SMUD Commercial Electric Vehicle program manual

Last updated: October 2026

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1.0 SMUD Commercial EV Program overview

To align with statewide goals to reduce carbon emissions, the SMUD Commercial Electric Vehicle (EV) Program supports the growth of commercial vehicle electrification and the increased need for electric vehicle service charging equipment (EVSE) by offering direct incentives for installed on-site EVSE. SMUD is looking to lead other municipal utilities in working with customers, contractors, and industry, along with state and local governments, to expand EV adoption and support EV market transformation.

2.0 Incentives

Electric Vehicle charger (EVSE) incentives		
Measure	**Circuit**	**Incentive**
Low power Level 2 / smart outlet	120/208V	$2,500/handle or unit
High power Level 2	208/240V	$3,500/handle
Non-public low power DCFC (<50 kW)	208/480V	$7,500/handle
Non-public mid power DCFC (50-149.9 kW)	480V	$15,000/handle
Non-public high power DCFC (≥150 kW)	480V	$30,000/handle
Stub out	208/480V	$250/stub out
Panel upgrade	N/A	$1,000/panel
Transformer upgrade	N/A	$5,000/ transformer
DCFC with onboard storage	208/240V	$100/kWh integrated battery capacity

Incentive details

Electric Vehicle charger (EVSE) incentives

- Low power Level 2 charger/smart outlet:
  - Low power defined as each handle/unit operating between 1.6 kW and <6.6 kW when all other handles/units operating simultaneously
  - Maximum 50 units can be incentivized per project (site) per year
  - This is the only incentive that will be available to projects at multifamily sites
  - Smart outlets must be able to manage charging and billing at the user level

- High power Level 2 charger:
  - High power defined as each handle/unit operating >=6.6 kW when all other handles operating simultaneously
  - Maximum 10 handles/ports can be incentivized per project (site) per year. Note that some Level 2 EVSE are equipped with more than one handle/port.
    - Must have J1772 or Tesla (NACS) connectors/handles/ports
  - Not available to projects at multifamily sites

- Non-public low power DCFC (<50 kW)
  - Units may be “behind the fence” and are not required to be available for public use.
  - All units must output per handle <50kW and use DC charging.
  - Higher power AC chargers (>15kW) are not eligible

    - Maximum 10 handles can be incentivized per project (site) per year
        - Must have CCS1 (Combo), CHAdeMO, or Tesla (NACS) connectors/handles/ports

- Non-public mid power DCFC (50 – 149.9 kW)
    - Units may be “behind the fence” and are not required to be available for public use.
    - All units must output per handle between 50 and 149.9 kW and use DC charging.
    - Maximum 2 handles can be incentivized per project (site) per year
        - One unit with two handles/ports may be eligible for two incentives if both handles are CCS1 (Combo), CHAdeMO, or Tesla (NACS), and capable of dispensing between 50 and 149.9 kW per handle simultaneously

- Non-public high power DCFC (≥150 kW)
    - Units may be “behind the fence” and are not required to be available for public use.
    - All units must output ≥150kW and use DC charging.
    - Maximum 2 handles can be incentivized per project (site) per year
        - One unit with two handles/ports may be eligible for two incentives if both handles are CCS1 (Combo), CHAdeMO, or Tesla (NACS), and capable of dispensing ≥150kW per handle simultaneously
- Stub outs
    - Installation of “raceway” or required conduit for future EVSE installation
    - All electrical infrastructure (panel, transformer, etc) must have adequate capacity for these future EVSE loads at the time the stub outs are installed
    - Stub out maximum is limited to 40 units per project.
    - No more than 10 stub outs per incentivized EVSE charger
    - Must include a pull rope that is sized, installed and located per the National Electrical Code for future installation of wiring sized appropriately for the number of stub outs and installed chargers.

- Panel upgrade
    - Applies to new or main electrical service panels only
    - Main electrical service panel upgrade must be driven by new EVSE loads

- Transformer upgrade
    - Applies to new or upgraded utility transformers only
    - Transformer upgrade must be driven by new EVSE loads

- DCFC with onboard storage
    - All requirements for the applicable DCFC incentives above apply
    - Units must interconnect with a single breaker whose ampacity is not greater than the ampacity required by a corresponding sized DCFC without storage
    - All units must be rated at 50kW output per handle minimum.
    - Maximum 2 units (handles/ports) can be incentivized per project.
        - One unit with two handles/ports may be eligible for two incentives if both handles are CCS1 (Combo), CHAdeMO, or Tesla (NACS), and capable of dispensing ≥50kW per handle simultaneously
    - LCFS credits are not captured by SMUD

Overall requirements

The following requirements apply to all EV charger (EVSE) projects:

- Must be hardwired and installed in keeping with applicable program requirements
- All EVSE units must be located at and powered by a SMUD commercial account
- Must be fed through a SMUD EV data meter or qualifying new service revenue meter unless specifically called out in "Electrical and Metering requirements"
- Must be UL approved
- Must have a minimum 3-year warranty provided in combination by the manufacturer and/or installer to protect the purchaser against defective workmanship, vehicle or component breakdown.
- Networked EVSE units are not required. Non-networked units are accepted if they meet UL and program requirements.
- Must meet SMUD Electric Service Requirements T017 & T004, if applicable
- For new construction projects only: incentives are not available for EV charging equipment required by the applicable code cycle. Only projects that go beyond code minimums can receive incentives based on the scope of work by which the code minimums are exceeded.
- All EVSE must have J1772, CCS1 (Combo), CHAdeMO, or Tesla (NACS) connectors/handles/ports
- Participating projects can stack incentives from other funding programs and grant opportunities (excluding CALeVIP 1.0 Sacramento County Incentive Project). Participants must disclose if project is receiving funding from additional sources (grants, incentives, etc) and their corresponding monetary values
- All projects must receive a building permit and the project must be finalized by Authority Having Jurisdiction. Self-inspecting agencies are allowed. Please contact program staff for requirements.

