

DRAFT

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Consumer Protection and Enforcement Division
Transportation Licensing and Analysis Branch

Agenda ID# <X>
RESOLUTION TL-19156
July 2, 2026

RESOLUTION

CENTER FOR SUSTAINABLE ENERGY'S INITIAL IMPLEMENTATION
PLAN & HANDBOOK FOR THE CLEAN MILES STANDARD DRIVERS
ASSISTANCE PROGRAM

PROPOSED OUTCOME:

- Approves Center for Sustainable Energy's (CSE's) proposal for the initial Drivers Assistance Program (DAP) Implementation Plan and Handbook in accordance with the Clean Miles Standard (CMS) Decision (D.) 24-03-001.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this resolution.

ESTIMATED COST:

- This Resolution establishes the initial CMS incentive amounts for eligible drivers as follows: (1) \$20,300 for a new ZEV; (2) \$14,200 for a used ZEV; and (3) \$1,170 for the Ongoing Charging Incentive. All DAP activities, including CMS incentives, will be funded by the CMS Regulatory Fee collected by the CMS Regulated Entities.

By Advice Letter 1, Filed on November 18, 2025, and Supplemental Filing 1A, Filed on
March 27, 2026.

SUMMARY

This Resolution approves the Center for Sustainable Energy's (CSE's) Advice Letter (AL) 1 and 1A submission of the initial Implementation Plan and Handbook for the Drivers Assistance Program (DAP) per the Clean Miles Standard (CMS) Decision (D.)

24-03-001 (CMS Phase 1 Decision). Consumer Protection and Enforcement Division (CPED) staff reviewed the Implementation Plan and Handbook and found the submission to be sufficient and complete in meeting the requirements outlined in D.24-03-001. This Resolution establishes the initial CMS incentive amounts, eligibility requirements, driver application process, procedures for tracking and verifying eligibility and disbursing incentives to drivers, program budget and implementation timeline, and reporting requirements and formats for CSE, the Program Administrator of the DAP.

BACKGROUND

Senate Bill 1014¹ established Public Utilities Code Section 5450² and the CMS program, which require the California Air Resources Board (CARB) to adopt, and the California Public Utilities Commission (Commission) to implement, annual targets to reduce greenhouse gas (GHG) emissions by transportation network companies (TNCs) and certain other types of transportation providers primarily through transitioning vehicles on TNC platforms to zero-emission vehicles (ZEVs). Public Utilities Code Section 5450 requires the Commission to ensure minimal negative impact on low- and moderate-income (LMI) drivers and support the goals of clean mobility for LMI individuals.

In the CMS Phase 1 Decision,³ the Commission established a Drivers Assistance Program to be (a) funded by a per-trip CMS Regulatory Fee paid by customers of CMS Regulated Entities, (b) overseen by the Commission's staff, and (c) implemented by a third-party Program Administrator to support drivers' transitions to ZEVs through financial support, education, and outreach. The CMS Phase 1 Decision identifies key roles and responsibilities for implementing the Drivers Assistance Program and specified the initial DAP Implementation Plan and Handbook should be submitted by the Program Administrator via a Tier 3 advice letter.

¹ SB 1014: https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB1014.

² PU Code Section 5450:
https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PUC§ionNum=5450.

³ CMS Phase 1 Decision (D.24-03-001):
<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M527/K246/527246085.PDF>.

Pursuant to D.24-03-001, Uber is required to serve as the Contracting Agent for the Clean Miles Standard program. As part of its role, Uber was required to issue the Request for Proposals (RFP) for a Program Administrator for the Drivers Assistance Program within 120 days of the effective date of D.24-03-001, by July 5, 2024. On June 25, 2024, Uber requested an extension of time to prepare and issue the RFP. On July 3, 2024, Uber received a five-week extension of time from July 5, 2024, to August 9, 2024.

On August 9, 2024, the Contracting Agent issued an RFP for a Program Administrator based on direction from CPED staff, with responses due by September 23, 2024. Three candidates submitted responses, and CPED staff reviewed each proposal. On March 12, 2025, CPED staff selected and approved Center for Sustainable Energy as the DAP Program Administrator.

Pursuant to D.24-03-001, the Program Administrator is required to file a Tier 3 Advice Letter to propose the initial DAP Implementation Plan and Handbook within 150 days of entering into a contract to perform program administration services. The Program Administrator is also required to hold one or more workshops to receive input on the first Implementation Plan and Handbook.

On July 3, 2025, CSE requested and received an extension of time to submit the Tier 3 Advice Letter from August 9, 2025, to October 14, 2025.

On September 10, 2025, CSE held a driver workshop to gather feedback on the first Implementation Plan and Handbook.⁴ CSE hosted a virtual workshop on September 18, 2025, and circulated an online survey⁵ to collect additional feedback for their proposal.

On October 2, 2025, CSE requested and received an additional extension of time to submit the initial Implementation Plan and Handbook from October 14, 2025, to November 13, 2025.

On November 13, 2025, CSE submitted the initial DAP Implementation Plan and Handbook for Commission approval via AL 170-E as a Tier 3 advice letter. Since the

⁴ CSE AL 1A, Appendix E.

⁵ Ibid.

Advice Letter was submitted to CPED, the numbering sequence is separate from previous Advice Letters that CSE has submitted to the Commission and must start at 1. Pursuant to Section 5.3 of General Order 96-B, CSE withdrew AL 170-E and resubmitted it as Advice Letter 1 on November 18, 2025. Protests and responses to CSE's advice letter were due on December 11, 2025.

CPED received one protest and two responses to CSE's proposed Implementation Plan and Handbook. Lyft submitted a protest, while Uber and HopSkipDrive submitted responses noting potential challenges in implementation and highlighting opportunities for further clarification. Generally, Lyft and Uber expressed concerns with the proposed incentive amounts, incentive methodology assumptions, and eligibility requirements. HopSkipDrive requested that CSE provide additional flexibility for smaller CMS Regulated Entities.

On December 18, 2025, CSE submitted its reply. In response to issues highlighted by parties, CSE stated that its proposal followed the requirements outlined in D.24-03-001. CSE requested additional directions where needed to address protests and responses and that the Commission otherwise adopt CSE AL 1 as submitted. CSE indicated amenability to providing additional clarification for certain issues if deemed necessary and directed to do so by the Commission. CSE acknowledged other specific party concerns but indicated that addressing them without further direction from the Commission would be outside of the Program Administrator's role as outlined in D.24-03-001. CSE further noted that some issues fell outside the scope of advice letter review and should instead be addressed through the Commission's forthcoming Phase 2 Decision in the Clean Miles Standard proceeding.

On March 27, 2026, CSE submitted Supplemental AL 1A as a Tier 3 advice letter. Protests and responses to CSE's supplemental filing were due on April 6, 2026.

CPED received one response from Uber to CSE's supplemental filing. In their response, Uber reiterated their concerns with the incentive amounts, methodology, and assumptions. Uber also emphasized the need to ensure incentivized drivers meet ZEV retention requirements and proposed a separate process for doing so.

On May 8, 2026, CSE submitted its reply to Uber's response to the supplemental filing. In their reply, CSE noted that many of the issues raised in Uber's response to AL 1A

were similar to issues highlighted in Uber's response to AL 1 which had been addressed by CSE in their first reply. CSE further suggested that Uber's response to AL 1A should be disregarded for not meeting the requirements of GO 96-B to limit new protests to the substance of the supplemental filing or additional information but still furnished their reply to Uber's responses for completeness.

