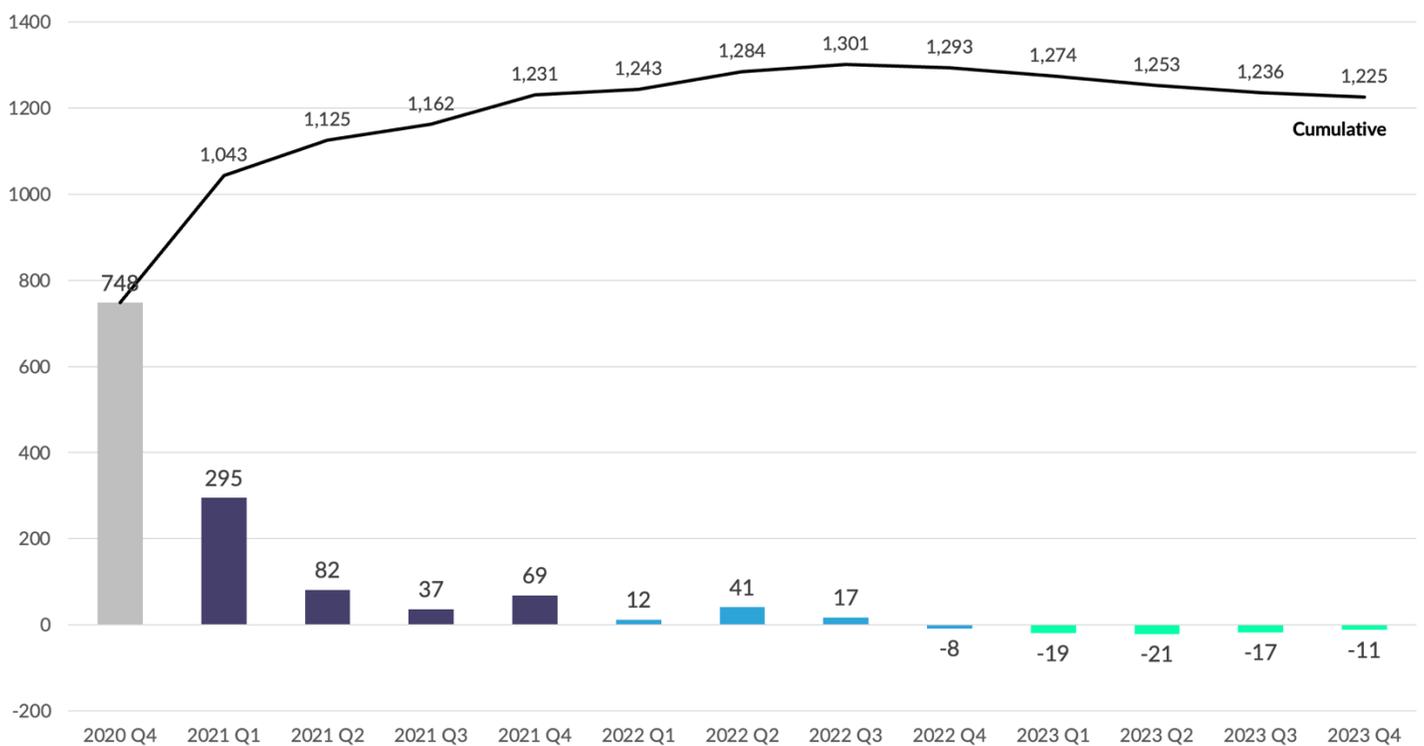


03 RESULTS

Data contained in this report represents activity from program inception through the end of 2023. For current information, please visit www.cleanfuelreward.com.

RETAILER NET ENROLLMENT (APPROVALS—REMOVALS)

With the reward reduction in 2022, the program recorded no new enrollments in the final quarter of 2022 or in calendar year 2023. Nearly 1,400 retailers enrolled while the reward was active—more than half of them in the program’s initial two months—an indication that the program had been successful in reaching nearly all the eligible EV retailers in the state. Over time, a handful of participating retailers were removed due to buy/sell changes in ownership. The chart below reflects the net change in enrollments for each quarter.



RETAILER ENROLLMENT BY BRAND

No new retailer enrollments occurred in 2023 during the reward pause. The program’s enrollment in 2020 through 2022 had already included the majority of new vehicle retailers throughout the state.