Low Carbon Fuel Standard (LCFS)

- In support of greenhouse gas emission reduction, the State of California adopted the Low Carbon Fuel Standard (LCFS) in 2009. The California Air Resources Board (CARB) developed regulations to implement the LCFS; these regulations provide for the generation of LCFS credits for electricity used as a transportation fuel. SMUD may receive LCFS credits pursuant to the LCFS Regulations and spends LCFS revenue (not SMUD ratepayer funds) on qualifying transportation electrification categories to benefit current or future EV drivers in California.
- As outlined in the program terms and conditions, any project receiving incentives under the SMUD Commercial EV Program will be automatically enrolled in SMUD's LCFS credit sharing and will receive biannual checks for their LCFS credits per the LCFS credit sharing program requirements and thresholds listed in Section 6.0.
- Exceptions noted below:
    - Publicly facing DCFC units ≥50kW are not eligible to participate in LCFS credit sharing
    - Level 2 projects with 10 or fewer handles are not eligible to participate in LCFS credit sharing
    - EVSE installed at multi-family sites and connected to a commercial service (e.g., common area parking lots) are not eligible to participate in LCFS sharing

Additional program requirements

Project costs

- The project costs are those costs specifically associated with implementing the EV chargers receiving incentives.
- Allowable project costs include engineering, construction, equipment, materials, removal, recycling, overhead, tax, permits, shipping and labor.

- Project costs can be documented by purchase order, contract, invoice or similar.
- SMUD requires the applicant to submit project costs during the Commercial EV application process.
- Incentives cannot exceed 100% of project costs.
    - Upon project completion, SMUD will request proof of project costs to determine if the reserved incentive amount needs to be adjusted.
    - Participants must disclose additional funding sources and amounts; SMUD's incentive may be adjusted accordingly

Electrical and metering requirements:

- SMUD Electric Service Requirements (ESRs) must be followed, including ***both*** Commercial Electric Vehicle Program Engineering Specification T017 and Commercial and Industrial Engineering Specification T004.
- Projects may be fed through a revenue meter by requesting a new service account for the EVSE project. No non-EVSE loads may be fed from the revenue meter. Account must feed only EVSE to qualify.
- All EVSE energy consumption on site must be recorded through a SMUD EV data meter or qualifying new service revenue meter with a separate account (revenue meter must feed EVSE only), unless specifically exempt from metering requirements per below:
    - Project consists of no more than 10 Level 2 handles and no other chargers (ex. DCFC units) are on site.
        - The project does not wish to ever expand in the future to more than the 10 Level 2 handles at the site.
        - If a project ever expands beyond a max of 10 total handles or installs a DCFC, then the customer will be required to retroactively install an EV data meter.
    - Projects most likely to proactively install an EV data meter up front include any project that the applicant believes will grow beyond 10 total handles, or the applicant desires to monetize their LCFS credits though SMUD's LCFS credit sharing such as: workplace, fleet, and/or publicly facing EVSE installs at high trafficked locations such as shopping or dining locations.
    - Projects most likely to not install an EV data meter include smaller sites with 10 handles or less which are primarily designed for limited use or unable to expand due to parking constraints.
    - Project applicant and host customer understand that projects without an EV data meter cannot join SMUD LCFS credit sharing.
    - Applicants can elect to install an EV data meter even if their project meets the above criteria for exemption.

Equity

Enhanced incentives are available for qualifying businesses installing EV chargers. All sites must have a CalEnviroScreen score of 75% or greater to qualify for Equity incentives. See the CalEnviroScreen 4.0 layer of the SMUD Sustainable Communities Resource Map to determine the site's score.

- Non-profits:
    - Applicant must be an incorporated nonprofit organization providing critical resources within SMUD's service area.
    - Qualifying projects include, but are not limited to, community-based nonprofits, chambers of commerce, property-based improvement districts, neighborhood associations and faith-based organizations which provide services to all clients regardless of denomination.

- Non-profits located outside SMUD's Resource Priority high sensitivity areas may be considered at SMUD's discretion if they provide critical services for under-resourced communities.
- Customer must provide W9 (990) that proves non-profit status.

- Affordable multifamily housing:
  - Property must be a qualified multifamily affordable housing development with 5 or more units located within SMUD's service territory.
  - Have an executed regulatory agreement indicating the complex is qualified as an affordable housing property.
    - If an executed regulatory agreement is pending but not recorded yet; a letter from Sacramento Housing and Redevelopment Agency (SHRA) confirming project will have an executed regulatory agreement with restricted rent and number of units will be accepted
    - If the builder/owner does not have an executed regulatory agreement or a letter from SHRA, they can email the Commercial EV Team to review potential property eligibility.
  - Alternatively, properties where >50% of the tenants are enrolled in SMUD's Energy Assistance Program Rate (EAPR) can qualify for Equity
  - State and local eligibility requirements, contacts and documentation can be found using the following links.
    - The California Department of Housing and Community Development (HCD) plays a key role in the process communities undergo to plan for and encourage the development of housing that meets the needs of everyone in California's communities.
    - Sacramento Housing and Redevelopment Agency utilizes a variety of tools to promote and support the development of affordable rental housing in the City and County of Sacramento.

- Title 1 schools
- School districts where ≥75% of students receive free or reduced cost meals
- Local agencies: parks, community centers, libraries

Parties in the SMUD Commercial EV Program

The SMUD Commercial EV Program is available to SMUD commercial customers who receive electricity from SMUD.