CPED staff evaluated CSE's advice letter, the protest and responses, CSE's replies, and the supplemental submission. By adopting this Resolution, the Commission establishes the initial CMS incentive amounts, eligibility requirements, driver application process, procedures for tracking and verifying eligibility and disbursing incentives to drivers, program budget and implementation timeline, and reporting requirements and formats for the Program Administrator.

NOTICE

Notice of CSE AL 1 and supplemental filing AL 1A was made by publication in the Commission's Daily Calendar. CSE states that copies of the Advice Letter and supplemental filing were mailed and distributed to the R.21-11-014 service list in accordance with Section 4 of General Order (GO) 96-B.

PROTESTS AND RESPONSES

GO 96-B provides the framework for the Commission's advice letter process. Per General Rule 7.4.1, any person (including individuals, groups, or organizations) may protest or respond to an advice letter within 20 days of the submittal of the advice letter. Protests and responses are submitted to CPED and to the applicant.

A. Protests and Responses to CSE AL 1

The 20-day protest and response period for CSE AL 1 ended on December 3, 2025. General Rule 7.4.4 provides CPED discretion in accepting late-submitted protests or responses. In light of end-of-year holidays, CPED extended the protest and response period to December 11, 2025. CSE's advice letter received one timely protest and two timely responses providing comments.

Protest to CSE AL 1

Lyft protests CSE's advice letter on the grounds that elements of the proposed Implementation Plan are unreasonable and contrary to the intent of the Clean Miles Standard. Lyft finds CSE's proposal to allow income eligibility to last for five years is unreasonable because it does not account for potential fluctuations in TNC drivers' financial situations from year to year. Lyft argues that given the fixed budget of the program, a one-year period for income eligibility would ensure only eligible drivers receive incentives, and that program funds could be used to support a wider pool of drivers. Lyft requests that the Commission shorten income eligibility to a one-year period to align with the one-year eligibility period for the minimum driving threshold, in addition to the reasons described above.

Lyft also expresses concern with the updated incentive amounts provided in CSE's proposal, noting that the incentive levels are significantly higher than the amounts provided in the Phase 1 Decision. Lyft further argues that the burden of paying to cover the loss of state and federal funding should not fall upon California riders, recommending that CSE identify and evaluate alternative funding sources as part of the Implementation Plan.

Finally, Lyft also recommends that drivers be limited to a single lifetime upfront incentive instead of once per calendar year or 12-month period, acknowledging that the issue of multiple incentives will be addressed through the forthcoming CMS Phase 2 Decision.

Responses to CSE AL 1

CSE's advice letter received two responses.

Uber expresses concerns over the incentive calculation methodology, particularly for the Ongoing Charging incentive, and suggests that the S&P Global Mobility New Vehicle Registrations dataset, referred to as the Information Handling Services (IHS) dataset used by CSE to inform updates to the incentive assumptions does not accurately represent the actual purchasing behavior of high-mileage drivers who would potentially qualify for incentives. Uber states that the increased incentive amounts imply the existence of unanticipated barriers that may impact the TNCs' ability to comply with the CMS annual targets. Uber further notes that without additional funding, the increased incentive levels could result in decreased availability for drivers

and suggests that a lower incentive amount with fewer eligibility restrictions would have a larger overall impact on CMS Regulated Entities' compliance with the annual targets.

Uber requests clarification of CSE's language regarding trip verification for the Ongoing Charging Incentive, noting that the current language implies that drivers may qualify for this incentive as soon as they have completed 4,500 trips and 12 months have passed since the last payment, whereas the CMS Phase 1 Decision requires that all 4,500 qualifying trips must occur within a 12-month period.

Uber notes that the data required to verify drivers' compliance with the minimum driving threshold will necessarily include personally identifiable information (PII). Uber recommends including a conditional requirement for drivers to provide written consent for TNCs to disclose PII to CSE as needed to receive incentives.

Finally, Uber highlights that CSE's proposal includes a requirement to retain a ZEV purchased using DAP incentives for at least 36 months, but that CSE would only enforce this requirement when an incentive recipient applies for the Ongoing Charging Incentive in the years following the initial purchase. Uber recommended establishing a formal process for confirming that recipients comply with the 36-month retention period.

HopSkipDrive raises concerns over the DAP requirements being disproportionately burdensome for smaller CMS Regulated Entities that may not have the same resources as larger TNCs. HopSkipDrive additionally requests that CSE revise the DAP implementation plan and handbook to define HopSkipDrive as "A transportation network company registered with the California Public Utilities Commission." HopSkipDrive expresses concern over the feasibility of complying with the 10-day window to provide data to CSE and requests that CSE include a commitment to provide flexibility measures within the Implementation Plan, and that CSE provide clear and straightforward data reporting templates to support compliance.

CSE's Reply AL 1

CSE replied to the protest and responses on December 18, 2025. In its reply, CSE notes that it has submitted the proposal for the initial DAP Implementation Plan and

Handbook as required by the Phase 1 Decision. CSE requests that the Commission provide additional direction as needed based on party discussion and otherwise adopt the advice letter as submitted.

CSE notes that the CMS Regulatory Fee, the DAP budget, and the minimum driving threshold were established via Commission resolution of the CMS Regulated Entities' Greenhouse Gas Plans.⁶ Revising the minimum driving threshold would therefore fall outside the Program Administrator's purview and outside the parameters established in the CMS Phase 1 Decision. CSE further notes that its previous experience with similar programs, such as Ride Clean Mass, implies that lower incentive amounts and wider availability may not necessarily correlate with increased driver uptake.⁷

In response to concerns over the incentive amounts, CSE acknowledges the loss of funding from federal and state incentives as the primary factor in the increased CMS incentive amounts. However, CSE notes that while the incentive levels are significantly higher than other similar programs, they are intended to cover the difference in cost between a ZEV and an ICE vehicle using the methodology provided in the CMS Phase 1 Decision. The amounts provided in the Phase 1 Decision were initial estimates, allowing flexibility for the Program Administrator to update these estimates with supporting justification. CSE further notes that the incentive methodology does not yet account for data on program participation and impact. CSE also clarifies that its proposal does not include any changes to the CMS Regulatory Fee amount or the DAP budget to cover the increased incentive amount, as these items have been established through previous Commission resolution.⁸

In response to concerns over the incentive calculation methodology, CSE notes in its reply that the IHS dataset used to update the incentive methodology assumptions is an appropriate reference point, especially given the lack of publicly available data on the purchasing behavior of such high-mileage drivers. CSE acknowledges Uber's concerns

⁶ Commission Resolutions TL-19151, TL-19152, and TL-19153. Linked as Final Resolutions for HopSkipDrive AL 2A, Lyft AL 22A, and Uber AL 27 on the [CMS Advice Letter Status Page](#).

⁷ The [Ride Clean Mass program](#) launched in 2024 and originally provided up to \$6,500 for purchasing a new EV and \$2,500 for purchasing a used EV. In March 2026, the incentives were increased to \$14,000 for a new EV and \$6,500 for a used EV. Ultimately, the program aims to support the adoption of 600-900 EVs through 2027.

⁸ Id.

regarding unanticipated barriers but suggests that this issue is outside the scope of this advice letter resolution and may be more appropriately addressed through the forthcoming CMS Phase 2 Decision.

