NSW Department of Climate Change, Energy, the Environment and Water

EV fleets incentive – Competitive bid funding guidelines

September 2026

Acknowledgment of Country

Department of Climate Change, Energy, the Environment and Water acknowledges the traditional custodians of the land and pays respect to Elders past, present and future.

We recognise Australian Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships to place and their rich contribution to society.

Artist and designer Nikita Ridgeway from Aboriginal design agency – Boss Lady Creative Designs, created the People and Community symbol.

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More information Transport Electrification – EV Fleet Incentive via email electric.vehicles@environment.nsw.gov.au

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Introduction

Introduction

The NSW Government is committed to achieving net zero emissions by 2050. Initiatives under the Net Zero Plan Stage 1: 2020–2030 will fast-track emissions reduction over the decade. The transport sector is currently the state's second-largest source of carbon dioxide equivalent emissions after the electricity sector. The transport sector was responsible for 25% of all NSW emissions in 2024, and 88% of these emissions were from road transport. The department's latest emission projections indicate that transport will become the state's largest source of emissions by 2031.

The NSW Government has committed to a 50% emissions reduction by 2030 and 70% emissions reduction by 2035 when compared to 2005 levels.

The Department of Climate Change, Energy, the Environment and Water (the department) designed the Electric vehicle fleets incentive under the framework of both the Net Zero Plan and the NSW Electric Vehicle Strategy.

In April 2026, the NSW Government launched an updated NSW Electric Vehicle Strategy to maximise emissions reduction in the short term, while ensuring greater social equity, addressing EV charging blackspots across suburban and regional areas, and encouraging uptake of electric trucks.

The incentive supports fleet managers to transition their passenger vehicles (PVs), sports utility vehicles (SUVs), light commercial vehicles (LCVs) and trucks to battery electric vehicles (BEVs), therefore lowering emissions across the state.

The incentive aims to:

- accelerate battery electric vehicle (BEV) uptake in NSW fleets
- achieve the greatest level of emissions abatement at the lowest cost for the NSW Government
- support the development of a strong secondary market for BEVs, when fleet managers resell their vehicles
- support a long-term transition to BEV in the fleet sector.

This document establishes the new guidelines applicable to competitive bid Round 7.

The purpose of this document is to provide rules and guidance to fleet managers looking for an incentive to transition their fleet vehicles to BEVs.

The department has made updates to the guidelines as detailed in the 'What's new in Round 7' section. This update also includes minor wording changes to improve clarity and detail in response to feedback.

As a result, fleet managers should carefully read the guidelines in conjunction with any other supporting information provided on the NSW EV fleets incentive website.

Participants who receive funding under the EV fleets incentive will be disclosed within 45 days of the funding agreement being entered into on the NSW Government Grants Finder website.

For the purposes of these guidelines and supporting documentation, the use of the term ‘participants’ or ‘fleet managers’ refers to eligible organisations as well as any person within an organisation responsible for participating in the incentive. The use of the terms ‘eligible EVs’ and ‘EVs’ refers to battery electric vehicles (BEVs).

About EV fleets incentive: competitive bid

What is the incentive?

The NSW EV fleets incentive (the incentive) is a grant scheme that supports fleet managers to transition their passenger vehicles (PVs), sports utility vehicles (SUVs), light commercial vehicles (LCVs) - including vans, utilities bodies, people movers and trucks up to 4.5 tonnes (t) Gross Vehicle Mass (GVM) to battery electric vehicles (BEVs), helping to lower emissions across the state.

The incentive is designed to cover part of the total cost of ownership (TCO) gap between a BEV and an equivalent internal combustion engine (ICE) vehicle, hybrid electric vehicle (HEV) or plug-in hybrid electric vehicle (PHEV). An optional contribution towards BEV smart chargers is also available.

There are 2 funding options available under the incentive:

- Kick-start funding is for smaller fleet or piloting a few EVs.
- Competitive bid is for larger fleets, looking to scale their transition.

These guidelines only deal with the competitive bid funding option.

What is competitive bid funding?

The competitive bid is one of the funding options of the incentive. It is designed to support organisations with larger fleets that are beyond the pilot phase of their transition to EVs.

The competitive bid funding is split into 2 streams:

1. The individual stream is for businesses that own or lease vehicles to support its own operations in New South Wales. This includes businesses that provide vehicle rental/subscription services.
2. The aggregator stream is for businesses providing vehicles to customers in New South Wales through leasing arrangements to support their operations. The benefits of the incentive will be passed on to customers.