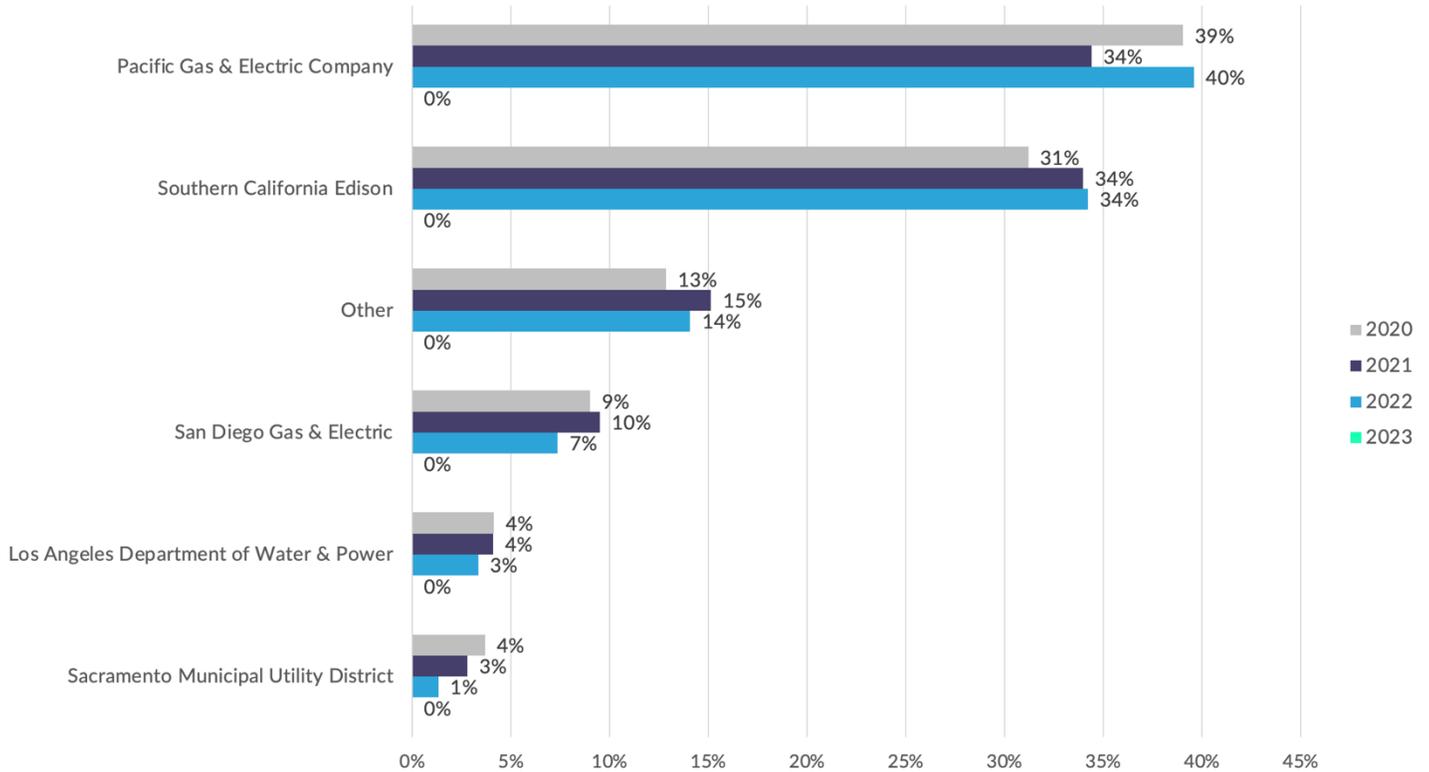
OEM	LISTINGS
Chrysler Dodge Jeep Ram	224
Ford	117
Toyota	110
Chevrolet	103
Nissan	87
Honda	81
Hyundai	62
BMW	59
Kia	58
Volkswagen	53
Mazda	50
Subaru	45
Audi	37
Cadillac	30
Lexus	27
Mercedes-Benz	26
Volvo	26
Porsche	26
Jaguar	24
Land Rover	24
Lincoln	20
Harley-Davidson	18
MINI	15
Mitsubishi	14
Zero	14
Genesis	12
FIAT	10
Energica	4
GMC	4
Livewire	4
Polestar	4
Buick	3
Vespa	2
Lucid	1
ElectraMeccanica	1
NIU	1
Triumph	1
Bentley	1
Karma	1
Arcimoto	1
Tesla	1



Distribution of CCFR-enrolled retailers throughout California

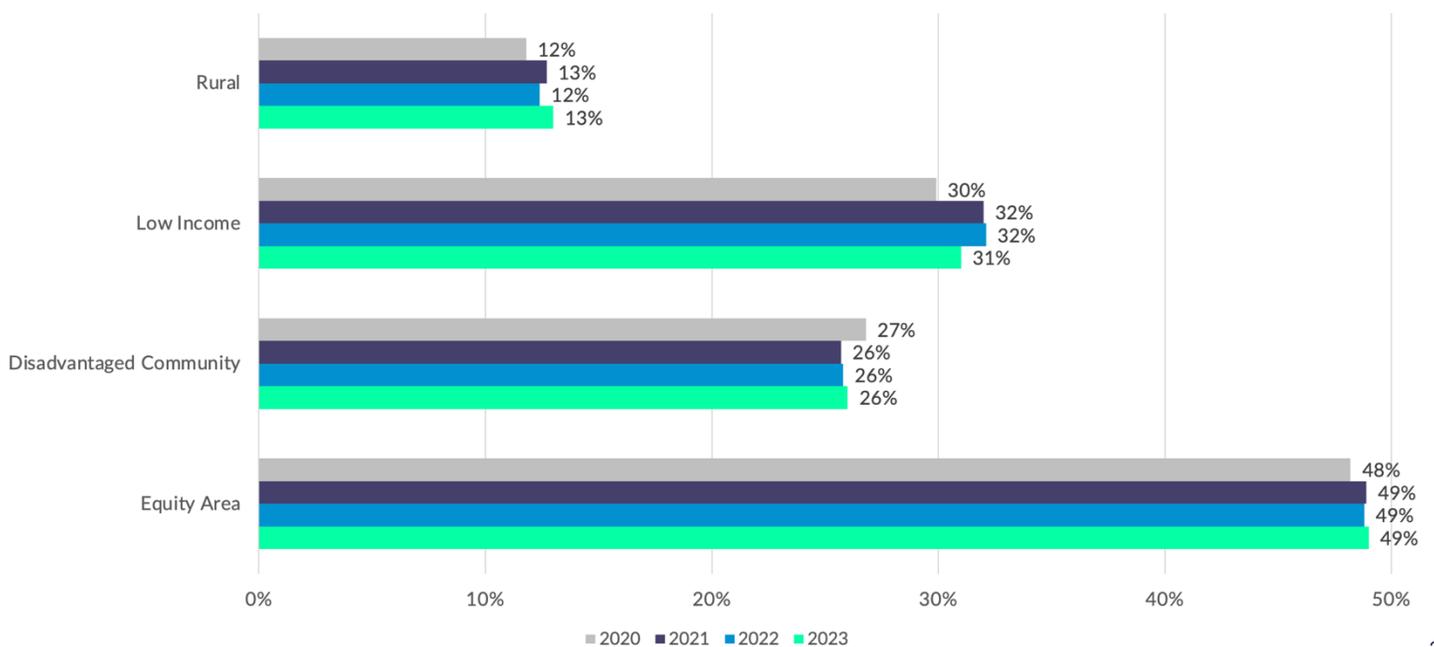
RETAILER ENROLLMENT BY EDU TERRITORY

The distribution of retailer enrollments across EDU territories remained consistent from 2020 through 2022 while the reward was active.