- The **Applicant** is the primary contact for the application process and may also be the **Host Customer**, the **Installer**, and/or **Equipment Owner.**
- The **Host Customer** must be the utility customer of record at the location where the Electric Vehicle Service Equipment (EVSE) is located. The Host Customer may also act as the Applicant. In circumstances where the Host Customer is not currently an active SMUD customer, the New Service request work order number and SMUD designer contact information must be submitted along with the application.
- The **Equipment Owner** is the owner of the equipment at the time the incentive is paid. In the case of a third party-owned Equipment (a leased EVSE unit, for example), the third party (or lessor) is the **Equipment Owner.**

- **Installers** will be the entity that installs the EVSE units for a Project, and must possess a Contractors State License Board A, B, or C-10 contractor's license. In all cases, Equipment must be installed in conformance with the manufacturers' specifications and all applicable electrical and building codes and standards.
- The **Incentive Payee** will be the recipient of the incentive and may also be the **Applicant**, **Equipment Owner**, **Installer**, or **Host Customer**.
- **LCFS Credit Payee** will be the recipient of the shared LCFS credit value when the Project qualifies for LCFS credit sharing and may also be the **Applicant**, **Equipment Owner**, **Installer**, or **Host Customer**.

EVSE contractors list

SMUD's Contractor Network can provide a list of qualified and licensed commercial contractors available to design and install EV charging equipment.

Project size

Incentives are limited by program parameters. These limits are applied per site and per year. Larger projects may be considered on a case-by-case basis and any additional funds over the program limits would only be issued to projects at program year-end if funds are still available.

SMUD EV data meters

Unless exempted above, all EVSE on site must be installed and recorded separately through a SMUD EV data meter or qualifying new service revenue meter with a separate account (revenue meter must feed EVSE only). The installer must provide the SMUD EV data meter socket; the EV data meter will be provided by SMUD at no cost.

Customers are highly encouraged to contact SMUD prior to installation to coordinate meter location and equipment specifications. Information regarding Commercial EV data meters and SMUD's Electrical Service Requirements (ESRs) can be obtained at the following web sites:

- Commercial & Industrial T004
- Commercial Electric Vehicles T017

Permanency

EVSE equipment is intended to be in place for the duration of its useful life. Only permanently installed and hardwired EVSE are eligible for incentives. This means that the vehicle or EVSE project must demonstrate adequate assurances of both physical and contractual permanence prior to receiving an incentive. Physical permanence is to be demonstrated in accordance with industry practice for permanently installed equipment. All equipment must be secured to a permanent surface. Any indication of portability, including, but not limited to, temporary structures, quick disconnects, unsecured equipment, trailer mounted EVSE or platform, will deem the equipment ineligible.

Inspections and certifications

SMUD reserves the right to perform inspections for each project. The first, if required, will be after the Commercial EV application and required documents are received by SMUD. This initial inspection may audit the accuracy of the application, physical location, and interconnection suitability of the project. The second inspection may be performed after the project is installed and receipt of the remaining Commercial EV application documents have been received by SMUD. This inspection may document the final vehicle and EVSE specifications, equipment characteristics and/or compliance with SMUD ESR T004 and T017.

SMUD will not perform a formal NEC compliance inspection; however, wiring inconsistencies or concerns with electrical connections may be addressed. If a project fails an inspection by either SMUD or the local authority having jurisdiction, the applicant will have 30 calendar days from date of

inspection failure to bring the project into compliance, or the project will be dropped from the incentive program. If funds are still available, the project may reapply for an incentive once the deficiencies are addressed.

Incentive payments

Incentive payments can be made to any of the following:

- Host customer
- Equipment manufacturer
- Installation contractor
- Applicant

In no instance will SMUD split an incentive payment among the parties. The parties are free to have their own arrangements, but SMUD will only issue one payment.

Codes and standards

The installation must comply with all applicable federal, state, and local laws, rules, regulations and industry standards, including without limitation, city and county building codes, American Society for Testing and Materials-International (ASTM), Uniform Mechanical Code (UMC), National Electric Code (NEC), Uniform Building Code (UBC), California Building Code (CBC) and manufacturer installations specifications, as appropriate. EVSE installations must meet the highest industry standards in terms of safety, workmanship, reliability and performance.

SMUD requires proof of all required city/county/state building permits for all EVSE installations. Installation shall be considered complete when the relevant city/county/state building permit has been signed off by the relevant authority and submitted to SMUD.

In no event is SMUD responsible for damages caused by the installation contractor. Any damage caused by the contractor or workers to the customer's property or premises shall be repaired at the contractor's expense.

3.0 Participating project process flow

In fall 2022, SMUD launched a new online application portal (PowerClerk) for the Commercial EV incentive program. This platform replaces the legacy process that used PDF forms. Incentive applications started on the legacy process will be closed out using the PDF forms. All new incentive applications will use the online application portal.

Parties can submit incentive applications via the online application portal (PowerClerk).

The process flow is in two parts: Reservation of Incentive (before construction begins) and Incentive Payment Request (after construction is completed).

Reservation of Incentive

Applicants must submit a complete Commercial EV Application and supporting documents to SMUD.

Supporting documents include:

- Electrical plan set
  - One-line diagram including load calculations
  - Site plan calling out the location of EVSE and related equipment.
- Proof of project (any of these are acceptable)
  - Signed contract between host customer and installing contractor
  - Purchase order of EV charger equipment or related equipment

    - For projects requiring SMUD linework related to main panel or utility transformer, an 8-digit SMUD Service Notification can be submitted in lieu of the above. SMUD staff will confirm that any required deposits have been paid and a SMUD Designer has begun work.
- Grid Capacity Evaluation
    - Before a project can proceed, we must confirm that there is adequate capacity on SMUD's grid (utility transformers) for the proposed additional electrical loads.
    - New GCEs can be submitted via the online portal. A PowerClerk account is required to log in to the portal.
    - SMUD needs up to 10 business days to review and return a completed GCE. Upon completion, a PDF containing the results will be emailed to the requester
- W9 of incentive payee
- W9 of LCFS payee (if applicable and different than incentive payee)

SMUD will review the submitted information and may request revisions to the data on the application or any of the associated documents. Once the review is complete, SMUD will request the Applicant, Host Customer, Incentive Payee, and (if applicable) LCFS Payee electronically sign the Reservation of Incentive agreement. SMUD will countersign the Reservation of Incentive agreement after all other Parties have signed.