How does it work?

Businesses submit a bid for a share of available funding as an incentive to partly cover the TCO gap between the BEVs and equivalent ICE vehicles.

Applications are then ranked against other bidders based on the funding requested per tonne of CO_2-equivalent of emissions abated ($/t$CO_2$e). Funding is awarded to bids with the lowest level of funding requested per tonne of CO_2-equivalent of emissions abated ($/t$CO_2$e).

Funding allocation

The allocation for the current round of the competitive bid funding can be found on the EV fleets incentive website. The funding covers both vehicle and smart charging port incentives.

What's new in Round 7?

Charging infrastructure incentives

From Round 7, charging incentives are set as a maximum payable amount to cover eligible costs associated with procuring and installing chargers (instead of a fixed amount payable against proof of purchase for a charger). Also, an updated level of incentives applies to both AC and DC charging. Refer to the 'What can be funded – Charging' pages.

Charging investment by a third party

Charging infrastructure can also be procured and installed by a third party if the grantee can demonstrate that it will be used by the vehicles incentivised. Incentive payments will still be paid to the grantee. Refer to 'Charging' pages.

Exclusion based on past performance

If an applicant has previously participated in the program and failed to deliver more than 75% of the vehicles specified in a funding deed, the department reserves the right to exclude them from the current round. Refer to 'Withdrawal and non-performance' pages.

Multiple ceiling prices

From Round 7, participants will bid separately for light vehicles (passenger vehicles and sports utility vehicles) and light commercial vehicles (for example, vans, pickup, light duty trucks). Separate ceiling prices will be set for the light vehicle and light commercial vehicle categories. Ceiling prices are not disclosed to participants. Refer to 'Determining successful bids' pages.

Bidding cap

If the bid is in the light vehicle category (that is, for passengers and/or SUVs), the total incentive requested by a single entity, or cumulatively by entities within the same corporate group, cannot exceed $4.5 million across both individual and aggregator streams.

No cap applies for bids for the light commercial category. Refer to 'Key bidding rules' pages.

Purchase order requirements

Successful participants must raise a purchase order for the incentivised vehicles included in their deed by **25 June 2027**. Refer to 'What can be funded – Vehicle order date' and the 'Terms and Conditions' pages.

Advance payment

Participants can claim up to 50% of the vehicle incentives as advance payment if meeting set evidence requirements. Refer to 'How to bid and secure the incentive – Step 11' pages.

Extra payment

Participants who register vehicles before **30 May 2027** may be eligible for an extra payment of $1,000 per vehicle, in addition to the average incentive approved in the final bid. Refer to 'How to bid and secure the incentive – Step 12' pages.

Shorter delivery term

The deadline to provide the evidence for payments is changed from 180 NSW business days to 150 NSW business days from the notification of final bid results. Refer to 'How to bid and secure the incentive – Step 11' pages.

What can be funded

Vehicle

Technology

The incentive must be used exclusively for procuring brand-new battery electric vehicles (BEVs), that are not used or converted, and smart charging infrastructure.

The new BEVs can replace internal combustion engine vehicles, hybrid electric vehicles and plug-in hybrid electric vehicles.

The incentive can also be requested for the procurement of new BEVs for fleets that are expanding in size, that is, not as replacement vehicles.

Categories

The incentive will be available to procure BEVs in the following categories:

- **Light vehicles** include all passenger vehicles (PVs), sports utility vehicles (SUVs) and their sub-classes.
  - PV subclasses include micro, small, light, medium, large, upper large and sports
  - SUV subclasses include small, light, medium, large, and upper large
- **Light commercial** includes all light commercial vehicles (LCVs), light trucks, people movers and their sub-classes up to 4.5 tonnes (4.5t) of gross vehicle mass (GVM).
  - LCV subclasses include vans under 2.5t, vans 2.5t to 3.5t, vans 3.5t to 4.5t, cab chassis truck body, cab chassis utility body, people movers and light buses.

Price cap

A $91,661 (including GST) cap on the recommended retail price (RRP) applies to eligible electric PVs and SUVs, unless the fleet manager can demonstrate that:

- the selected vehicle model is essential for their operations
- there is no alternative model under the price cap that is fit for purpose.

This price cap is set in accordance with the Australian Taxation Office's luxury car tax threshold for fuel-efficient vehicles for the financial year in which the round is operating (which includes EVs).

The department will review requests to exceed the price cap and decide at its discretion based on the justification and evidence provided. For example, this may apply to a luxury chauffeur service.