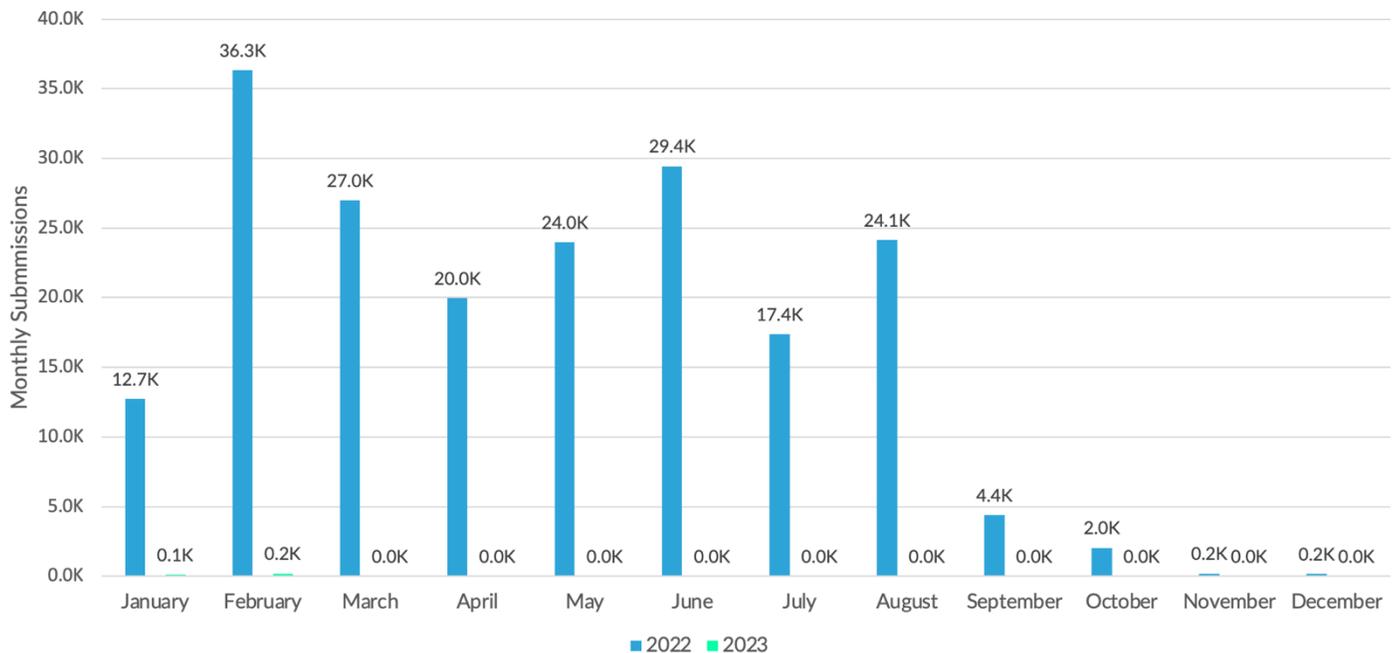
RETAILER ENROLLMENT DISPERSION IN UNDERSERVED COMMUNITIES

Through 2023, the program consistently reached and enrolled retailers in underserved communities. Nearly half of the program’s participating retailers served equity areas.