In response to Lyft's protest against the five-year income eligibility period, CSE contends in their reply that drivers who meet the minimum driving threshold of 4,500 trips per year are high-mileage, full-time drivers who are less likely to face sharp variations in income from year to year. CSE further notes that whereas the annual minimum driving threshold verification is relatively straightforward using TNC data, an annual income verification would be significantly more burdensome for applicants and staff, as it would require the submission and processing of sensitive financial documents.

CSE also clarifies that in accordance with the CMS Phase 1 Decision, drivers must complete 4,500 trips within a 12-month period to qualify for the Ongoing Charging Incentive. The language in the proposal is intended to clarify that drivers who meet this requirement may be eligible for the incentive, even if more than 12 months have passed since the driver claimed this incentive.

CSE agrees with Uber's recommendation to require driver consent and further suggests that the Commission require all CMS Regulated Entities to include similar language for driver consent disclosure requirements in their Data Use Agreements. CSE expresses amenability to including this consent disclosure requirement in the DAP Terms and Conditions.

Finally, CSE responds to concerns regarding ZEV retention requirements, definitions for TNCs, proposed data exchange processes, and the role of the Drivers Working Group, noting that the parameters for these are either already included in the CMS Phase 1 Decision or the proposed Implementation Plan and Handbook and have been established in coordination with the Commission, CMS Regulated Entities, and other relevant stakeholders.

B. Protests and Responses to Supplemental Filing CSE AL 1A

CSE requested and was granted a shortened Protest period for Supplemental Filing CSE AL 1A. The 10-day protest and response period for CSE AL 1A ended on April 6, 2026.

CSE's advice letter received one timely response providing comments and expressing concerns.

Response to CSE AL 1A

CSE's supplemental filing 1A received one response from Uber. Uber reiterates concerns that the proposed Upfront Purchase Incentive is arbitrarily high and will not maximize the use of DAP funds for a wide pool of drivers. Uber notes that while the Ride Clean Mass program recently increased their financial incentive amounts, they are still significantly lower than the proposed DAP incentive amounts. Uber believes that this suggests the upfront DAP incentive should be lower than proposed in order to provide financial assistance to a greater number of TNC drivers converting to ZEVs. Uber also continues to take issue with the use of IHS data and CSE's methodology for updating vehicle cost assumptions in calculating the incentive amounts. Uber argues that CSE's analysis is not reflective of actual driver behavior, noting that two-thirds of DAP-eligible drivers use vehicles with model years 2020 or newer and only four-passenger vehicles are included in CSE's analysis. Uber suggests that the analysis should reflect eligible drivers' actual purchase behavior based on TNC data.

Uber also reiterates concerns that the proposed 36-month ZEV retention requirement would only be verified upon application for the Ongoing Charging incentive. Uber recommends that all drivers receiving DAP incentives should be required to verify ownership and registration of their purchased vehicle for at least 36 months. Uber notes that this verification process could be conducted independently of the Ongoing Charging incentive application process, and that doing so separately could provide a stronger mechanism for verifying ongoing ownership while simplifying the Ongoing Charging incentive process. Uber remains supportive of CSE's proposal to verify income eligibility once instead of annually in order to streamline administrative processing.

CSE's Reply AL 1A

CSE replied to Uber's response to supplemental filing AL 1A on May 8, 2026. In its reply, CSE states that many of the issues raised by Uber have been previously

addressed in CSE's Reply to Protests and Responses to AL 1, and that Uber's response should be disregarded for not meeting the requirements of GO 96-B.⁹

In response to Uber's concerns with the proposed Upfront Purchase Incentive amount, CSE notes that the Phase 1 Decision established the incentive calculation methodology based on a cost gap analysis between a ZEV and an ICE vehicle. CSE maintains that their updates to the assumptions are within the allowable scope for the Program Administrator and are consistent with the Phase 1 Decision requirement to establish CMS incentive levels based on the cost differences between a ZEV and an ICE vehicle.

CSE acknowledges Uber's belief that a lower incentive amount may allow a greater number of drivers to receive financial assistance in transitioning to ZEVs. However, CSE reiterates that the Program Administrator does not have the authority to change incentive amounts independently of the methodology provided in the Phase 1 Decision, and that there is limited data at this time on how many eligible drivers will actually apply for incentives. CSE suggests that the annual requirement for the Program Administrator to propose updates to the incentive levels and assumptions via Tier 2 Advice Letter would allow incentive amounts to be regularly adjusted in response to actual program participation data or shifts in the market. CSE also recommends against directly comparing Ride Clean Mass to the Drivers Assistance Program, as there are significant structural differences between the two programs.

In response to Uber's argument that CSE's analysis and use of IHS data does not reflect actual driver behavior, CSE reiterates that the use of IHS data is justified by the lack of publicly available data on TNC drivers and the subset of drivers who would be eligible. CSE notes that as part of supplemental filing 1A, CSE calculated the possible incentive amounts without IHS data, with IHS data without filtering for income, and with IHS data filtered for income to 400% of the Federal Poverty Level. The incentive amounts under all three scenarios were similar, suggesting that the use of IHS data is appropriate for this analysis. CSE also reiterates that their calculations are based on the

⁹ Per GO 96-B, General Rule 7.5.1, new protests shall be limited to the substance of the supplemental or additional information.

methodology provided in the Phase 1 Decision, which only considered four-passenger vehicle models in estimating the cost difference.

In response to Uber's recommendation that all drivers receiving DAP incentives should be required to verify ongoing ownership for at least 36 months, CSE notes that per the proposed Implementation Plan and Handbook, vehicle resale is expressly prohibited within the 36-month retention period and violations of this policy may be subject to incentive repayment. This language will also be included in the Terms and Conditions for the program. CSE affirms that no additional enforcement is needed for the 36-month retention requirement.

Finally, CSE acknowledges Uber's support for streamlining certain administrative processes, such as verifying income eligibility once instead of annually. However, CSE takes issue with Uber's recommendation to separate the proposed ZEV retention verification process from the Ongoing Charging incentive application process. CSE highlights several logistical and administrative challenges in implementing such a structure, especially since additional enforcement of the ZEV retention requirement will not be necessary and the Ongoing Charging incentive application process has already been developed and proposed in the initial Implementation Plan and Handbook. CSE maintains that it will continue to work closely with CMS Regulated Entities to support DAP implementation.

DISCUSSION

The Commission has reviewed the initial DAP Implementation Plan and Handbook for compliance with the specific requirements of the CMS Phase 1 Decision and finds that CSE's proposal includes all required information for the submission and complies with the direction set forth in the Decision.

A. Completeness of Submission Compared to D.24-03-001

Attachment A of D.24-03-001 identifies the minimum requirements for the DAP Implementation Plan and Handbook. The Implementation Plan must contain the following 12 components:

1. Proposed incentive amounts

2. How the Program Administrator will deliver incentives to drivers
3. How drivers will apply for CMS incentives
4. How the Program Administrator will verify driver eligibility for CMS incentives
5. Staff training for program implementation
6. How the Program Administrator will track incentives received by drivers through the Drivers Assistance Program, including incentives received through other programs
7. Description of all program services and resources for drivers, including the plan to create the program website
8. Description of specific methods to minimize barriers for low- and moderate-income drivers to access incentives
9. How the Program Administrator will pay drivers to participate in working groups, surveys, and workshops
10. How the Program Administrator will engage with drivers and stakeholders and coordinate with CMS Regulated Entities to inform the program
11. Program budget and implementation timeline
12. Data collection and reporting requirements for the program, including data security and privacy policies

The Handbook must contain the following five elements:

1. Incentive guidelines
2. DAP supportive services and resources
3. Reporting requirements and formats for the Program Administrator
4. Guidelines for coordination with CMS Regulated Entities and the Commission's staff
5. Current incentive eligibility requirements

As part of the Tier 3 Advice Letter seeking approval of the initial DAP Implementation Plan and Handbook, the Program Administrator is required to calculate and propose the initial CMS incentive amount using the cost gap analysis provided by the Commission in Attachment B of D.24-03-001. The Program Administrator must also provide assumptions for the analysis of the difference between a ZEV and internal combustion engine (ICE) vehicle costs over a five-year period, with justifications for each assumption. The Program Administrator is further required to hold one or more workshops to inform the development of the first Implementation Plan and Handbook proposal.

