ZEV CREDITS AND CREDIT RATIOS 4121.3

(Revised 08/2019)

Zero Emission Vehicle (ZEV) Credits

ZEV credits earned and retained prior to July 1, 2017, are treated as State Agency ZEV Credits. State Agency ZEV Credits, which were earned as a result of purchasing more ZEVs than was required for a given fiscal year, may be used by the owning agency in subsequent years to meet applicable yearly mandatory ZEV acquisition requirements. Effective July 1, 2017 agencies will no longer acquire State Agency ZEV Credits for purchases that exceed the amount required for a given fiscal year; after July 1, 2017, all excess ZEV credits achieved will become statewide ZEV credits (see next section: Statewide ZEV Credits).

Please note, state agencies that have not received an exemption to the 50 percent Pure ZEV requirement through the installation of telematics on 100 percent of their ZEVs, as indicated in section 4121.2, may not use credits acquired from the purchase of plug-in hybrid vehicles (PHEV) credits to satisfy the 50 percent requirement.

Statewide ZEV Credits

As of July 1, 2017, any excess ZEV credits earned as the result of purchasing more ZEVs than was required in a given fiscal year will be treated as Statewide ZEV Credits. Statewide ZEV Credits will be tracked by the Department of General Services (DGS), Office of Fleet and Asset Management (OFAM). Statewide ZEV Credits will be used, if available, at the end of a given fiscal year to offset any statewide deficiency resulting from Operational Need Exemption (see next section: Operational Need Exemption) in meeting the state fleet's overall ZEV purchasing requirements. Statewide ZEV credits may be used as either Pure ZEV or PHEV credits, regardless of which ZEV type was purchased to generate the original credit.

Operational Need Exemption

State agencies that meet applicable eligibility criteria (see next section: Operational Need Exemption Eligibility Criteria) may request an Operational Need Exemption from a given fiscal year's ZEV purchasing requirements. To request an Operational Need Exemption, state agencies shall submit their request on an OFAM-190 form along with their Fleet Acquisition Plan (FAP). State agencies requesting an Operational Need Exemption that are not required to submit a FAP, due to having earned accreditation for Level Three fleet acquisition delegation, may submit a completed OFAM-190 form without a FAP once they have determined their annual light-duty purchases and ZEV purchasing requirements for a given fiscal year.

Operational Need Exemption Eligibility Criteria

To qualify for an Operational Need Exemption, state agencies must meet the following eligibility criteria:

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1. The requesting state agency has sufficiently demonstrated that they are unable to purchase the requisite number of ZEVs to meet that fiscal year's applicable purchasing threshold. DGS shall make the final determination that a state agency has sufficiently demonstrated that they are unable to purchase the requisite number of ZEVs to meet that fiscal year's applicable purchasing thresholds. To make that determination, DGS will primarily use the following criteria:
   a. A full light duty fleet composition analysis has been conducted by DGS and the requesting agency, which demonstrates that all opportunities for replacement of eligible vehicles that could be converted to ZEVs, have been exhausted.
   b. The requesting state agency has certified on the OFAM-190 form that there are no opportunities for vehicle replacement downgrades or re-directions that could increase their ability to comply with the annual ZEV purchasing threshold.
   c. The requesting state agency shall have exhausted all of their applicable State Agency ZEV credits.
2. The following criteria will not be used in determining a state agency's eligibility:
   a. Lack of sufficient charging infrastructure
   b. Cost to procure the ZEVs

ZEV Credit Ratios

Light Duty (LD) and Heavy Duty (HD) ZEV and PHEV Ratio Table

Vehicle Type	Minimum Range	Maximum Range	Ratio [1]
Battery Electric Vehicle	Not Applicable	Not Applicable	1:1
Low-Range PHEV	10	19	5:1
Mid-Range PHEV	20	34	3:1
Long-Range PHEV	35	49	2:1
Extra Long-Range PHEV	50	Not Applicable	1:1

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Medium Duty (MD) and Heavy Duty (HD) ZEV and PHEV Ratio Table

Vehicle Type	Minimum Range	Maximum Range	Ratio
MD [2] ZEV	Not Applicable	Not Applicable	1:1.5
HD [3] ZEV	Not Applicable	Not Applicable	1:3
MD ZEV	100	Not Applicable	1:1
HD ZEV	100	Not Applicable	1:2
MD ZEV	50	Less than 100	2:1
HD ZEV	50	Less than 100	1:1
MD ZEV	30	Less than 50	3:1
HD ZEV	30	Less than 50	1.5:1
HD Bucket Truck (conventional ICE) with Electric Power Takeoff (ePTO)	Not Applicable	Not Applicable	12:1

Note

1. For example, a 1:3 ratio means each corresponding Class 4-8 HD ZEV is equivalent to 3 LD ZEVs.
2. Medium Duty includes Class 2B-3 Gross Vehicle Weight Rating (GVWR) from 8,501 to 14,000 lbs.
3. Heavy Duty includes Class 4-8, GVWR greater than 14,000 lbs.