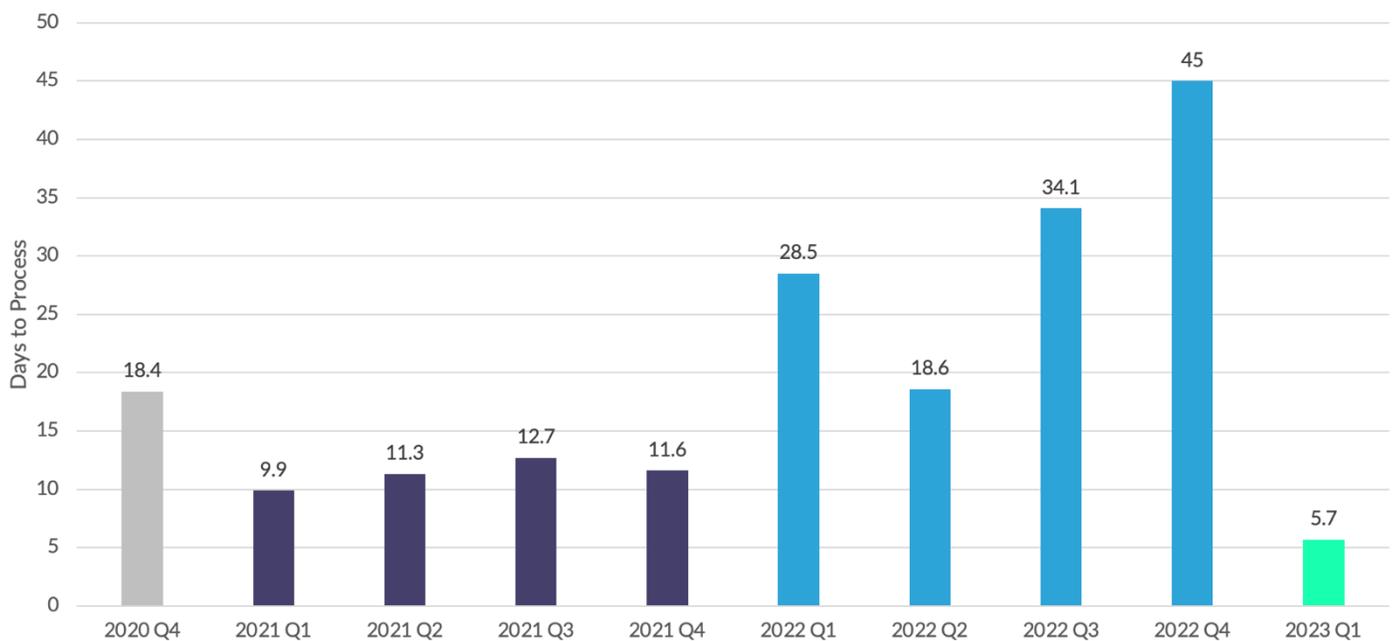
CUSTOMERS REWARDED: MONTHLY SUBMISSIONS

Due to the reward reduction in effect throughout 2023, no new Rewards were submitted.



CUSTOMERS REWARDED: PROCESSING TIMES

Through the first full year of operation, 2021, the average time to process claims was 12 days. The processing time increased to 22 days in the first half of 2022, which saw a 30% increase in claim submissions compared to the second half of 2021. With the temporary reward pause after August 2022, the average processing time increased as the program worked through the backlog. Processing time was significantly reduced in Q1 2023, as a minimal number of claims were audited for final approval due to the reward reduction.

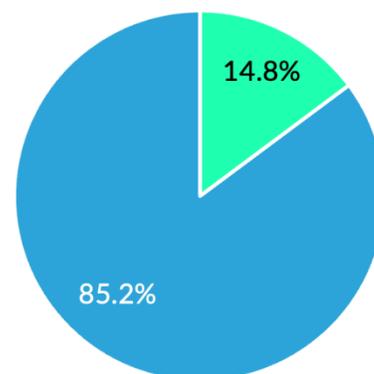


REWARDS ISSUED BY AUTOMOTIVE MAKE AND MODEL

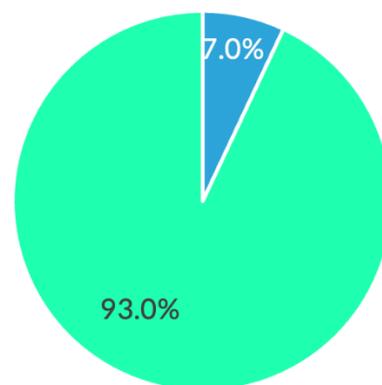
Only a handful of customer rewards were paid in 2023, which consisted of the final claims to be submitted before the temporary reward reduction in 2022. Throughout the program, Tesla vehicles have overwhelmingly been the most popular EV brand and have accounted for more than 65% of the vehicle rewards. The next most popular brands, Toyota, and BMW, accounted for 4.7% and 3.2%, respectively.

MAKE/MODEL	REWARDED CUSTOMERS	
Polestar	238	27.87%
2	238	27.87%
Lucid	105	12.30%
Air	105	12.30%
Chevrolet	82	9.60%
Bolt EUV	69	8.08%
Bolt EV	13	1.52%
Kia	68	7.96%
EV6	44	5.15%
Niro EV	5	0.59%
Niro Plug-In Hybrid	10	1.17%
Sorento Plug-In Hybrid	6	0.70%
Sportage Plug-In Hybrid	3	0.35%
Ford	66	7.73%
Escape Plug-In Hybrid	1	0.12%
F-150 Lightning	9	1.05%
Mustang Mach-E	56	6.56%
BMW	47	5.50%
3 Series	5	0.59%
5 Series	10	1.17%
7 Series	1	0.12%
i4	13	1.52%
iX	5	0.59%
X5	13	1.52%
Hyundai	43	5.04%
Ioniq 5	27	3.16%
Ioniq Plug-in Hybrid	1	0.12%
KONA Electric	9	1.05%
Santa Fe Plug-In Hybrid	3	0.35%
Tucson Plug-in Hybrid	3	0.35%
Porsche	40	4.68%
Cayenne	5	0.59%
Taycan	35	4.10%
Tesla	37	4.33%
Model 3	18	2.11%
Model S	2	0.23%
Model X	2	0.23%
Model Y	15	1.76%

MAKE/MODEL	REWARDED CUSTOMERS	
Volvo	21	2.46%
C40	2	0.23%
S60	1	0.12%
S60 Recharge	2	0.23%
XC40	2	0.23%
XC60	4	0.47%
XC60 Recharge	1	0.12%
XC90	4	0.47%
XC90 Recharge	5	0.59%
Toyota	21	2.46%
Prius Prime	10	1.17%
RAV4 Prime	11	1.29%
Volkswagen	20	2.34%
ID.4	20	2.34%
Audi	15	1.76%
e-tron	4	0.47%
e-tron GT	3	0.35%
e-tron S	2	0.23%
e-tron Sportback	3	0.35%
Q4 e-tron	1	0.12%
Q5	2	0.23%
Jeep	13	1.52%
Wrangler Unlimited	13	1.52%
Genesis	13	1.52%
GV60	13	1.52%
Lexus	8	0.94%
NX 450h+	8	0.94%
MINI	4	0.47%
Hardtop 2 Door	4	0.47%
Mercedes-Benz	3	0.35%
EQS	3	0.35%
Nissan	3	0.35%
LEAF	3	0.35%
Chrysler	2	0.23%
Pacifica Hybrid	2	0.23%
Zero	2	0.23%
DS	1	0.12%
S	1	0.12%
Lincoln	2	0.23%
Aviator	1	0.12%
Corsair	1	0.12%
Energica	1	0.12%
Eva	1	0.12%