There are no price caps on electric LCVs or light duty trucks.

Usage and registration

The incentivised vehicle can be used exclusively to support business operations or for a combination of operational and personal use.

Only vehicles registered in the name of the participating organisation, either under its legal entity name or registered business name, are eligible for incentives.

Eligible EVs procured under the incentive must be registered in New South Wales. Occasional trips in other states are acceptable if the incentivised vehicles are used predominantly in New South Wales.

Ownership model

Participants can procure vehicles through outright purchase (either with cash or a loan) or through leases (operational or financial). Novated leases are ineligible.

Order date

Only vehicles ordered on or after the relevant round opening dates are eligible. Vehicles are not required to have been purchased at the time of submitting bids. The Department may conduct sample audits to check that vehicles were not ordered before the launch of the relevant funding round

In Round 7, successful participants must raise their purchase orders (PO) for the incentivised vehicles included in their executed funding deed no later than **25 June 2027**. Successful participants will need to notify the department about the raised orders within the deadline. At its discretion, the department may require evidence of the raised purchase orders.

Charging

Incentive levels

Successful participants can opt in to receive a capped amount per incentivised vehicle to cover eligible expenditure for installing smart charging ports at their organisational premises or in their employees' homes. Alternating current (AC) or direct current (DC) charging ports may be incentivised.

The capped incentive amounts for all vehicles are:

- AC port – up to $2,000 per port in commercial locations (e.g., organisation's depot) or up to $1,200/port for home installations
- DC port – up to $8,000 per port

- the total number of ports (AC and DC) cannot exceed the total number of vehicles
- for light vehicles the maximum number of DC ports cannot exceed 10% of the total number of vehicles (for example, 2 DC ports for 20 vehicles)
- for light commercial vehicles the maximum number of DC ports cannot exceed 50% of the total number of vehicles (for example, 10 DC ports for 20 vehicles).

Charging hardware must meet the hardware requirements.

Transfer of charging incentives to a third party

Successful participants may transfer charging incentives to a third party responsible for procuring and installing the chargers. In this scenario, the third party must provide a declaration confirming that the procured chargers are dedicated to the incentivised vehicles and describing the underlying business model and relationship with the participant and confirm the incentive was spent on the eligible costs for procuring and installing the chargers. Aggregators also transfer the charging incentives to their customers and customers need to provide a declaration confirming the incentive receipt and confirm the incentive was spent on the eligible costs for procuring and installing the chargers.

Example 1

A retailer outsources distribution to truck operators and has a commercial arrangement with a Fleet Management Organisation (FMO) for the provision of the vehicles to the truck operators.

- The FMO successfully bids for the vehicles and charger incentives.
- The FMO leases the new electric vehicles to the truck operators and transfers the full incentive to them.
- The retailer installs the chargers at their depots with the incentives secured by the FMO.

Example 2

Organisation A and Organisation B are part of the same corporate group.

Organisation A procures and manages the fleet across all group activities, and vehicles are registered against Organisation A.

Organisation B is responsible for procuring and managing the charging infrastructure.

- Organisation A successfully bids for the vehicles and chargers incentives.
- Organisation A procures the incentivised vehicles and transfers the charging incentives to Organisation B who takes care of the procurement and installation of the chargers.

Charging-as-a-Service (CaaS) solutions are also eligible for the smart charging incentive for every charging port installed per incentivised BEV. This funding may be used to cover a CaaS subscription and costs associated with this service as long as they are included in the list of eligible expenditure categories – see below. Participants should review our hardware requirement for guidance when evaluating suitable CaaS solutions.

There is no requirement to purchase charger software, although this is encouraged.

The table below outlines eligible expenditure categories related to charging infrastructure. Only eligible expenditure categories can be covered by the charging incentive payment.

Eligible cost

Equipment

- EV charger hardware (must meet minimum power output and compliance standards – see hardware requirements and be installed directly into a switchboard).
- Associated components to connect to electrical supply (for example, meters, RCD protection).
- Equipment to connect chargers to the internet (for example, data cabling, modems).
- Load management hardware to manage chargers.

Installation

- Civil and electrical works for installation and connection to electrical supply by a qualified electrician.
- Submetering, upgrades to electrical infrastructure, provision of new circuits.
- Electricity supply authority connection fees.
- Energy management systems (EMS).
- Line marking, bollards, wheel stops.

CaaS solution

- Contribution to CaaS fee payment.