At this point, the SMUD incentive is formally reserved, and the project is allowed to proceed to the construction phase.

Reserved incentives for projects that fail to comply with any or all the above specified milestones will be released and redirected to other projects.

Incentive Payment Request

Upon completion of project installation, applicant must submit Project Documentation Form and additional supporting documents on SMUD's online application portal.

Supporting documents must include:

- Revised electrical plan set (if applicable)
- Proof of project completion and payment (i.e., final invoices)
- Copy of signed off building permit
- Make, model, serial number, and GPS coordinates for each EVSE
    - GPS coordinates must be for each charger (not a single coordinate in middle of project)
- Photos of installed scope of work
    - Electric vehicles (including individual VINs)
    - EVSE (including metering equipment)

SMUD will review the submitted information and may request revisions to the data on the application or any of the associated documents. Once the review is complete, SMUD will request the Applicant, Host Customer, Incentive Payee, and (if applicable) LCFS Payee electronically sign the Reservation of Incentive agreement. SMUD will countersign the Reservation of Incentive agreement after all other Parties have signed.

SMUD may also:

- Schedule a site inspection, if required.
- Request an EV data meter be set by SMUD meter technicians and record EVSE unit's data into the CARB database for LCFS registration (if applicable)

After the above steps are complete, SMUD will issue incentive payments. Incentives usually take 10-14 business days from SMUD's issuance of the incentive request to be processed and mailed to payees.

Project timelines

All timelines start the first business day after SMUD receives the completed set of documents (application and supporting documents):

- Upon receipt of Reservation of Incentive form/completed Commercial EV application, SMUD has 30 days to process, accept or reject.
  - A "Reservation Granted" confirmation email is sent upon approval to all involved parties.
  - Notification of required changes to the application and/or supporting documentation will be provided by email
  - Notification of any rejected request will be provided by email.
- Applicant completes project.
  - Projects not requiring SMUD line work are to be completed in 9 months.
  - Projects requiring SMUD line work are to be completed in 18 months.
  - Upon project completion:
    - Applicant will submit an Incentive Payment Request, OR
    - Applicant must submit Project Documentation Form and additional support documents on SMUD's online application portal.
- Upon receipt of Incentive Payment Request/Project Documentation Form and supporting documents, SMUD has 14 days to accept or reject it.
  - If accepted, SMUD will:
    - Request an EV data meter be set, if applicable
      - EV data meters are set within 10-14 days of request date.
    - Register the EVSE units with CARB, if applicable
      - CARB can take up to 8 weeks to complete registration. SMUD is unable to commit to a timeline on the CARB registration process.

If an issue is found, the applicant will have 30 days to correct the document and resubmit the corrected documents. This will restart SMUD's 30-day processing time.

While SMUD will strive to meet these timelines, it is possible that SMUD may take longer to process an individual application/request due to unforeseen circumstances.

4.0 How to participate

To be eligible for an incentive, applicant must submit a completed Commercial EV application and supporting documents to SMUD via the online application portal. The customer and project must meet all SMUD Commercial EV Program requirements prior to receiving approval for an incentive. All vehicle and EVSE units receiving incentives under the SMUD Commercial EV Program must be connected to the SMUD distribution system and have a SMUD EV data meter installed (if applicable).

Application process

Applicant – Step 1

Submits completed Commercial EV Application and supporting documents to SMUD via the online application portal.

- Applicant fills out all fields and uploads all required supporting documents on Commercial EV application.
- See Section 4.0 for details on supporting documentation.

SMUD – Step 2

Receives project documents at online application portal.

- Reviews Commercial EV application and supporting documents.
  - Pre-installation inspection may be scheduled.
  - Upon approval of the above, SMUD confirms the Reservation of Incentive and moves the project to "Reservation Granted" status.
  - If project is rejected, all parties will be notified by email of required corrections needed.
- SMUD issues an email notifying all parties of reservation acceptance. At this point, the project can begin construction.

Applicant – Step 3

Submits completed Project Documentation Form and supporting documents to SMUD via the online application portal.

- After receiving email notification of Reserved Funds status, the applicant completes vehicle purchase and/or EVSE installation and gets a final building permit or other approval from the Authority Having Jurisdiction (AHJ).
  - Any project scope changes since the "Reservation Granted" status should be submitted at this time.
- Applicant submits the completed Project Documentation Form and supporting documents.
  - See Section 4.0 for details on supporting documentation.

SMUD – Step 4

Receives project documents at online application portal.

- Reviews Project Documentation Form and supporting documents.
  - SMUD may schedule an inspection of the project and vehicles.
- For projects with EV data meters only:
  - Program staff requests installation of EV data meter
    - The meter shop will inspect to ensure adherence to SMUD ESRs (T017 and T004) before installing the EV data meter.
    - If the project fails the meter set inspection, all parties will be notified by meter shop regarding required repairs needed. Applicant and Host Customer have 30 calendar days to correct.
  - Once meter is installed, SMUD records relevant data with CARB to register EVSE chargers in LCFS database.