CSE submitted their proposal for the initial DAP Implementation Plan and Handbook via Tier 3 advice letter on November 13, 2025, pursuant to D.24-03-001. CPED staff reviewed the proposal and on March 9, 2026, CPED requested CSE provide a supplemental advice letter to provide additional information responsive to the requirements of D.24-03-001. The supplemental advice letter request included the following to be addressed in the supplemental submittal:

- **Support for All Drivers for CMS Regulated Entities in Transitioning to ZEVs:** Per D.24-03-001, the DAP is intended to provide incentives for LMI drivers while also supporting all drivers for CMS Regulated Entities in transitioning to ZEVs. References to drivers eligible for DAP services should consistently reference drivers for CMS Regulated Entities, which is a subset of all TNC drivers. CSE shall also provide additional detail throughout the Implementation Plan and Handbook on the proposed actions for supporting drivers for CMS Regulated Entities more broadly. This may include additional key performance indicators (KPI) for drivers who access DAP resources, such as online tools, assistance with applying for other incentives, or consultations with program staff, without receiving DAP incentives.
- **Proposed Incentives and Incentive Methodology:** CSE noted that amounts in the DAP/RIDE Incentive Equation for upfront and ongoing charging are rounded to the nearest tenth; however, these amounts were rounded to the nearest hundred. CSE also noted in the DAP Implementation Plan that they filtered the IHS dataset to 400% Federal Poverty Level (FPL) eligible purchases in order to better reflect actual purchase patterns for this demographic. CSE was asked to provide additional information to justify applying the filter, specifically: a description of the IHS dataset used including the source and completeness of that dataset, how the dataset was accessed (i.e., by webpage or downloaded database), details of how the filter is applied to the dataset, and any limitations to the filter approach or dataset.
- **Application Procedures:** CSE was asked to provide additional clarification on the following language in the Implementation Plan. Updates made to the Implementation Plan should also be reflected in relevant sections of the Handbook.

- On page 34, CSE notes that the Year 1 ongoing charging incentive will automatically be applied within 30 days after the application is approved. How will CSE address the potential discrepancy if a driver does not purchase/lease the vehicle within 30 days of approval? For example, could the ongoing incentive apply after confirmation from the dealership?
- On page 35, CSE notes that “once the driver hits the Minimum Driving Threshold (MDT) after twelve (12) months have passed, the driver will be notified by email and/or by notification in the application portal that they are now eligible to receive the Ongoing Charging Incentive. Once the driver is notified, they will log in to the portal and confirm that they wish to receive the Ongoing Charging Incentive.” On page 43, CSE also notes that they will request data batches on a weekly basis from TNCs, with approximately a 20-business day turnaround for verifying MDT eligibility. CSE should clarify whether a driver’s MDT eligibility will be verified prior to receiving the 12-month notice, or if verification will not occur until after the driver has reapplied for the Ongoing Charging Incentive.
- CSE should also clarify whether the notification will inform the driver of other requirements to receive the charging incentive, such as continued ownership of the ZEV, and whether notices will be sent to drivers who did not meet the minimum trips threshold after 12 months have passed.
- On page 42, CSE notes that the RIDE list of eligible vehicles will be updated as OEMs and dealerships contact them to request eligibility review. Will CSE also conduct an annual review of the list in tandem with the annual incentive update? If so, CSE shall indicate this in the proposal.
- **Marketing, Education, and Outreach:** Per D.24-03-001, “the Program Administrator shall hold one or more workshops to inform the development of the first Implementation Plan and Handbook proposal.” CSE mentions driver workshops but does not include what feedback they received from drivers or how this feedback was incorporated into the Implementation Plan and Handbook proposal. CSE shall provide more detail on what they specifically heard and learned from drivers through their engagement events that helped to inform their proposal. Additionally, CSE shall provide further details on how

they will provide outreach and support for drivers in general, not just those accessing incentives.

- **Minor Revisions:** CSE was asked to provide minor edits to clarify certain program elements and to be consistent with the terms and language used in the Phase 1 Decision. These edits include:
 - Updating the Goals and Objectives to include reducing GHG emissions
 - Clarifying that contact information will be provided for drivers that need more support or one-on-one consultation
 - Identifying potential driver groups for outreach and engagement
 - Replacing all references to autonomous vehicle security professional companies (VSPs) and autonomous transportation companies (ATCs) with autonomous vehicles (AVs)
 - Ensuring all hyperlinks are functional and up to date throughout both the Implementation Plan and Handbook

CPED reviewed the supplemental advice letter, AL 1A, and found that CSE included all required information in the submission. With the supplemental AL 1A taken into account, CPED reviewed whether CSE's proposal for the initial DAP Implementation Plan and Handbook includes all the information required by D.24-03-001 and complies with the direction set forth in the Decision.

CSE's proposal is complete relative to the minimum requirements of the CMS Phase 1 Decision. CSE's proposal establishes the initial incentive amounts, procedures for applying for and disbursing incentives, eligibility requirements, eligibility verification, marketing, education, and outreach plan, and data tracking and reporting processes. CSE's proposal also includes descriptions of DAP supportive services and resources, inclusive of guidelines for collaborating with CMS Regulated Entities and Commission staff to support program implementation, including data collection and marketing coordination. Further review of the completeness and additional discussion of the proposed Implementation Plan and Handbook items are included in the following sections.

Issues that required additional discussion due to complexity or protests and responses are included in later sections. The proposed incentive amounts (component 1) are discussed in Section E. The program budget (component 11) is discussed in Section F.

Additional driver eligibility requirements and verification are discussed in Section G and use of personally identifiable information in verifying eligibility is in Section H (both component 4). ZEV retention requirements (component 6) are discussed in Section I. Flexibility for Small CMS Regulated Entities is discussed in Section J. Data exchange process (component 12) is discussed in Section K.

CSE's proposal also implements a program name change from Drivers Assistance Program (DAP) to Rideshare Incentives for Driving Electric (RIDE). While the term DAP will continue to be used for Commission procedural documents, CSE may also refer to the program as RIDE to facilitate program marketing, education, and outreach.

B. Implementation Plan Requirements (Excluding Incentive Amounts and Driver Eligibility)

CSE's proposed Implementation Plan components 2 through 12 are included below.

Incentive Application and Disbursement:

CSE's proposals for Implementation Plan components 2, 3, 4, and 6 are included below.

