Feb 13, 2025

California Air Resources Board (CARB)
1001 I Street,
Sacramento, CA 95814

RE: Request for Information for Used Truck Voucher Pilot Program

Dear CARB Staff,

RIDE appreciates the opportunity to provide feedback on the Used Truck Voucher Pilot Concept as outlined in the Request for Information (RFI). As a leader in battery-electric medium- and heavy-duty (MHD) vehicle technology, RIDE, headquartered in California, is eager to collaborate with CARB to support the development of an affordable and sustainable secondary market for zero-emission vehicles (ZEVs), enabling more small fleets to adopt clean transportation solutions.

RIDE – A Lead MHD Vehicle Electrification Partner in California
RIDE, representing Real Innovation Delivered with Excellence, is the U.S. spinoff of BYD, focused on the commercial MHD vehicle market. Our Lancaster manufacturing facility, operational since 2013, is a 550,000-square-foot hub that has the capacity to produce 1,500 MHD ZEVs annually, employing hundreds of union workers from the Sheet Metal, Air, Rail, and Transportation Union (SMART), Local 105. We are well-positioned to help meet California's growing demand for ZEVs.

RIDE welcomes and appreciates CARB's Used Truck Voucher Pilot initiative under the Innovative Small E-Fleet Pilot Project (ISEF). ISEF has been a crucial financial mechanism for small fleets to access ZEV trucks through leasing or truck service subscriptions. However, financial assistance for the secondary ZEV truck market has long been lacking. Expanding ISEF to include used trucks will undoubtedly increase small fleet participation. RIDE would like to support the development of the program by providing feedback. Questions responding are identified by question numbers in the RFI.

1. *Which specific entities or industry experts should be involved in the design of the Used Truck Voucher Pilot Concept?*

RIDE emphasizes the critical role of Original Equipment Manufacturers (OEMs) in the program's design to help CARB establish robust and reasonable requirements for secondary vehicles. OEMs can provide essential insights into vehicle conditions, battery state-of-health assessments, certification standards, residual value projections, etc. Additionally, the ZEV market continues to rely heavily on OEM aftersales support, making OEM involvement essential in shaping warranty and service frameworks for this pilot program.

2. *Would a voucher process through an HVIP-approved dealer work for this pilot concept?*

RIDE strongly supports a voucher process through HVIP-approved dealers to ensure standardized quality, warranty, and reporting requirements, reducing risks related to vehicle traceability and end-of-life management. Allowing broader resale options, such as sales through independent or unauthorized channels, would create significant challenges for CARB in maintaining consistent vehicle quality, tracking vehicle ownership and enforcing regulatory compliance. These gaps in oversight may introduce risks related to product accountability, safety, and long-term vehicle support, ultimately adding unintended administrative burdens on CARB.

Additionally, RIDE recommends that all eligible vehicle models under this program be certified and listed by HVIP to maintain consistency in quality, safety, and performance standards. HVIP certification ensures vehicles meet rigorous state requirements, providing buyers with confidence in the reliability and long-term viability of used ZEVs.

4. *What should the incentive level be? Should incentives vary based on mileage, vehicle body type, and/or battery capacity?*

RIDE supports the inclusion of mileage, vehicle body type, and battery capacity as factors in determining voucher amounts. We also urge CARB to incorporate model year as an additional consideration. Older vehicles may have reduced battery efficiency, outdated technology, or limited remaining warranty coverage, all of which impact long-term operational viability and the resale value of the vehicle. RIDE suggests CARB explore a tiered voucher structure that accounts for these factors, ensuring that funding levels reflect the residual value and long-term usability of the vehicle. Newer model-year used trucks with higher remaining battery capacity and less mileage should qualify for higher voucher amounts, as they provide greater operational value and longevity.

10. *Are there additional strategies, comments, or feedback that you would like CARB staff to consider as they explore the design of a Used Truck Voucher Pilot Concept?*

RIDE urges CARB to define 'used truck' as broadly as possible to maximize participation and ensure the entire secondary MHD ZEV market receives support. Most vehicles that fall outside of HVIP's new vehicle eligibility criteria (HVIP new vehicles currently defined as within three model years and fewer than 3,500 miles) should be eligible for this program. Eligibility could be expanded to include trucks older than three model years with any mileage and trucks of any model year with greater than 3,500 miles. It should also cover vehicles that have been previously owned, leased, used as demonstration vehicles, or held as inventory units, provided those vehicles meet program criteria for condition and certification. Expanding eligibility beyond HVIP's rigid new vehicle criteria will help CARB address a long-standing incentive gap, unlocking financial assistance for the broader secondary ZEV market, which has historically been excluded from funding opportunities.

RIDE appreciates CARB's efforts in developing the Used Truck Voucher Pilot and expresses our sincere appreciation for the opportunity to voice our suggestions. We look forward to continued collaboration with CARB to refine this initiative. Please do not hesitate to contact me if you have any questions or would like to discuss further.

Sincerely,

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