Ineligible cost

- Batteries: Battery Energy Storage Systems and associated installation work.
- Solar inverters: inverters linked with solar generation systems and associated installation work.
- Software and services: Subscription for EV charger software.
- Administrative: grant application costs, feasibility studies, business case development, consultant fees.
- Ongoing costs: internet/data costs, energy costs, maintenance costs.

Evidence requirements

An itemised tax invoice must be provided to claim funding for charging.

Specifically, participants must require their charging providers to issue detailed invoices, including as a minimum the following information:

- charging hardware costs with detail on charger make and model/capacity and total number of chargers per make and model/capacity
- total other materials costs (for example, cabling, hardware for electrical upgrades)
- total labour costs
- if chargers are installed at multiple sites, each site with its items/subtotal should be clearly listed on the invoice, or an invoice for each site should be provided.

The tax invoice cannot be dated from before the launch of the relevant funding round.

Hardware requirements

Charging hardware must meet the following requirements:

- must be hardwired (portable chargers are ineligible)
- have a minimum power output per EV charge port as follows:
  - stand-alone charging hardware
    - AC single-phase: 7 kW
    - AC three-phase: 22 kW
    - DC: 24 kW
  - charging hardware that is combined with solar inverters or batteries
    - AC single-phase: 5 kW
    - AC three-phase: 5 kW
    - DC: 24 kW
- be compliant with AS/NZS 4417.1:2020 and AS/NZS 4417.2:2020 regulatory compliance mark for electrical and electronic equipment
- have a ‘type 2’ connection if AC output
- a minimum of 1 ‘CCS2’ tethered cable if DC output
- communications capability, over at least one of ethernet, wi-fi or 4G/5G network
- can remotely manage and/or monitor the EV charger (i.e. a ‘smart’ charger)
- be available and supported within Australia.

Installation requirements

All hardware must be installed by a qualified/certified electrician and adhere to relevant Australian standards. Chargers must be installed within New South Wales to be used for the incentivised fleet vehicles. Audits may be conducted by the department to ensure compliance.

What cannot be funded

Ineligible vehicles

Ineligible vehicle categories, technologies and models

The incentive cannot be used for the procurement of:

- non-battery electric vehicles (BEVs). Funding is not available for internal combustion engine, hybrid electric, plug-in hybrid electric, extended range electric and fuel cell electric vehicles
- vehicles with gross vehicle mass (GVM) above 4.5 tonnes
- second-hand BEVs or dealer demonstrator vehicles
- new or used internal combustion engine (ICE) vehicles converted to BEVs
- motorcycles (off-road, road, scooters, e-bikes, mopeds, all terrain and side-by-side vehicle)
- trailers and caravans and plant machinery
- buses with more than 20 passenger seats
- airplanes
- boats
- any vehicles not set out in the 'Vehicle – categories' section.

Ineligible vehicle ownership

- Novated leasing
- Vehicles procured under subscription models are not eligible. However, an organisation offering subscription services and buying the vehicles outright or through leasing arrangement can apply for funding under the individual stream.

Ineligible vehicle usage

Vehicles purchased/leased exclusively for personal use (note that travel just between home and work is usually considered private use: see the Australian Taxation Office website for more information) and/or vehicles with a vehicle usage category of private use and a code of 'PRIV'.

Bidding streams

The competitive bid funding process is split into 2 streams. Under each stream, participants bid separately for light vehicles (passenger and sports utility vehicles) and light commercial vehicles (for example, vans, utility bodies, light duty trucks, people movers).

Bids will only be assessed against other bids within the same stream and within the same vehicle category.

Individual fleet stream

Participants bid for an incentive to cover the costs of battery electric vehicles (BEVs) to be used for business purposes. These vehicles may be purchased outright or procured via a leasing arrangement. Participants in this stream can include businesses, car rental companies, local councils and non-government organisations.

Aggregator stream

Participants bid for an incentive they offer to customers as part of a leasing or equivalent arrangement. These vehicles are used by the customer for business purposes. Aggregators include fleet management organisations (FMOs).

The department will split the allocated funds for the round across the individual and aggregator streams and then between the light vehicle and light commercial vehicle categories under each stream. The split allocation will not be disclosed to the participants.

Bidding windows

Individual fleets and aggregators will be able to place an initial bid. At the end of the initial bid window, they will receive their ranking results to help them to understand their competitiveness against the others in the stream. They can then amend their incentive request and place a final bid.

Key bidding rules

Each bid must include 11 or more vehicles.