- **Incentive Delivery to Drivers:**

CSE proposes delivering incentives primarily through two mechanisms—Point-of-Sale (POS) and Post-Purchase pathways. With POS, eligible drivers will receive validated pre-qualification vouchers that participating California dealerships apply directly against the vehicle purchase or lease price, streamlining immediate incentive application. For Post-Purchase applicants who purchase vehicles in California before pre-qualification, CSE will issue incentives after eligibility verification. Additionally, ongoing charging incentives will be distributed annually through prepaid accounts or digital wallets, enabling drivers to access funds specifically for fueling needs.

- **Driver Application Process for CMS Incentives:**

Drivers will initiate applications for both POS and Post-Purchase incentives through a secure online portal provided by CSE. The application will include submitting

required documentation to verify eligibility, such as proof of California residency¹⁰ and income verification. The portal will support application tracking and timely notification of status changes.

- **Eligibility Verification of Drivers:**

CSE will coordinate closely with the CMS Regulated Entities to verify the Minimum Driving Threshold (MDT), aggregating trip data to confirm drivers have met the 12-month trip threshold. Income eligibility will be verified based on supporting documentation submitted by applicants. Applicants will be notified promptly if their approval status changes or requires further documentation, with an appeals process available for denied applications.

- **Incentive Tracking and Reporting:**

CSE will track incentives disbursed to individual drivers, including cross-referencing incentives received through other state, utility, or federal programs to prevent duplication and ensure compliance. Incentive data, including transaction details and aggregated program outcomes, will be regularly reported to the Commission and made available on public dashboards to support financial accountability, program transparency, and continual assessment of the program's impacts on ZEV adoption.

Support for Drivers:

CSE's proposals for Implementation Plan components 7, 8, and 9 are included below.

CSE proposes a set of strategies to support all drivers participating in the DAP program, in line with the requirements of the Phase 1 Decision. CSE's proposal includes developing clear and accessible program documents, establishing standard operating procedures, and providing additional support via phone and email. All program materials will offer multilingual support.

¹⁰ CSE AL 1A additionally proposes updating acceptable Proof of Residency documents to include out-of-state drivers with active military duty orders (or their spouses or dependents) consistent with General Order 157-E.

CSE will also create and maintain a program website that will serve as a centralized repository of additional information about incentives, managing applications, and accessing tools such as a total cost of ownership calculator.

Finally, CSE will develop and manage a payment system to compensate drivers participating in working groups, surveys, and workshops, and ZEV ambassadors.

Marketing, Education, and Outreach:

CSE's proposal for Implementation Plan component 10 is included below.

As part of their proposal, CSE includes a comprehensive Marketing, Education, and Outreach Plan (ME&O Plan) to describe the services and resources that will be available to drivers and stakeholders, including a description of the program website and support for LMI drivers. The ME&O Plan establishes goals and objectives, key audiences, potential barriers, and strategies for marketing and collaboration with CMS Regulated Entities and other partners.

Data Collection and Reporting Requirements:

CSE's proposal for Implementation Plan component 12 is included below.

CSE will engage drivers and stakeholders to ensure the program adequately addresses drivers' needs and complies with the requirements of the Phase 1 Decision. CSE's proposal includes baseline and annual driver surveys and close coordination with CMS Regulated Entities and the Commission to gather driver feedback and stakeholder input throughout the program.

As required by the Phase 1 Decision, CSE will provide quarterly and annual reports to Commission staff on the program's performance, including summary data, incentive-specific data, and charging data. CSE will also host a public data dashboard that includes aggregated information on the RIDE program website. This dashboard will highlight key metrics to facilitate program implementation and evaluation for various stakeholders.

CSE will establish and maintain data security and privacy policies to protect confidential and personally identifiable data as needed, coordinating with CMS

Regulated Entities and Commission staff. This will include creating Data Sharing Agreements and Non-Disclosure Agreements between CSE and participating CMS Regulated Entities.

Staff Training:

CSE's proposal for Implementation Plan component 5 is included below.

CSE's proposal includes a robust, tiered training program to familiarize new staff with application processing, customer service protocols, and Commission requirements. Processing tasks will be overseen by experienced program coordinators, including spot checks for accuracy and consistency.

Implementation Timeline:

CSE's proposal for Implementation Plan component 11 is included below.

CSE proposes a robust implementation timeline, including milestones for program launch and administration, with a target launch date in Q3 2026.

C. Handbook Requirements

CSE's proposed Handbook elements 1 through 5 are included below.

Incentive Guidelines:

CSE provides clear, detailed guidance on incentive types and amounts, including upfront purchase incentives for new and used ZEVs and ongoing annual charging incentives for eligible drivers. The Handbook delineates processes for Point-of-Sale and Post-Purchase incentive application paths, details documentation requirements, and specifies conditions for incentive application, redemption, and limitations on duplicate claims, ensuring operational clarity and fairness.

Drivers Assistance Program Supportive Services and Resources:

CSE's proposal outlines a comprehensive resource framework supporting drivers through multilingual educational materials, access to digital tools such as total cost of ownership calculators and incentive finders, along with dedicated customer service

channels. Additionally, the program promotes equitable access via partnerships with community-based organizations and provides compensation to drivers participating in program feedback forums, promoting inclusive engagement.

Reporting Requirements and Formats for the Program Administrator:

CSE commits to regular, structured data collection and reporting aligned with Commission templates and the CMS regulatory data dictionary. Quarterly and annual reports will include comprehensive metrics on program participation, incentive disbursement, demographic data, and financial accounting. CSE will execute data sharing agreements and non-disclosure agreements with each participating CMS Regulated Entity to establish data privacy and security protocols that maintain confidentiality while providing aggregated data for public transparency through online dashboards.

Guidelines for Coordination with CMS Regulated Entities and Commission Staff:

The Handbook describes CSE's proposals for ongoing communication and joint activities between the Program Administrator, CMS Regulated Entities (Uber, Lyft, HopSkipDrive), and CPUC staff. This includes regular meetings to facilitate eligibility verification, outreach alignment, data sharing, and program monitoring, establishing effective multi-party collaboration integral to program success.

Current Incentive Eligibility Requirements:

CSE's proposal enforces eligibility criteria consistent with regulatory mandates, requiring applicants to demonstrate California residency¹¹, meet household income limits aligned with federal poverty levels, and satisfy a Minimum Driving Threshold quantified as 4,500 passenger trips within the prior twelve months across qualifying platforms. Eligible vehicles must be CARB-certified battery electric or fuel cell electric ZEVs, must be purchased or leased from licensed dealers, and retained for a minimum of thirty-six months. The Handbook details documentation and verification procedures to uphold program integrity and equitable access.

¹¹ CSE AL 1A additionally proposes updating acceptable Proof of Residency documents to include out-of-state drivers with active military duty orders (or their spouses or dependents) consistent with General Order 157-E.

The Commission approves CSE's RIDE Program Implementation and Handbook proposals described above in Sections B and C to guide the implementation of the Drivers Assistance Program under the Clean Miles Standard.

D. Initial CMS Upfront and Charging Incentive Amounts

The CMS Phase 1 Decision adopted the following incentive structure based on the cost difference analysis provided in Attachment B:

- Upfront New ZEV Incentive: An upfront incentive provided to offset costs of (a) the purchase or lease of a new ZEV, and (b) upfront home charging equipment and/or public charging costs.
- Upfront Used ZEV Incentive: An upfront incentive provided to offset the costs of (a) the purchase or lease of a used ZEV, and (b) upfront home charging equipment and/or public charging costs.
- Ongoing Charging Incentive: A grant paid annually to an eligible driver for up to four years to offset ongoing charging costs.

