

NEW JERSEY'S
ALTERNATIVE FUEL VEHICLE REBATE PROGRAM

Program Guidelines

New Jersey's Alternative Fuel Vehicle Rebate Program is funded by \$500,000 in Congestion Mitigation and Air Quality Improvement (CMAQ) funding. This program is modeled on a rebate program funded by the U.S. Department of Energy (DOE) that was geared toward Clean Cities Program stakeholders in North Jersey, Delaware and the City of Philadelphia. The intent of this program is to encourage the acquisition of alternative fuel vehicles (AFVs) by local government entities throughout the State of New Jersey. The following guidelines pertain to distribution of these CMAQ funds:

- 1) Eligibility: Eligibility for rebates under this program is restricted to New Jersey's local government entities, including counties, municipalities and school boards, as well as State colleges, universities and governmental authorities.
- 2) Qualifying Vehicles: Registered motor vehicles that operate using natural gas, propane, electric batteries or fuel cells, and that were purchased or converted to alternative fuels on or after July 1, 2002 are eligible for the rebate program. Vehicles may be dedicated (capable of operating only on an alternative fuel) or bi-fuel (capable of operating on either an alternative fuel or gasoline, at the flip of a switch). Hybrid-electric vehicles, which combine an electric motor with a separate gaseous or liquid fuel engine, are also eligible for rebates from this program.
- 3) Rebate Amounts: Rebate amounts will be based on the vehicle weight class and whether the vehicle is a dedicated or a bi-fuel vehicle, as indicated below. The maximum rebate per vehicle may not exceed the incremental cost of acquiring the alternative fuel vehicle or converting the vehicle to operate using an alternative fuel. The incremental cost is the additional cost of acquiring an alternative fuel vehicle, when compared to the cost of a similar gasoline or diesel-powered vehicle, and should be available from the vehicle dealer.

Light-duty Vehicles (registered motor vehicles under 8,500 lbs.)

- Up to \$4,000 toward the incremental cost of purchasing a light-duty dedicated alternative fuel vehicle, converting an existing light-duty vehicle to a dedicated alternative fuel vehicle or purchasing a light-duty hybrid-electric vehicle;
- Up to \$2,000 toward the incremental cost of purchasing a light-duty bi-fuel alternative fuel vehicle or converting an existing light-duty vehicle to a bi-fuel vehicle.

Medium-duty Vehicles (8,500 - 14,000 lbs.)

- Up to \$7,000 toward the incremental cost of purchasing a medium-duty dedicated alternative fuel vehicle, converting an existing medium-duty vehicle to a dedicated alternative fuel vehicle or purchasing a medium-duty hybrid-electric vehicle;
- Up to \$4,000 toward the incremental cost of purchasing a medium-duty bi-fuel alternative fuel vehicle or converting an existing medium-duty vehicle to a bi-fuel vehicle.

Heavy-duty Vehicles (> 14,000 lbs.)

- Up to \$12,000 toward the incremental cost of purchasing a heavy-duty dedicated alternative fuel vehicle, converting an existing heavy-duty vehicle to a dedicated alternative fuel vehicle or purchasing a heavy-duty hybrid-electric vehicle;
- Up to \$6,000 toward the incremental cost of purchasing a heavy-duty bi-fuel alternative fuel vehicle or converting an existing heavy-duty vehicle to a bi-fuel vehicle.

Example 1: Town A purchases a dedicated light-duty CNG sedan, and the incremental cost over the cost of purchasing the same vehicle in the gasoline model is \$3500. Town A is eligible for a rebate in the amount of \$3500 for that vehicle.

Example 2: Town A purchases a bi-fuel light duty CNG sedan, and the incremental cost over the cost of purchasing the same vehicle in the gasoline model is \$3000. Town A is eligible for a rebate in the amount of \$2000 for that vehicle.