SMUD – Step 5

Issues incentive payment only after the following:

- For projects with EV data meters only:
  - SMUD verifies the EV data meter is set and operational
    - Expect EV data meter inspection and set approximately 10-14 business days after SMUD approval of the Project Documentation Form.
  - SMUD is notified by CARB that the EVSE units have been successfully registered to SMUD.
    - CARB approval can take up to 8 weeks for processing.
  - SMUD requests incentive payment be mailed.
    - Approximately 14-28 days after EV data meter set and CARB approval notification.
- For data meter exempt projects

    - SMUD requests incentive payment be mailed.
        - Approximately 14-28 days after documentation review is complete
- SMUD issues an email notifying all parties of final project approval granted, payment triggered

5.0 SMUD Low Carbon Fuel Standard (LCFS) credit sharing option

Project sites which meet qualifying kWh usage thresholds quarterly will be eligible for biannual LCFS credit sharing payments through the SMUD Commercial EV Program. These LCFS credit sharing payments are in addition to any project incentives paid earlier.

The LCFS credit sharing option is for a five-year term and is renewable if agreed upon by both parties. SMUD will capture and report all the LCFS credits following CARB guidelines. SMUD will then bundle those credits and quarterly sell the credits on the open market. While SMUD anticipates sales to occur on a rolling quarterly schedule, SMUD reserves the right to adjust the sales schedule based upon its business requirements and/or relevant state regulations or legislation.

Under this option, SMUD may share with the LCFS credit payee up to 90% of a qualifying project's base or non-incremental LCFS credits. Additionally, SMUD offers up to 50% of the enhanced or incremental LCFS credits generated in connection with a qualifying project due to SMUD procuring zero carbon electricity for the participating project site. SMUD does not guarantee the availability of enhanced or incremental LCFS credits for any project.

SMUD keeps the remaining LCFS credits to use for transportation electrification programs, projects, and other CARB allowable transportation electrification uses in SMUD's service territory.

LCFS credit sharing qualifying guidelines

To qualify for participation in the LCFS credit sharing option, an EVSE project must register and consume 12,500 kWh of CARB recordable EV charging usage on the SMUD EV data meter during the quarterly reporting/usage period.

Projects must continue to consume at least 12,500 kWh per quarterly usage period in CARB reportable usage to remain qualified for LCFS credit sharing payments. If a project drops below the qualifying level in quarterly reporting period, it will not receive payment for that period. Payments will resume once a project hits the minimum kWh threshold in a quarterly period. Any LCFS credits generated during the non-qualified period will not be rolled over to the next payment period.

Publicly accessible DCFC units $\geq$50kW, of which SMUD has not registered LCFS credits, are ineligible for LCFS credit sharing.

Qualifying Level 2 projects that do not install a SMUD EV data meter are ineligible for LCFS credit sharing. SMUD will not register LCFS credits from these data meter exempt projects.

Participant reporting, annual audit, and verification requirements

To remain eligible for the LCFS credit sharing option, LCFS Credit Payees must maintain with SMUD accurate Electric Vehicle Service Equipment (EVSE) and, where applicable, SMUD meter information, for all EVSE enrolled in the program. LCFS Credit Payees shall provide timely updates and annual self-certifications as follows.

The LCFS Credit Payee must notify SMUD of any change that affects the EVSE information previously submitted to SMUD, within ten (10) business days of the change. Reportable changes include, but are not limited to:

- EVSE additions, removals, replacements

- serial number corrections
- site relocations
- EVSE becoming temporarily or permanently inoperable
- the addition, removal, replacement, or change to any associated SMUD meter.
- change in ownership of the EVSE

Annually each LCFS Credit Payee must, within ten (10) business days of SMUD request, complete an audit of their EVSE and provide self-certification together with supporting documentation sufficient for SMUD to verify EVSE information. For network-enabled EVSEs, acceptable documentation may include a EVSE usage output file, such as a .csv file, covering a date range identified by SMUD and showing the EVSE serial number(s) and sufficient site information to confirm EVSE location. For non-networked EVSEs, acceptable documentation may include current photographs, showing the EVSEs nameplate or serial number, or other documentation deemed sufficient by SMUD.

SMUD may, at its discretion, require additional supporting documentation or conduct a site visit when necessary. LCFS Credit Payees must cooperate with SMUD's verification efforts and provide reasonable site access upon advance notice.

Failure to timely report changes, complete the annual self-certification, provide requested supporting documentation, or cooperate with site visits, may result in suspension of LCFS credit sharing eligibility, withholding of payments, removal of a project site from the LCFS credit sharing option, recovery or adjustment of prior payments if reporting was inaccurate, or other action deemed necessary by SMUD. Except where immediate action is warranted due to inaccurate reporting or program integrity concerns, SMUD will provide the LCFS Credit Payees ten (10) business days to resolve non-compliance after notice from SMUD.

LCFS credit sharing payments

The LCFS credit payee's LCFS payment will be based upon the actual dollar value SMUD receives from the sale of the LCFS credits generated quarterly by the LCFS credit payee's EVSE project.

LCFS credit payee will receive a statement biannually (twice per year) with their LCFS payment confirming the number of LCFS credits sold, the price they were sold at, and the calculation used to arrive at the payment.

The LCFS disbursement check will be issued based on the table below. This check will include the qualifying two quarters' LCFS credits value. Thereafter, the LCFS credit payee will continue to receive checks on the regularly scheduled biannual payment date as long as their project remains qualified and generates the minimum usage threshold in the given quarter.

Biannual payment period (2 Quarters)	**Check processed on or about**
Q1: January 1 - March 30 Q2: April 1 - June 30	November 30
Q3: July 1 - September 30 Q4: October 1 - December 30	May 31

Payments are mailed on or about May 31 and November 30. Payments reflect the LCFS credits generated and sold from the quarterly sales in the prior biannual billing period.