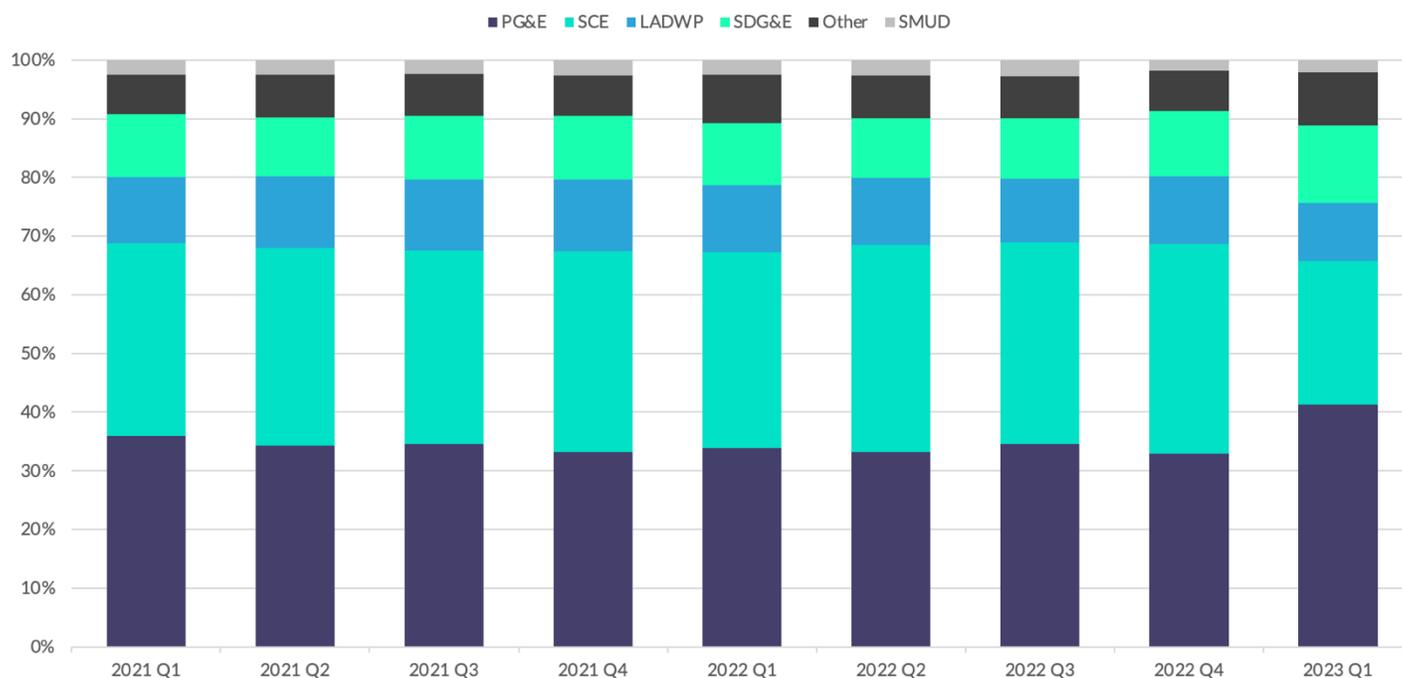
■ Plug-in Hybrid ■ Battery



■ Less than 16 kWh claims ■ 16 kWh claims

REWARDED CUSTOMERS BY EDU TERRITORY

The distribution of rewards among EDU territories remained fairly stable from the program's start through the temporary reward reduction in 2022. PG&E and SCE customers accounted for 68% of the program rewards (both EDUs had almost exactly 34% each).



EDU	% OF CUSTOMERS REWARDED IN 2023	% OF CUSTOMERS REWARDED IN 2022	CVRP % BENCHMARK
Pacific Gas & Electric Company	41.3%	33.6%	39.8%
Southern California Edison	24.4%	34.7%	31.1%
Los Angeles Department of Water & Power	10.0%	11.4%	10.0%
San Diego Gas & Electric	13.2%	10.4%	10.5%
Sacramento Municipal Utility District	2.1%	2.6%	2.1%
Medium and Small POUs	9.0%	7.4%	6.6%