- 4) **Evaluation of Applications:** Applications will be accepted by the Office of Clean Energy as long as funding is available. Rebate applications will be evaluated on a first-come, first-served basis.
- 5) **Emissions Certification:** All vehicle conversions must comply with EPA Memorandum 1A and Addendum to Memorandum 1A, dated June 25, 1974 and September 4, 1997, respectively, regarding the tampering provisions of the Clean Air Act. Conversion contractors must certify their compliance with these Memoranda by signing the Applicant/Conversion Contractor Acknowledgment Form, Section VII of Application.
- 6) **Rebate Awards:** Applications for rebates must be submitted to the Board of Public Utilities, Office of Clean Energy. Upon approval of the application, a Notice of Financial Assistance Award (NFAA) will be issued to the rebate recipient. The NFAA requires the rebate recipient to issue a purchase order for the purchase or conversion of the eligible vehicle(s) no later than three (3) months after the Award Date on the NFAA. The NFAA must be signed and dated by the recipient and returned to the Office of Clean Energy with a copy of the invoice(s) for vehicle purchase or conversion, as well as a copy of the canceled check(s) issued for payment. This documentation must be submitted to the Office of Clean Energy as verification of expenditures incurred before a rebate will be

issued.

Rebates will be awarded for vehicles purchased or converted to alternative fuels on or after July 1, 2002, subject to funding availability.

Vehicles for which rebates are awarded must remain in the recipient's fleet for a period of two years. Failure to retain the vehicle(s) for this time, or to comply with any of these Guidelines, will result in a forfeiture of the full rebate amount to the Office of Clean Energy.

Please Note:

Alternative fuels such as compressed natural gas (CNG), propane, hydrogen and electricity present different safety requirements than gasoline or diesel fuels. It is strongly recommended that any organization considering the use of alternative fuel vehicles have its vehicle maintenance and repair facilities evaluated to ensure that building systems, including lighting and HVAC, and existing operating procedures, are compatible with the use of gaseous or other fuels.

If you have any questions regarding the Alternative Fuel Vehicle Rebate Program, please contact John Zarzycki, Project Manager, at (973) 648-4967.

Completed applications should be submitted to:

John Zarzycki
Project Manager
NJBPU, Office of Clean Energy
Two Gateway Center
Newark, N.J. 07853

EB\afvrebdir

**NEW JERSEY'S
ALTERNATIVE FUEL VEHICLE REBATE PROGRAM**

APPLICATION

Date submitted: ___/___/___

1. Applicant Information:

Organization Name: _____

Address: _____

Contact Person: _____

Title: _____

Phone: (____) _____ **FAX:** (____) _____

Email Address: _____

II. Federal Employer Identification Number (EIN): _____

III. Refueling Information:

Where will the vehicles be refueled (primarily)? _____

Proximity of vehicle garage to primary refueling facility (miles): _____

IV. Vehicle Information:

1) **Vehicle Make:** _____ **Model:** _____

Model Year: _____ **Estimated Annual Mileage:** _____

Light duty _____ **Medium Duty** _____ **Heavy Duty** _____ (Check one)

Conversion or Original Equipment Manufacturer (OEM): _____

Fuel Type: _____ **Odometer Reading (if conversion):** _____

Dedicated _____ **Bi-fuel** _____ **or Hybrid-electric** _____ (Check one)

- 2) Vehicle Make: _____ Model: _____
Model Year: _____ Estimated Annual Mileage: _____
Light duty _____ Medium Duty _____ Heavy Duty _____ (Check one)
Conversion or Original Equipment Manufacturer (OEM): _____
Fuel Type: _____ Odometer Reading (if conversion): _____
Dedicated _____ Bi-fuel _____ or Hybrid-electric _____ (Check one)
- 3) Vehicle Make: _____ Model: _____
Model Year: _____ Estimated Annual Mileage: _____
Light duty _____ Medium Duty _____ Heavy Duty _____ (Check one)
Conversion or Original Equipment Manufacturer (OEM): _____
Fuel Type: _____ Odometer Reading (if conversion): _____
Dedicated _____ Bi-fuel _____ or Hybrid-electric _____ (Check one)
- 4) Vehicle Make: _____ Model: _____
Model Year: _____ Estimated Annual Mileage: _____
Light duty _____ Medium Duty _____ Heavy Duty _____ (Check one)
Conversion or Original Equipment Manufacturer (OEM): _____
Fuel Type: _____ Odometer Reading (if conversion): _____
Dedicated _____ Bi-fuel _____ or Hybrid-electric _____ (Check one)
- 5) Vehicle Make: _____ Model: _____
Model Year: _____ Estimated Annual Mileage: _____
Light duty _____ Medium Duty _____ Heavy Duty _____ (Check one)
Conversion or Original Equipment Manufacturer (OEM): _____