In the unlikely event that SMUD is unable to finalize the sale before processing the LCFS credit payee's biannual LCFS payment, the LCFS payment will continue based upon the stated price of the active contract. If the value of the LCFS shares price changes between payment issuance and final sale, SMUD reserves the right to adjust LCFS credit payees' next biannual payment to true up the actual value received from the LCFS sale against the amount paid on the biannual payment.

LCFS credit sharing payment example

Here is an example of a project receiving payment for their LCFS credit sharing credits. To allow for the sale of the LCFS credits, the project will qualify for LCFS credit sharing payments after the project consumes 12,500 kWh of CARB reportable usage during the three-month quarterly period. The payments will be for the credits generated during the quarterly participation period.

Example payment and credit calculation:

- Customer ABC installed an EV project that completed and went live in the January/June biannual period, and records 12,500 kWh of CARB reportable usage during each quarter in the period.
- Customer ABC becomes eligible for LCFS credit sharing payments.
- This 25,000 kWh of CARB reportable usage (two quarters of 12,500 kWh in each quarter) generated 21 LCFS base/non-incremental credits.
- SMUD supplied zero carbon electricity to Customer ABC's 12,500 kWh of CARB reportable usage, which generated an additional 7 incremental/enhanced LCFS credits.
- SMUD sold both the base and enhanced LCFS credits on the open market for $150/credit.
- SMUD shares the value of those credits with Customer ABC according to program terms and conditions at 90% of base/non-incremental LCFS credits and 50% of incremental/enhanced LCFS credits.
- Customer receives a payment of $3,360 on or about November 30.
- Biannual payments will continue for the term of the agreement if the project stays qualified, with normal biannual payment windows of on or about May 31 and Nov 30 each year.

Customer ABC: January-June example statement						
Energy	**CARB recordable kWh usage**	**LCFS generated**	**LCFS price**	**Value of LCFS sale**	**Customer ABC (LCFS credit payee) amount**	**SMUD portion**
Grid (base credits)	25,000	21	$150	$3,150	$2,835	$315
Zero Carbon (enhanced)	25,000	7	$150	$1,050	$525	$525
			Biannual payment		$3,360	$840

6.0 Terms and conditions for program participation

As a condition of participation in the SMUD Commercial EV Program, all parties must acknowledge and agree to the following terms and conditions, which supplement and are in addition to the program requirements described throughout this handbook and the contract attached to the Reservation of Incentive Form.

Funds available: Applications are processed on a first-come, first-served basis, and incentive is subject to availability of funds.

Program timeline: Effective date of this program is January 1, 2020. Only vehicle purchases completed after this date, as identified by the bill of sale or contract date attached to the application

submitted to SMUD, are eligible. Only EVSE installations completed after this date, as identified by the final building permit approval date attached to the application submitted to SMUD, are eligible.

Incentives: If the project is installed as described on the Reservation of Incentive Form and all program and contract terms and conditions are complied with, including timely submission of all documents described in the SMUD Commercial EV Program Manual, SMUD will pay an incentive to the entity designated as the incentive recipient. SMUD reserves the right to modify or cancel the incentive if the actual EVSE equipment, vehicles or installation of the equipment do not meet the SMUD Commercial EV Program guidelines, or if the project fails inspection, and/or if the documents submitted fail to meet the requirements of the SMUD Commercial EV Program Manual.

Incentive payment: Payment will be mailed within 14-24 days subsequent to SMUD receiving and approving a request with all required documentation.

Disclosure of other incentives: All parties understand that other program rebates, grants, forgiven loans, financial incentives, post-installation agreements, third party LCFS agreements and performance payments are “other incentives” and must be disclosed to SMUD as soon as those” incentives” are made.

Branding: Equipment owner and host customer agree to allow SMUD branding on all vehicles and charging equipment receiving incentives.

Eligibility: The SMUD Commercial EV Program is administered by SMUD for customers within its service territory. Eligible participants in the SMUD Commercial EV Program must be current electric distribution customers of SMUD at the facility (“Project Site”) where the EVSE and vehicles will be installed and operated.

EV requirements: Host customer must be a SMUD commercial customer and the vehicles under this incentive application must be registered and charged at a commercial address with an active meter receiving SMUD electric service, and on EVSE that are participating in and registered under the SMUD Commercial EV Program.

Onsite EVSE: All EVSE on the project site must be participating in SMUD Commercial EV Program even if installed previously. Please contact program management if you have questions about EVSE eligibility at CommercialEV@smud.org.

Dedicated EV data meter: Unless specifically exempt from metering requirements, all EVSE must be installed on a dedicated circuit, and a sub-meter box, or meter blank on main panel must be provided for EVSE which charge incentivized vehicle. A dedicated SMUD meter will be installed (by SMUD) on the circuit to measure electricity delivered to the EVSE. This SMUD meter must measure only electricity to the EVSE charging electric vehicles i.e., no other ancillary electricity to lighting, landscaping, other electricity load, can be fed through the EVSE meter.

Charger certification: The EVSE must be new equipment, UL or equivalent certified by a National Recognized Testing Laboratory, installed for the first time, hardwired on a wall or pedestal mounting. EVSE must be installed by a qualified and licensed contractor in accordance with all state and local codes, permitting, and inspection requirements. All EVSE must utilize the SAE J1772 charge coupler (or equivalent).

Vehicle maintenance: All parties identified on the application agree to maintain all EVSE and vehicles in good working order and to promptly repair any non- or under-performing equipment.

Delayed application: In the event a vehicle is delivered before a Reservation of Incentive form is submitted a complete incentive application package must be received within 60 days of the vehicle purchase and delivery date. Applications are not considered to be received until all required documentation is complete and received at SMUD's offices. Failure to provide all the required documentation by this date may result in incentive ineligibility.

Additional documentation: All parties identified on the application agree that SMUD reserves the right to request additional documentation prior to incentive payment. The incentive payment may be denied by SMUD if this condition is not met by all parties.