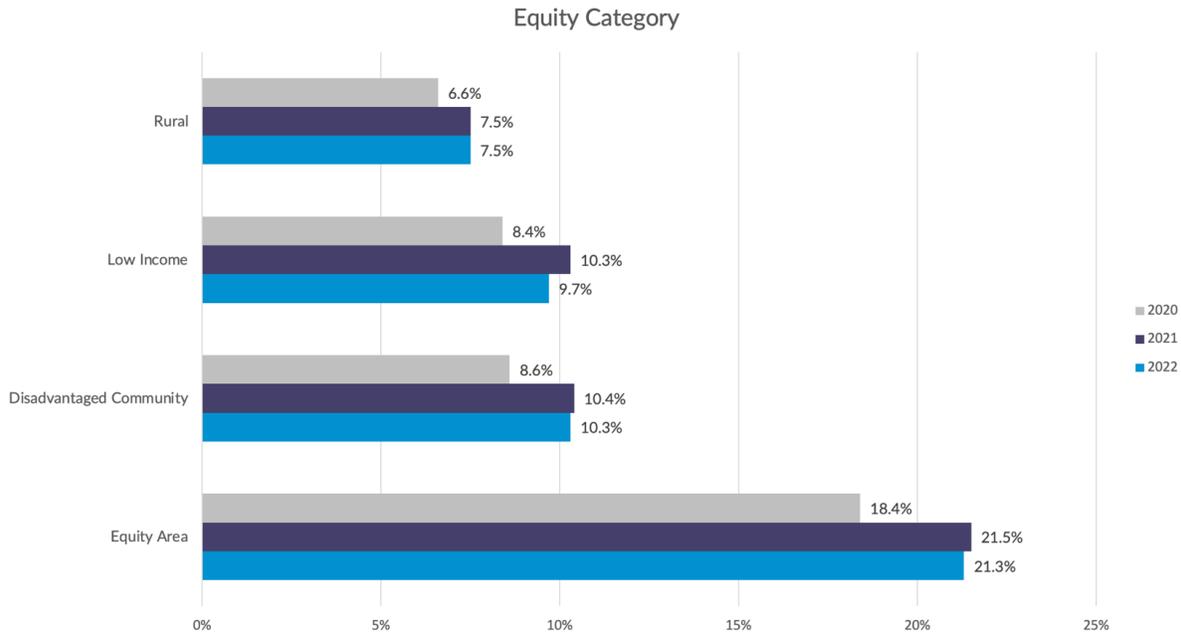
Note: Fewer than a thousand rewards were paid in 2023.

EDU	CLAIMS PAID	CLAIMS SHARE %
Southern California Edison	131,854	34.10%
Pacific Gas & Electric Company	131,333	33.97%
Los Angeles Department of Water & Power	45,196	11.69%
San Diego Gas & Electric	40,639	10.51%
Sacramento Municipal Utility District	9,732	2.52%
City of Anaheim Public Utilities Department	3,273	0.85%
Glendale Water & Power	2,992	0.77%
Silicon Valley Power	2,453	0.63%
Pasadena Water & Power	2,121	0.55%
City of Palo Alto	1,929	0.50%
City of Riverside	1,762	0.46%
Roseville Electric	1,722	0.45%
Modesto Irrigation District	1,721	0.45%
Burbank Water & Power	1,548	0.40%
Imperial Irrigation District	1,326	0.34%
Other	1,107	0.29%
Alameda Municipal Power	1,060	0.27%
City of Cerritos	904	0.23%
Turlock Irrigation District	829	0.21%
Merced Irrigation District	402	0.10%
Azusa Light & Water	366	0.09%
Moreno Valley Electric Utility (MVU)	363	0.09%
Redding Electric Utility	303	0.08%
Liberty Utilities	245	0.06%
Lodi Electric Utility	237	0.06%
Colton Electric Utility Department	149	0.04%

EDU	CLAIMS PAID	CLAIMS SHARE %
City of Healdsburg	147	0.04%
Truckee Donner Public Utilities District	141	0.04%
Lathrop Irrigation District	136	0.04%
City of Industry	95	0.02%
City of Lompoc Electric Division	87	0.02%
City of Banning Electric Department	80	0.02%
Bear Valley Electric Service	67	0.02%
PacifiCorp	64	0.02%
City of Corona Department of Water & Power	62	0.02%
City of Vernon Municipal Light Department	50	0.01%
City of Ukiah Electric Utility	45	0.01%
Rancho Cucamonga Municipal Utility	40	0.01%
Anza Electric Cooperative, Inc.	17	0.00%
City of Shasta Lake	17	0.00%
Plumas-Sierra Rural Electric Cooperative	14	0.00%
City of Pittsburg	13	0.00%
Trinity Public Utilities District	9	0.00%
Gridley Electric Utility	7	0.00%
Shelter Cove Resort Improvement District	4	0.00%
Biggs Municipal Utilities	3	0.00%
City of Needles	2	0.00%
Lassen Municipal Utility District	2	0.00%
Kirkwood Meadows Public Utility District	1	0.00%
Port of Oakland	1	0.00%
Surprise Valley Electrification Corporation	1	0.00%