As detailed in the CMS Phase 1 Decision, the Program Administrator is required to propose the initial CMS incentive amounts, using the cost gap analysis in Attachment B as the basis, in the Tier 3 advice letter for approval of the initial Drivers Assistance Program Implementation Plan.

The following methodology is used to calculate the CMS upfront incentive amount (from Attachment B of the CMS Phase 1 Decision):

- a. Assume the existing incentive amount is 50% of the value of all available federal and state incentives for which LMI drivers are eligible.
- b. Make assumptions for representative new and used ICE vehicles and ZEVs according to Table B2.
- c. Determine Manufacturer's Suggested Retail Price (MSRP) for new vehicles and used vehicle prices according to Table B2.
- d. Calculate downpayments and sales tax for new and used vehicles according to Table B2.
- e. Add the vehicle price and sales tax for each vehicle type. Assume existing incentives reduce the ZEV prices to estimate an adjusted total vehicle price.

- f. Compare the adjusted total vehicle price of the new and used ZEVs to the used ICE vehicle price (with sales tax included).
- g. The difference between the costs is the incentive amount, rounded up.

CSE proposed updates to some of the assumptions for the incentive methodology provided in Attachment B, citing factors such as changes in federal and state incentive availability, purchase behavior trends, and shifts in the ZEV market. Notably, CSE made the following changes to the assumptions provided in Attachment B:

- Updated calculations of vehicle prices based on actual purchase patterns and current listing prices using data from the S&P Global Mobility New Vehicle Registrations data, referred to as the Information Handling Services (IHS) dataset, and data from Kelley Blue Book.
- Limited used vehicle prices to thirteen years of age, as HopSkipDrive does not allow vehicles older than thirteen years on their platform in California.
- Updated the used ZEV models to the Tesla Model 3 and Tesla Model Y, to reflect the most commonly used ZEVs on TNC platforms in 2024 (the most recent data year available).
- Removed the 50% assumption of existing incentives due to these incentives no longer being available.

CSE also applied a filter to the IHS dataset filtering income to 400% FPL in order to reflect LMI driver purchasing behavior. As part of the supplemental AL filing, CPED staff requested that CSE provide the proposed incentive levels using the same dataset *without* the income filter, since it was not included in the original methodology. This resulted in slight changes to the Used ZEV incentive amount, but did not impact other incentives, as shown in Table 1.

CSE proposed the following amounts for the initial CMS incentives, which were updated with the supplemental AL filing to reflect current market prices:

Table 1: Proposed Incentive Amounts for DAP Year 1

	Incentive Amounts Estimated in D.24-03-001:	Incentive Amounts Proposed by DAP PA for DAP Year 1 (with 400% FPL filter):	Incentive Amounts Proposed by DAP PA for DAP Year 1 (without 400% FPL filter):
Upfront New ZEV Purchase Incentive	\$10,400	\$20,300	\$20,300
Upfront Used ZEV Purchase Incentive	\$8,800	\$14,200	\$14,700
Ongoing Charging Incentive	\$670	\$1,170	\$1,170

The CMS Phase 1 Decision does not provide specific equations for calculating the Ongoing Charging Incentive but does include the assumptions and the general difference in cost approach used to calculate the charging incentive amount. CSE updated the provided assumptions in line with the original methodology to reflect the differences in cost between fueling an ICEV and a ZEV. Additionally, CSE proposed making the charging incentive available to applicants in the first program year to provide financial support to drivers for charging needs for newly purchased ZEVs.

In their responses to CSE AL 1, Lyft and Uber noted the significantly higher incentive amounts than those provided in the Phase 1 Decision. Lyft and Uber both highlighted the loss of state and federal incentives as a driving factor behind the increased incentives. Uber raised concerns over the calculation methodology and use of the IHS dataset as not accurately representing the purchasing behavior of high-mileage drivers. Uber repeated its concerns in their response to CSE AL 1A.

The Commission affirms that CSE's proposed incentive amounts were calculated using the cost-gap analysis and methodology provided in the CMS Phase 1 Decision, providing justification with supporting data for each change to the assumptions. CSE's replies address the responses and are appropriate per the CMS Phase 1 Decision. The elimination of the federal EV tax credit¹² and closing out of funding for existing state EV incentives¹³ leaves LMI drivers without alternative options to financially support their transition to a ZEV.

Although CSE's additional filter for income at 400% FPL is not specifically required in the CMS Phase 1 Decision, CSE's justification for including the filter to more accurately reflect the purchases of LMI drivers supports its use and is consistent with the purpose of the CMS incentives. In future updates to the incentive amounts, the Commission may revisit the use of this filter as appropriate to program needs and learnings from the initial implementation.

The CMS incentives, as detailed in the CMS Phase 1 Decision, were designed to be adjusted with changes to the ZEV market and the availability of other incentives. Therefore, an overall increase in CMS incentives from the estimated amounts in the CMS Phase 1 Decision is warranted due to the absence of federal and state incentives. Therefore, CSE has sufficiently met the requirements for establishing the initial CMS incentive levels.

The Commission thus approves CSE's proposed initial approach of targeting higher-mileage drivers with higher incentives, noting that additional data from the first year of the DAP will inform future program design and incentive adjustments. The Commission approves the initial incentive amounts of \$20,300 for a new ZEV, \$14,200 for a used ZEV, and \$1,170 for ongoing charging.

E. Program Budget

Per D.24-03-001, the Program Administrator is required to include the program budget in the submitted Implementation Plan. Based on assumptions from Attachment D of

¹² The Federal New Clean Vehicle Credit is no longer available for vehicles acquired after September 30, 2025. <https://www.irs.gov/credits-deductions/credits-for-new-clean-vehicles-purchased-in-2023-or-after>

¹³ The Driving Clean Assistance Program's Financing Assistance pathway has been closed to new applicants due to funds being exhausted. <https://drivingcleanca.org/about-us/dcap-eligibility/>

D.24-03-001 and CSE's assumptions based on the number of vehicles incentivized, CSE estimated a Year 1 program budget of \$30,389,900 inclusive of incentive disbursement, administrative costs, and marketing, education, and outreach costs.

However, the actual amounts for the CMS Regulatory Fee and DAP budget, as well as the minimum driving threshold, are set by Commission resolution of the CMS Regulated Entities' GHG Plans. In March 2025, the Interim GHG Plan Resolutions for CMS Regulated Entities established the program budget at \$28,922,576 for calendar years 2024 and 2025, to be funded by the CMS Regulatory Fee established at \$0.09 per trip. The total program budget included \$26,572,603 for incentives.

The first full GHG Plans will be submitted within 90 days of the CMS Phase 2 Decision for Commission review and approval via resolution,¹⁴ which in addition to the CMS Regulated Entities stating their plans are intended to update the CMS Regulatory Fee and MDT, if necessary, and the program budget beyond 2025. In order to address the gap between the Interim GHG Plans' Resolutions and the forthcoming Phase 2 Decision, given that we are already in 2026, and consistent with the Implementation Plan requirement to include a program budget, this Resolution establishes a provisional program budget to be updated following the full GHG Plan submissions and resolutions. CSE shall submit a final version of the initial DAP Implementation Plan and Handbook that incorporates this change, no later than 30 days after the effective date of this Resolution via a Tier 1 advice letter.