Disclaimer of warranties: SMUD makes no representations or warranties, expressed or implied, regarding the design, construction, reliability, efficiency, performance, operation, maintenance, or use of any incentivized equipment, vehicle or installation discussed, selected, rejected, purchased, or otherwise considered by all parties identified on the application, including without limitation any warranty of fitness for any specific purpose. Any decisions regarding the selection, design, purchase, installation, use and operation of any equipment or consideration or selection of any contractor shall be at the sole discretion and are the sole responsibility of all parties identified on the application.

Program database: All parties identified on the application shall agree to allow all information provided as part of the Commercial EV Reservation of Incentive and Incentive Payment Request process to be entered into a SMUD database that will allow SMUD to register the EVSE units with the California Air Resources Board (CARB) for Low Carbon Fuel Standard (LCFS) credit purposes. SMUD also will use all information provided in an internal database to record and track the project process and incentive payment. This information will be available to internal SMUD staff on this and other SMUD incentive programs.

Indemnification: All Parties identified on the application shall indemnify defend, and hold harmless SMUD, its directors, officers, agents, and employees against all claims, loss, damage, expense, and liability asserted or incurred by other parties, including but not limited to SMUD's employees, arising out of or in any way connected with participation in the program and any incentive payment, and caused by the acts, omissions, intent or negligence, whether active or passive, of customer, its agents, employees, and suppliers, and excepting only such loss, damage, or liability as may be caused by the intentional act or the sole negligence of SMUD.

Program modification: SMUD expressly reserves the right to modify, amend or terminate the SMUD Commercial EV Program, in whole or in part, at any time and for any reason without prior notice.

Authority to install equipment: All parties identified on the application represent that it has the authority to operate and install the vehicles and EVSE at the project site or have obtained the permission of the legal owner of the project site, for said construction project. All parties identified on the application shall, at its own expense, obtain and maintain all licenses and permits needed to construct and complete the project.

Withdrawal: The host customer and equipment owner agree that either of them may withdraw from the project for any reason by providing written notice of such withdrawal to SMUD. In the event the host customer or equipment owner so withdraws, the application and reservation will be canceled, and the host customer alone will retain sole rights to the reservation. Host customer further understands that if host customer fails to resubmit a Reservation of Incentive form at the time of project withdrawal, the application will be terminated in its entirety by SMUD, and any previously reserved incentive funding will be released. In that instance, Host customer must apply for a new

incentive reservation should host customer still wish to participate in the SMUD Commercial EV Program.

No endorsement by SMUD: Host customer and equipment owner understand that SMUD's review of the project and Reservation of Incentive shall not be construed as confirming or endorsing the qualifications of the applicant or any person(s) involved with the project, including but not limited to the project installer(s), designer(s), or manufacturer(s); endorsing the project design; or as warranting the economic value, safety, durability, or reliability of the project. The host customer is solely responsible for the project, including the selection of any designer(s), manufacturer(s), contractor(s), or installer(s). Host customer and equipment owner understand that they, and any third parties involved with the project, are independent contractors and are not authorized to make any representations on behalf of SMUD. Host customer and equipment owner shall not use SMUD's corporate name, trademark, trade name, logo, identity, or affiliation for any reason, without the prior written consent of SMUD.

Dispute resolution: The parties to the application and reservation shall attempt in good faith to resolve any dispute arising out of or relating to the program promptly by negotiations between SMUD's designated representative and an executive of similar authority from each party to the application and reservation. The disputing party must give the other party or parties written notice including a description of the dispute, and proposed resolution. Within thirty (30) calendar days after delivery of the notice, or such other time as all parties agree, the executives shall meet at a mutually acceptable time and place and shall attempt to resolve the dispute. If the matter has not been resolved within thirty (30) calendar days of the first meeting, or such other period as all parties agree, any party may pursue other remedies, including mediation. All negotiations and any mediation conducted pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations, to which Section 1152.5 of the California Evidence Code shall apply, and Section 1152.5 is incorporated herein by reference. Notwithstanding the preceding provisions, a party may seek a preliminary injunction or other provisional judicial remedies if, in its judgment, such action is necessary to avoid irreparable damage or to preserve the status quo. Each party is required to continue to perform its obligations under this Contract pending final resolution of any dispute arising out of or relating to this contract.

Assignment: No party shall assign its rights or delegate its duties without the prior written consent of SMUD. Any such assignment or delegation without the prior written consent of SMUD or its assignee, if any, shall be null and void. Consent to assignment shall not be unreasonably withheld or delayed. All parties must provide assurance of the success of a project if assigned by providing any additional information requested by SMUD.

No third-party beneficiaries: The application is not intended to confer any rights or remedies upon any other persons other than signatories to the application.

Date of enactment: These terms and conditions apply for all incentive application packages submitted/postmarked January 1, 2021, and subsequent.

Renewable energy credits: Participation in the SMUD Commercial EV Program does not grant the ability to claim renewable energy credits or any carbon savings through participation in the program.

HOV lane access: No additional benefits except as explicitly stated in the program documents, including HOV lane access or parking privileges, are granted by participation in the SMUD Commercial EV Program. Customers must check with state or local jurisdictions regarding those benefits.

Additional terms and conditions for qualifying LCFS credit sharing participants

Low Carbon Fuel Standard credits: All Parties agrees that all LCFS credits allowed by the State of California's Low Carbon Fuel Standard (LCFS) credits program generated at the project site shall be the property of and belong to SMUD and shall take all action and execute all documents to effect SMUD's rights. All other parties agree not to take any actions to generate such credits to its account. All other parties further agree to take all actions necessary and provide any documents required to assign any generated credits to SMUD. Publicly facing DCFC units ≥50kW are not eligible to participate in LCFS credit sharing. SMUD will not register LCFS credits with CARB from publicly facing DCFC units ≥50 kW.