Fuel Type: _____ Odometer Reading (if conversion): _____

Dedicated _____ Bi-fuel _____ or Hybrid-electric _____ (Check one)

6) Vehicle Make: _____ Model: _____

Model Year: _____ Estimated Annual Mileage: _____

Light duty _____ Medium Duty _____ Heavy Duty _____ (Check one)

Conversion or Original Equipment Manufacturer (OEM): _____

Fuel Type: _____ Odometer Reading (if conversion): _____

Dedicated _____ Bi-fuel _____ or Hybrid-electric _____ (Check one)

V. **Rebate Amount Requested** (May not exceed incremental cost):

	Vehicle Type*	Incremental Cost**	Rebate Amount
Vehicle 1	_____	_____	_____
Vehicle 2	_____	_____	_____
Vehicle 3	_____	_____	_____
Vehicle 4	_____	_____	_____
Vehicle 5	_____	_____	_____
Vehicle 6	_____	_____	_____
		TOTAL:	_____

*Light, Medium or Heavy Duty

**Indicate source of Incremental Cost estimates: _____

VI. Certification Statement

To the best of my knowledge and belief, all information contained in this application is true and correct. If approved for funding under the Alternative Fuel Vehicle Rebate Program, I agree to comply with the Program Guidelines and to submit all required information to the Office of Clean Energy in a timely manner.

I understand that alternative fuels such as compressed natural gas (CNG), propane, hydrogen and electricity present different safety requirements than gasoline or diesel fuels. I understand that it is strongly recommended that any organization considering the use of alternative fuel vehicles have its vehicle maintenance and repair facilities evaluated to ensure that building systems, including lighting and HVAC, and existing operating procedures, are compatible with the use of gaseous or other fuels.

Type Name of Authorized Representative

Title

Signature of Authorized Representative

Date

Completed applications should be submitted to:

John Zarzycki
Project Manager
NJBPU, Office of Clean Energy
Two Gateway Center
Newark, N.J. 07102

VII. Applicant/Conversion Contractor Acknowledgment Form

This form is to be completed if a rebate is requested for the costs of converting one or more vehicles to operate on alternative fuel.

A. Specifications:

The following specifications for alternative fuel vehicle conversions must be met, to be eligible for reimbursement under the Alternative Fuel Vehicle Program:

- 1) All conversion kits for vehicles up to and including model year 1993 must be those that have been approved by the California Air Resources Board (CARB) for each specific application. For model year 1994 and newer vehicles, the contractor must be able to demonstrate, prior to conversion, that the conversion kits comply with EPA Memorandum 1A, and the Addendum to Memorandum 1A, dated September 4, 1997, as shown by Federal Test Procedure (FTP) results, and maintain compliance with certification standards for the appropriate model year of the vehicle.
- 2) Whenever possible, original emission control equipment shall be left undisturbed on the vehicle. Emission control equipment may be removed or modified only if such removal or modification is part of the manufacturer's installation procedure for a CARB approved device.
- 3) All natural gas conversion systems must be certified by the American Gas Association (AGA) Laboratories for safety. All natural gas conversion systems and installations shall be in accordance with NFPA-52.
- 4) All propane conversion systems and installations shall be in accordance with NFPA-58.
- 5) The alternative fuel cylinders/storage vessels must comply with U.S. Department of Transportation (DOT) or American National Standards Institute (ANSI) regulations.
- 6) All conversions must be done by mechanics that have been Automotive Service Excellence (ASE)-certified for alternative fuel vehicles.

B. Informational Requirements

- 1) The conversion contractor must provide the applicant with instructions on the proper operation of the alternative fuel system(s) installed on the converted vehicle(s).

- 2) The conversion contractor must provide the applicant with information on recommended maintenance practices and intervals for the alternative fuel vehicle(s).
- 3) The conversion contractor must provide the applicant with a copy of the relevant regulations specifying fuel storage tank testing requirements.

* * * * *

I acknowledge that the foregoing Specifications and Informational Requirements will be met, and that the alternative fuel system(s) will be maintained by:

_____ **the applicant**

_____ **the conversion contractor (check one).**

Conversion Contractor Signature

Applicant Authorized Representative Signature

Conversion Contractor Name

Applicant (Agency) Name

Date

Date