Based on assumptions provided by CMS Regulated Entities in their Interim GHG Plan submissions, administrative costs required by the CMS Phase 1 Decision, and the amount collected via the CMS Regulatory Fee over a 12-month period, the overall program budget for Year 1 of the implementation of the DAP, starting from the date of issuance of this resolution, shall be set at \$25,000,000. This amount shall be allocated to the following:

- \$200,000 for Contracting Agent's costs
- \$150,000 for Evaluation Contractor's costs

¹⁴ D.24-03-001, Conclusions of Law, 29(b).

- \$2,000,000 for the Program Administrator's costs¹⁵
- \$22,650,000 for DAP incentives

Under this interim budget, approximately 1,050 incentives of \$20,300 will be available for a new ZEV, along with the first year of the ongoing charging incentive of \$1,170. Although the allocated budget for DAP incentives is lower than anticipated in the interim GHG Plans, the incentives are intended to target high-mileage, long-term drivers for a larger upfront impact on the annual targets. The \$26,572,603 allocated for incentives in the interim GHG Plans has not been disbursed as the program has not yet launched. The updated amount allocated for incentives shown here has been adjusted based on the funds collected through the CMS Regulatory Fee. The first year of DAP operations and the updated GHG Plans will help inform the necessity for adjusting the incentive amounts, the minimum driving threshold, and CMS Regulatory Fee to reach a wider pool of eligible drivers.

Within 12 months of incentives becoming available, the CMS Phase 1 Decision requires the Program Administrator to review and propose adjustments to the CMS incentive amounts via a Tier 2 advice letter, again using the cost gap analysis in Attachment B as the basis. The Program Administrator may propose changes to the assumptions in Attachment B through a Tier 2 advice letter with data to support the changes at any time. These processes are sufficient to continue monitoring the incentive levels and funding availability and to adjust them as needed on a regular basis.

F. Driver Eligibility Requirements and Verification

The CMS Phase 1 Decision established the process for setting a minimum driving threshold for drivers to be eligible for CMS incentives. The threshold must be informed by the trip threshold proposed by each CMS Regulated Entity in its GHG Plan and will be consistent for drivers of all CMS Regulated Entities. Commission Resolutions TL-19151, TL-19152, and TL-19153 approving the CMS Regulated Entities' Interim GHG Plans established a minimum driving threshold across the three companies to be 4,500 trips within a 12-month period.

¹⁵ Per the Phase 1 Decision, the Program Administrator's budget may be set at up to 8% of the total program budget per year, with a minimum of \$2 million per year, and a maximum of \$7 million per year.

CSE proposed additional eligibility requirements to facilitate program implementation, including vehicle standards and ownership/lease requirements. CSE proposed the following limitations on accessing CMS incentives for drivers, in line with the CMS Phase 1 Decision:

- Upfront New or Used ZEV Purchase Incentive: once in a given calendar-year or 12-month period
- Ongoing Charging Incentive: up to four times, with eligibility renewing every 12 months

Drivers must meet the minimum driving threshold of 4,500 trips across all three TNCs over the previous 12-month period in order to qualify for the upfront incentive and will need to demonstrate continued eligibility over a 12-month period to qualify for the ongoing charging incentive.

Drivers must also meet the household income threshold identified in the CMS Phase 1 Decision, i.e., at or below 400% of the Federal Poverty Level, in order to qualify for CMS incentives. CSE proposed an incentive eligibility period of five years following income verification, in order to reduce administrative burdens and decrease the likelihood of drivers becoming ineligible with increased income following the acquisition of a ZEV.

The Commission finds CSE's additional eligibility requirements to be appropriate and supportive of program goals. The Commission declines to adopt Lyft's recommendation to shorten the income eligibility period to one year and instead maintains the five-year period proposed by CSE. The Commission finds that the five-year income eligibility period is a reasonable method for reducing barriers for LMI drivers to receive the ongoing incentive, which can strengthen their commitment to driving a ZEV. As noted by Lyft and CSE, the issue of multiple incentives will be considered in the upcoming CMS Phase 2 Decision, after which CSE will have the opportunity to update their guidance as needed through the annual DAP advice letter process.

The Commission also notes that there is currently no explicit restriction on drivers who currently/already own a ZEV accessing the incentive. However, the DAP's purpose is to support drivers' transition to ZEVs, which implies they do not currently drive a ZEV. The Commission encourages CSE to implement the program with this in mind, further

noting that the Phase 2 Decision is scoped to address this specific issue. Therefore, CSE shall restrict drivers who currently own a ZEV from accessing the incentive until formal guidance is provided in the Phase 2 Decision. CSE shall submit a final version of the initial DAP Implementation Plan and Handbook that incorporates this restriction, no later than 30 days after the effective date of this Resolution via a Tier 1 advice letter.

G. Use of Personally Identifiable Information (PII) in Verifying Eligibility

The CMS Phase 1 Decision directs the Program Administrator to describe how they will verify driver eligibility for incentives. CSE's proposal incorporates income verification into the Upfront ZEV Purchase Incentive application process and establishes a five-year window for income eligibility following verification. Applicants must provide documentation confirming income eligibility either through income verification¹⁶ or proof of participation in an eligible income qualifying program.¹⁷

To verify the minimum driving threshold, CSE proposed a regular data exchange and verification process using data provided by the CMS Regulated Entities.

The Commission agrees with Uber and CSE's recommendation to require all CMS Regulated Entities to include driver consent disclosure language in their Data Use Agreements with CSE and directs CSE to update the Implementation Plan and Handbook as needed to incorporate this requirement. CSE shall submit a final version of the initial DAP Implementation Plan and Handbook that incorporates these updates, no later than 30 days after the effective date of this Resolution via a Tier 1 advice letter.

H. ZEV Retention Requirements

Uber noted in response to CSE AL 1 that CSE's proposal includes a requirement to retain a ZEV purchased using DAP incentives for at least 36 months, but that CSE would only enforce this requirement when an incentive recipient applies for the Ongoing Charging Incentive in the years following the initial purchase. Uber

¹⁶ To qualify through income verification, applicants must provide a Household Summary Form and the most recent year's Tax Return Transcript.

¹⁷ The RIDE PA will develop and maintain a list of eligible income qualifying programs that will be made available on the RIDE website.

recommended establishing a formal process for confirming that recipients comply with the 36-month retention period. Uber repeated its concerns in response to CSE AL 1A.

CSE responded that the DAP Implementation Plan and Handbook already include language around enforcement of the 36-month ZEV retention period, noting that vehicle resale prior to 36 months is expressly prohibited and would result in recipients needing to repay the incentive amount.

The Commission does not find it necessary to establish additional processes for ensuring recipients comply with the 36-month period for retaining a DAP-purchased ZEV.

I. Flexibility for Small CMS Regulated Entities

HopSkipDrive raised concerns over the DAP requirements being disproportionately burdensome for smaller CMS Regulated Entities that may not have the same resources as larger TNCs. HopSkipDrive additionally requested that CSE revise the DAP Implementation Plan and Handbook to define HopSkipDrive as “A transportation network company registered with the California Public Utilities Commission.”

CSE expressed amenability to revising the definition provided in the DAP Implementation Plan and Handbook as suggested by HopSkipDrive. However, in regards to HopSkipDrive’s other concerns, CSE noted that the CMS Phase 1 Decision established the category of Small CMS Regulated Entities as “CMS Regulated Entities with less than five million miles of VMT in all periods of passenger service in a given calendar year.” While Small CMS Regulated Entities are exempt from certain CMS requirements, HopSkipDrive does not meet the definition of a Small CMS Regulated Entity. The CMS Phase 1 Decision does not differentiate requirements for CMS Regulated Entities by size beyond the five million mile threshold, and CSE does not have the authority to institute additional requirements or exemptions.