Participation agreement: SMUD will return any LCFS credit value due biannually to the LCFS credit payee of the qualified project as listed in the Incentive Payment Request, and no other parties shall have any claim against SMUD for such value.

Qualification of projects: Qualified projects are those that consume a reportable 12,500 kWh per quarterly usage period of CARB reportable usage.

Accurate charger and meter information: Participation in the LCFS credit sharing program and credit sharing payments requires maintaining with SMUD, at all times, accurate EVSE and, where applicable, SMUD meter information for each EVSE enrolled in the LCFS credit sharing option. The LCFS Credit Payee must notify SMUD within ten (10) business days of any change to information originally submitted to SMUD that may affect LCFS reporting, program eligibility, or payment calculations. Please reference Section 6.0 for examples of reportable changes. All EVSE and meter information notifications shall be sent to EVChargingData@smud.org within the required time periods.

Annual audit and participant documentation requirements: EVSE and meter information will be audited annually. Each qualified project site must participate in this annual audit by submitting a completed self-certification of EVSE and meter information, together with supporting documentation, to SMUD within the required time period. Please refer to Section 6.0 for list of required documents. Self-certifications and supporting information shall be sent to: EVChargingData@smud.org

Verification and site access: SMUD reserves the right, in its sole discretion, to require additional records, clarifications, or supporting documentation and to conduct a site visit when SMUD determines such verification is necessary to confirm EVSE operational status, serial number accuracy, meter information, project site information, or other EVSE data relevant to LCFS credit generation, reporting, qualification, or payment. The LCFS Credit Payee must cooperate with SMUD's verification activities and must provide reasonable access to the project site upon advance notice from SMUD.

Failure to comply; cure period; remedies: Failure to timely report required changes, complete the annual audit, provide requested self-certification or supporting documentation, maintain accurate information, or provide reasonable site access as required by SMUD constitutes non-compliance with the LCFS credit sharing option. In the event of non-compliance, please refer to section 6.0 for possible outcomes and remediations.

Participation start: Participation in the program offering will become active the biannual period after a project site has obtained the qualifying level of 12,500 kWh per quarterly usage period in CARB reportable EV usage.

Credit valuation: Value of the LCFS credits for purposes of participation is based upon the actual contracted value of the credits being sold through SMUD's LCFS sales process.

Payment dates: Biannual LCFS credit sharing payments will be mailed to LCFS credit payee listed on the Incentive Payment Request on or around November 30 and May 31, of each year.

Credit value statement: The LCFS credit payee will receive a statement biannually affirming the number of LCFS credits sold, the price they were sold at, and the calculation used to arrive at the sharing payment value.

True up provision: In the unlikely event that SMUD is unable to finalize a LCFS credit sale before processing the LCFS credit payee's payment, the LCFS credit sharing payment will continue based upon the stated price of the active contract. If the value of the LCFS shares price changes between LCFS credit payee's payment issuance and final LCFS sale, SMUD reserves the right to adjust the next biannual payment to true up the actual value received from the LCFS credit sale.

Length of term: The term of the credit sharing option shall be for a 5-year period in exchange for incentive all parties assign all rights to LCFS credits to SMUD.

Tax responsibilities: LCFS credit payee is responsible for any and all taxes and liabilities incurred in connection with the receipt of LCFS credit sharing biannual payments.

Project re-qualification: Projects must continue to consume at least 25,000 kWh per biannual usage period in CARB reportable usage to remain qualified for LCFS credit sharing payments. If a project drops below the qualifying level in a biannual reporting period, it will not receive payment for that time period. Payments will resume once project hits the minimum kWh threshold in a biannual period. Any LCFS credits generated during the non-qualified period will not be held or later credited to the LCFS credit payee.

LCFS payment example: In order to allow for the sale of the LCFS credits, the LCFS credit sharing payments will start once the minimum threshold is reached in a biannual period.

> **Ex:** EVSE project goes live during January/June biannual period, and records 25,000 kWh during the period. The project would then qualify for participation in the LCFS credit sharing offering.
>
> Full participation would start during the July-December biannual period. LCFS credit payee could expect the sale of their LCFS credits generated during their first biannual period to be completed and payments mailed on or about November 30. Biannual payments will continue as long as the Project remains qualified, with normal payment windows of on or about May 31, and Nov 30.

Additional terms & conditions for DCFC with onboard storage participants

- DCFC with onboard storage is defined as a DCFC capable of delivering more than 50kW per handle with an onboard battery storage device. A single breaker must interconnect and power

both the DCFC and battery storage charger. The breaker must be sized no larger than a normal DCFC of the equivalent kW rating.

- Any DCFC with onboard storage also receiving a supplemental incentive is responsible for providing SMUD monthly performance data as described below for a period of two years (24 months):
    - Session ID
    - Session Start
    - Session End
    - Session Duration
    - Average kW
    - Maximum kW
    - Total kWh dispensed per session
    - SOC start
    - SOC end
- Monthly data will be emailed within 14 days of the end of each month to CommercialEV@smud.org
- SMUD reserves the right to recollect supplemental incentive funds if monthly data monthly is not delivered by within the required timeline to CommercialEV@smud.org

7.0 CALeVIP 1.0

The CALeVIP 1.0 Sacramento County Incentive Project closed to new applications on October 24, 2021. For updates on CALeVIP applications submitted before October 24, 2021, please email CommercialEV@smud.org or Center for Sustainable Energy at sacramento-calevip@energycenter.org. Customers participating in the CALeVIP program cannot receive both program incentives on the same unit. However, after maximum limits are reached with CALeVIP, additional qualifying handles in a project may go through the SMUD Commercial EV Program.