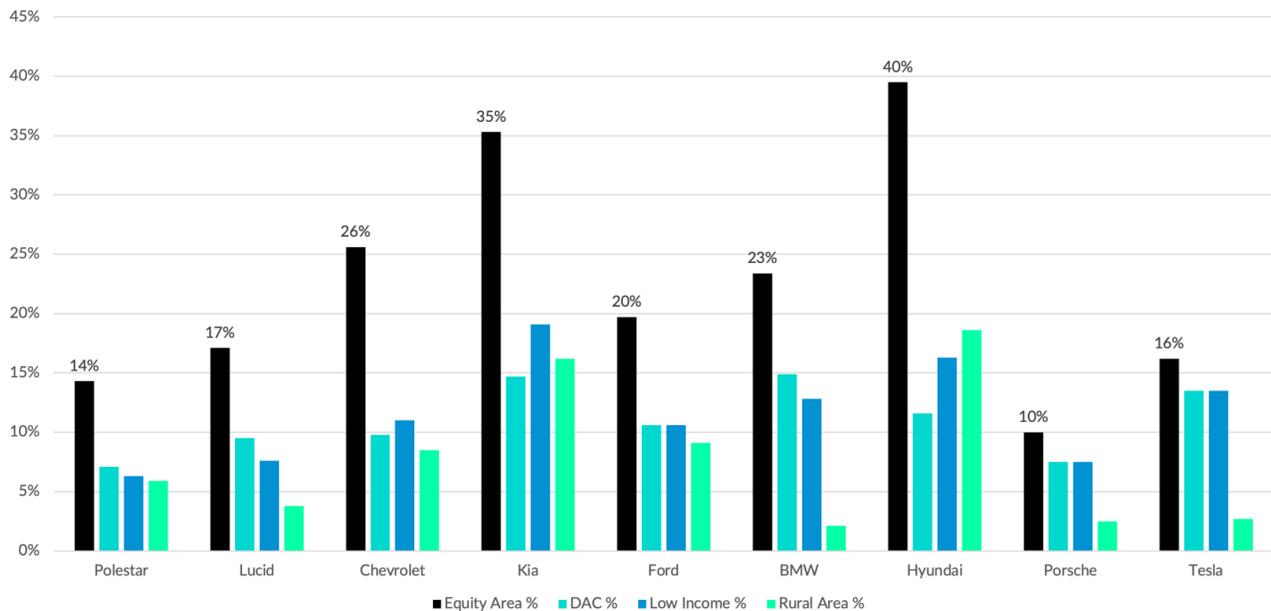
DISPERSION OF REWARDED CUSTOMERS IN UNDERSERVED COMMUNITIES

The chart below groups claims based on the year of vehicle purchase. There is no 2023 group because no claims with purchase dates in 2023 exist. There is a very minor change in the DAC ratio for 2022, as some claims approved in 2023 involved vehicles purchased in 2022.



DISPERSION OF REWARDED CUSTOMERS IN UNDERSERVED COMMUNITIES BY OEM

All OEMs that had at least 30 claims in 2023 are presented in the chart below.



04 2023 PROGRAM FINANCIALS

LINE NO.	METRIC	ESTIMATED AMOUNT	AMOUNT
1.	Deposits	Data Redacted for Confidentiality Purposes	
2.	Rewards Paid		
3.	Total Administrative and (ME&O) Costs		
3a	Program Administrator Costs		
3b	Program Implementor Costs		
3c	Program Auditor Costs		
3d	Consumer-Facing (ME&O) Costs		
4.	Administrative Costs, % of Deposits		
5.	Total Program Expenditures		

COST DETAIL

2023 represents the third full year of non-launch-related operating costs since the CCFR program's inception on November 17, 2020. The 2023 estimated budget was presented to and approved by the CCFR Steering Committee at the beginning of the calendar year. 2023 continued to present several challenges as the reward remained at \$0 for the full year.

1. Deposits

Deposits into the program in 2023 were the mandated, periodic, quarterly deposits from the large EDUs with additional annual contributions from opt-in medium EDUs in March, which amounted to \$129M for the calendar year 2023. This was lower than expected as LCFS credit prices remained depressed.

2. Rewards Paid

The program reimbursed automotive retailers for \$97.6M less in reward claims in 2023 than anticipated. This is due to the program maintaining the \$0 reward reduction for the full calendar year of 2023. Originally the reward was anticipated to return in July of 2023, but the CCFR Steering Committee voted to maintain the \$0 reward due to the continued slump in LCFS credit prices and high levels of EV sales.

3. Total Program Administrator Costs

The LCFS Regulation states that “Administrative Costs, excluding startup costs, to support any Clean Fuel Reward program funded by LCFS credit proceeds may not exceed 10% of LCFS credit proceeds contributed to the Clean Fuel Reward program annually.”¹ SCE sought to further define this in Advice Letter 3982-E and proposed that it be allowed to serve as the “administrator to pay ME&O and administrative costs under rules established by the CCFR Steering Committee, including the fees charged by all third-party Implementer(s), at an amount not to exceed 10% of the total annual LCFS statewide CFR program revenue”² and that this cap would “include other administrative costs besides those of the third-party implementers, including, but not necessarily limited to, SCE’s program administration costs.”³ The Commission agreed and found that “a 10% program budget cap on administrative and ME&O spending is reasonable if it includes all IOU [investor-owned utility] administrative costs related to the CCFR program.”⁴ The 10% cap is applied to the rollup of these costs, which are described in more detail below.

- A. Program Administrator Costs are defined as costs incurred by SCE to support the administration of the CCFR program, including, but not limited to, program management, data analytics, reward and invoice processing, cash account management, internal audit support, and procurement activities. These were lower than expected in 2023 as the \$0 reward reduction was carried out through the full year of 2023.
- B. Program Implementer Costs represent costs incurred by the program implementer to manage the program website and retailer portal, process reimbursement claims, manage ongoing program and retailer support activities, and develop and execute retailer outreach and education activities. These were lower in 2023 than expected as the \$0 reward reduction continued for the full year. Equally, many of the third-party-funded activities were reduced or removed as the program was no longer utilizing many of these services.
- C. Program Auditor Costs are costs associated with paying the program’s third-party external auditing firm to examine the program’s processes and perform annual and interim audits. These were higher in 2023 than expected. This was due in part to a new strategy, approved by the CCFR Steering Committee, to address and resolve any audit findings in the same year they were identified.
- D. Consumer-Facing Marketing, Education, and Outreach (ME&O) Costs are for activities directed toward increasing consumer awareness about the program and vehicle electrification in general. These costs are separate from the retailer-focused ME&O activities that are built into Line Item 3. As in 2022, these costs were lower than expected in 2023 due to ME&O activities being scaled back during the ongoing reward reduction period.

4. Administration Costs, Percentage of Deposits

§95483(c)(1)(A)(4) of the LCFS Regulation states that the Total Administrative Costs for the CCFR program in any year cannot exceed 10% of the total annual deposits into the program. This section of the Regulation further delineates that startup costs are separate from Total Administrative Costs and are not subject to the 10% administrative cap. For 2023, due to the reward reduction the administrative costs were 5.5%.

¹ §95483(c)(1)(A)(4) of the LCFS Regulation, at page 33

² SCE Advice Letter 3982-E, at page 22

³ Ibid

⁴ Resolution E-5015, Findings and Conclusions 20, at page 33

05 LEARNINGS AND OPPORTUNITIES

2023 LEARNINGS

Training and Consulting

CCFR Training Consultant and retailer interactions brought several key challenges to light during the 2023 program year.