The Commission agrees with CSE’s assessment.

J. Data Exchange Processes

HopSkipDrive expressed concern over the feasibility of complying with the 10-day window to provide data to CSE. HopSkipDrive requested that CSE include a

commitment to provide flexibility measures within the Implementation Plan, and that CSE provide clear and straightforward data reporting templates to support compliance.

CSE responded that a 10-day window is appropriate, as the proposed data exchange process was developed with input from the CMS Regulated Entities and designed to reduce unnecessary administrative burdens or delays for drivers. CSE expressed amenability to including the commitment to flexibility measures as part of the Implementation Plan and noted their intent to develop and disseminate clear data reporting templates prior to program launch.

The Commission agrees that a 10-day window for providing data is appropriate to facilitate reviewing and processing incentive applications.

K. Disposition of CSE's Proposal

In reviewing CSE's proposal, via CSE AL 1 and AL 1A, for the initial DAP Implementation Plan and Handbook, CPED finds that the proposal is complete and meets the requirements of the CMS Phase 1 Decision. Accordingly, the Commission approves the initial DAP Implementation Plan and Handbook and adopts the modifications described above, pending CSE's final submission of the initial DAP Implementation Plan and Handbook, no later than 30 days after the effective date of this Resolution via a Tier 1 advice letter.

The CMS Phase 1 Decision established mechanisms for the Program Administrator to regularly update and adjust certain elements of DAP implementation as needed. As the program progresses, the Commission will continue to monitor CSE's fulfillment of its obligations as Program Administrator. The Clean Miles Standard is a key component of the statewide effort to curb GHG emissions, and the Commission encourages CSE to implement the Drivers Assistance Program swiftly.

COMMENTS

Public Utilities Code § 311(g)(1) provides that this resolution must be served on all parties and be subject to at least 30 days public review. Any comments are due within 20 days of the date of its mailing and publication on the Commission's website and in accordance with any instructions accompanying the notice. Section 311(g)(2) provides

that this 30-day review period and 20-day comment period may be reduced or waived upon the stipulation of all parties in the proceeding.

FINDINGS AND CONCLUSIONS

1. Pursuant to D.24-03-001, Uber is required to serve as the Contracting Agent for the Clean Miles Standard program and to issue the Request for Proposals (RFP) for a Program Administrator for the Drivers Assistance Program within 120 days of the effective date of D.24-03-001, by July 5, 2024.
2. On June 25, 2024, Uber as the Contracting Agent requested an extension of time to prepare and issue the RFP.
3. On July 3, 2024, Uber as the Contracting Agent received a five-week extension of time from July 5, 2024, to August 9, 2024.
4. On August 9, 2024, the Contracting Agent issued a RFP for a Program Administrator based on direction from CPED staff, with responses due by September 23, 2024. Three candidates submitted responses, and CPED staff reviewed each proposal.
5. On March 12, 2025, CPED staff selected and approved Center for Sustainable Energy as the DAP Program Administrator.
6. D.24-03-001 directed the Program Administrator to file a Tier 3 Advice Letter to propose the initial DAP Implementation Plan and Handbook within 150 days of entering into a contract to perform program administration services.
7. On July 3, 2025, CSE requested and received an extension of time to submit the Tier 3 Advice Letter from August 9, 2025, to October 14, 2025.
8. On October 2, 2025, CSE requested and received an additional extension of time from October 14, 2025, to November 13, 2025.

9. On November 13, 2025, CSE submitted the initial DAP Implementation Plan and Handbook for Commission approval via AL 170-E as a Tier 3 advice letter. On November 17, 2025, CSE withdrew AL 170-E and resubmitted it on November 18, 2025 as Advice Letter 1.
10. CSE's advice letter AL 1 received one timely protest from Lyft and two timely responses from Uber and HopSkipDrive regarding CSE's advice letter.
11. Lyft protested CSE's advice letter AL 1 on the grounds that the proposed incentive amounts and the five-year income eligibility period are unreasonable. Lyft also expressed concerns regarding multi-year access to multiple incentives.
12. Uber submitted a response regarding the proposed incentive amounts, the incentive calculation methodology, and the need for additional safeguards for verifying continued ZEV ownership.
13. HopSkipDrive submitted a response regarding the applicable definitions, data exchange and reporting requirements, and the need for flexibility for small TNCs.
14. On March 27, 2026, CSE submitted supplemental filing AL 1A to provide corrections, clarifications, and additional information for specific sections of the Implementation Plan and Handbook as requested by CPED staff.
15. CSE's supplemental filing AL 1A received one timely response that expressed concerns regarding CSE's supplemental filing.
16. Uber submitted a response to AL 1A reiterating concerns with the proposed incentive amounts, incentive calculation methodology, assumptions regarding TNC driver behavior, and the ZEV retention requirement.
17. CSE provided sufficient justification for the Commission to establish the initial CMS incentive amounts as described in the proposed Implementation Plan and following the requirements of D.24-03-001.
18. Within 12 months of incentives becoming available, the Program Administrator is required to review and propose adjustments to the CMS incentive amounts via a Tier 2 advice letter, using the cost gap analysis in Attachment B of D.24-03-001 as the basis.

19. The Program Administrator may propose changes to assumptions in Attachment B of D.24-03-001 through a Tier 2 advice letter with data to support the changes at any time.
20. It is not necessary to establish additional processes for ensuring recipients comply with the 36-month period for retaining a DAP-purchased ZEV.
21. A 10-day window for providing data is appropriate to facilitate reviewing and processing incentive applications.
22. CSE's proposal for the initial DAP Implementation Plan and Handbook is complete relative to the requirements of D.24-03-001, per Commission review.
23. CSE's proposal for the initial DAP Implementation Plan and Handbook is approved pending final submission incorporating the modifications described herein.

THEREFORE IT IS ORDERED THAT:

1. The CMS Upfront New ZEV Purchase Incentive amount shall be \$20,300 for DAP Year 1.
2. The CMS Upfront Leased ZEV Purchase Incentive amount shall be \$14,200 for DAP Year 1.
3. The CMS Ongoing Charging Incentive amount shall be \$1,170 for DAP Year 1.
4. The Drivers Assistance Program Year 1 budget shall be \$25,000,000, including \$2,000,000 for the Program Administrator, until otherwise updated via the GHG Plans per D.24-03-001.
5. CSE shall submit a final version of the initial DAP Implementation Plan and Handbook that includes the following updates, no later than 30 days after the effective date of this Resolution via a Tier 1 advice letter:

- a. CSE shall update the program budget and incentive amounts to \$25,000,000 and \$22,650,000, respectively.
- b. CSE shall incorporate a restriction on drivers who currently own a ZEV accessing the incentive until formal guidance is provided in the Phase 2 Decision.
- c. CSE shall incorporate a requirement for CMS Regulated Entities to include driver consent disclosure language in their Data Use Agreements with CSE.
- d. CSE shall revise the DAP Implementation Plan and Handbook to define HopSkipDrive as "A transportation network company registered with the California Public Utilities Commission."

This Resolution is effective today.

Commissioner Signature blocks to be added
upon adoption of the resolution

The foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on _____; the following Commissioners voting favorably thereon:

Dated _____, at <Voting meeting location>, California