1. OEM Requirements of Retailers

EV-related facility requirements mandated by OEMs are not always practical and may be difficult to justify at a time when EV sales are slowing. There is no question that many (even most) retailers will have to upgrade their facilities or equipment for optimum success in the EV market, but the rate of change may be slower than is ideal. As such, OEMs may need to become more adaptable with their requirements. Retailer service managers, meanwhile, are more focused on these mandates than on the big picture. CCFR Training Consultants and training resources can be developed to support retailers and keep all stakeholders aligned toward the goal of putting more EVs on the road.

2. EV Lifestyle and Ownership Experience

While product training, particularly in sales, continues to develop, CCFR Training Consultants have observed a gap in customer-facing information on the EV lifestyle and ownership experience. This represents a significant training and development opportunity that could further flesh out CCFR educational resources and help OEMs and retailers, in particular, drive customer interest and excitement independent of incentive programs.

3. Sales/Service Messaging Consistency and Collaboration

There is a disconnect with how EVs work in terms of charging, electricity concepts, range optimization, etc., among retailer sales consultants and service advisors—both too often count on customers knowing more about EVs than they do despite the reality that the EV consumer market has transitioned away from technically-minded early adopters to a much broader audience. The training focused on key concepts, such as electricity and batteries, as well as customer experience best practices (such as what service advisors need to know), will greatly enhance participating retailers' ability to promote, sell, and service EVs.

4. Rewards and Incentives

Retailers must make incentives a core part of delivery at the time of sale, directing EV buyers toward available incentives portals, low-income programs, utility-sponsored programs, charging incentives, and any other opportunities. While the EV lifestyle concept mentioned above has the benefit of engaging customer interest beyond incentives, incentives are still an important sales driver. With the right training, retailers can further capitalize on this during the delivery process.

5. EV-Specific Sales and Service Processes

Retailers must embrace the transformative shift by reevaluating sales and service processes to accommodate EVs. Ongoing program insights demonstrate that ICE-based processes and strategies are not always directly applicable to EVs and, in some cases, are not applicable at all. The need for retailers to assess and adapt their processes represents an opportunity, not an obstacle. Process analysis will reveal opportunities to adapt to the unique requirements of the EV market, enabling retailers to optimize for future success.

06 APPENDICES

06 APPENDICES

APPENDIX A: GLOSSARY OF TERMS

TERM	DEFINITION
BDC	Business Development Center
BEV	Battery Electric Vehicle
CARB	California Air Resources Board
CCFR; CCFR Program	California Clean Fuel Reward Program (i.e., the point-of-purchase incentive for electric vehicles)
CPOP	Community Partner Outreach Pilot
CPUC	California Public Utilities Commission
CVRP	Clean Vehicle Rebate Project
DAC	Disadvantaged Community (see additional information on the following page)
Dealership	A physical storefront where new vehicles are sold
EDU	Electric Distribution Utility—a complete list of participating EDUs is listed in AL 4090
EV	Electric Vehicle
GHG	Greenhouse Gas
GVWR	Gross Vehicle Weight Rating
kWh	Kilowatt-hour
LCFS	Low Carbon Fuel Standard
LI	Low-Income Community (see additional information on the following page)
Maritz	Maritz Automotive, the third-party implementer of the CCFR program
ME&O	Marketing, Education, and Outreach
OEM	Original Equipment Manufacturer
PHEV	Plug-In Hybrid Electric Vehicle
Program	See CCFR
Program Administrator	Authorized Administrator of the CCFR program, which shall be SCE for at least the first three years of the program
Retailer	A new vehicle seller, either online-based or with a location-based dealership, that is enrolled in the CCFR program to receive reward reimbursements
Reward	The point-of-purchase amount offered through the program
SCE	Southern California Edison
CCFR Steering Committee	Governing body of the Clean Fuel Reward Program
TCO	Total Cost of Ownership

APPENDIX B: DEFINED EQUITY CATEGORIES

§95483(c)(1)(A)(6)(a) of the LCFS Regulation determines that special equity considerations should be given to underserved Californians through LCFS programs and defines these Californians as “disadvantaged communities and/or low-income communities and/or rural areas or low-income individuals eligible under California Alternative Rates for Energy (CARE) or Family Electric Rate Assistance Program (FERA) or the definition of low-income in Health and Safety code section 50093 or the definition of low-income established by a POU’s governing body.”⁵ Each of the categories being considered in this report has unique characteristics:

Disadvantaged Communities (DAC): census tracts located in disadvantaged geographical regions as defined by the CalEnviroScreen 3.0 modeling. “CalEnviroScreen is a screening tool that evaluates the burden of pollution from multiple sources in communities while accounting for potential vulnerability to the adverse effects of pollution. CalEnviroScreen ranks census tracts in California based on potential exposures to pollutants, adverse environmental conditions, socioeconomic factors, and prevalence of certain health conditions. Data used in the CalEnviroScreen model come from national and state sources.”⁶ While many DACs are often low-income communities, they are not always the same.

Low-Income Communities: census tracts with median household incomes at or below 80% of the statewide median income or with median household incomes at or below the threshold designated as low income by the Department of Housing and Community Development’s list of state income limits adopted pursuant to Section 50093.⁷

Rural Areas: a census tract with at least 75% of its population identified as rural by the latest U.S. Census data.⁸

⁵ §95483(c)(1)(A)(6)(a) at page 35

⁶ <https://oehha.ca.gov/calenviroscreen/calenviroscreen-faqs>

⁷ California Health and Safety Code §39713(d)(2)

⁸ §95481 (a) (133)



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