If the bid is for the light vehicle category, the total incentive requested by a single entity, or cumulatively by entities within the same corporate group, cannot exceed $4.5 million across both individual and aggregator streams.

No cap applies for bids in the light commercial category.

The main ranking criterion for a bid is the incentive requested per tonne of CO_2 equivalent (CO_2e) abated over the selected vehicle retention term (capped at 5 years and defaulted at 5 years). This represents the amount of NSW Government funding needed to abate each tonne of CO_2 equivalent through procuring eligible EVs.

Emissions abatement is calculated automatically by the bidding platform. It compares estimated tailpipe greenhouse gas emissions for benchmark ICE vehicles with emissions from using electricity to charge BEVs. Emissions from charging consider:

- the average proportion of zero emissions renewable energy currently in the NSW electricity grid
- an assumed increase in this proportion over time
- the use of 100% renewable energy (often via GreenPower) for public charging.

Vehicles in all bids are assumed to use public charging for 8% of their energy needs, unless a bid is modified to specify a different percentage.

Bids with the lowest level of incentive requested per tonne of CO_2 equivalent abated will be the most successful.

Successful fleet managers will receive the incentive specified in their bid.

Unsuccessful fleet managers can reapply in future rounds.

Fleet managers must not disclose a bid, a proposed bid or bid-related information that could affect the integrity of the bidding process.

Timelines

The bidding process for each round typically lasts around 4 months from round opening to notification of results.

- registrations/initial bidding window: 14 September 2026 (open 5 weeks)
- initial ranking/Notification of initial bid ranking: 16 October 2026 (1 week)
- final bidding window: 21 October 2026 (open 2 weeks)
- assessments/request for clarifications/sample audits*: 2 November 2026 (4 weeks)
- internal approvals*: 23 November 2026 (4 weeks)
- notification of results*: 18 December 2026.

(*) Tentative

Eligibility

Individual fleet

Any organisation with a valid registered Australian business number (ABN) that operates **a fleet of 21 or more vehicles** in New South Wales to support their operations can apply under the individual fleet stream. Eligible organisations include but are not limited to:

- private business organisations
- non-government and not-for-profit organisations
- local councils
- state-owned corporations
- Australian Government agencies operating in New South Wales
- car rental companies
- car share companies
- car subscription companies
- any company that provides vehicles for rideshare services.

Organisations meeting the criteria above can be headquartered in New South Wales or in any other state or territory, but incentivised vehicles must be registered, based and used predominantly in New South Wales.

Aggregator

Any private business organisation with a valid registered ABN that offers financial and/or operating vehicle leasing to their customer base in New South Wales (for example, fleet management organisations).

Aggregators bid on behalf of other New South Wales fleets.

Aggregators can be headquartered in New South Wales or in any other state or territory, but incentivised vehicles must be registered and used predominantly in New South Wales.

The aggregator holds the contract for the incentive with the NSW Government.

All funding received by the aggregator must be passed on to customers receiving the incentivised BEVs. The funding can be passed through a discount on the customers' leasing contracts, or a cashback arrangement if the customer begins making lease payments before the department can provide the incentive to the aggregator.

Aggregators can collate demand only from organisations that have vehicles in New South Wales.

Ineligible participants

Ineligible organisations include:

- original equipment manufacturers
- car dealers/motor vehicles licence holders
- budget-dependent NSW Government agencies

Participants cannot receive funding from other government agencies (including local, state or federal) for the same vehicles and chargers procured through the NSW Government EV fleets incentive program.

Compliance requirements

Participants must:

- hold an Australian Business Number (ABN)
- meet the eligibility criteria at the time of submitting a bid and throughout the time they operate the incentivised EVs, if the bid is successful
- submit a declaration of reputable business records
- declare any actual or perceived conflict of interest.

Related entities, such as businesses within the same group or company structure, or owned/operated by the same individual can only place one bid under each stream (individual stream and aggregator) and under each vehicle category (light vehicles and light commercial).

The department reserves the right to disqualify a participant if a situation impacts fairness and equity for other participants.

Capability requirements

When registering to bid, individual fleets and aggregators must provide a statement demonstrating their financial capacity and commitment to fund their proposed share of the EV procurement costs and, if applicable, the smart charging equipment (for example, a financial plan).

In their statement, individual fleets will also need to demonstrate if they have carried out or plan to carry out adequate measures to ensure that the new EVs will be integrated in their fleets' operations.

Examples of measures include:

- fleet drivers' participation in fleet EV drive days

- the delivery of internal training programs or access to training information for fleet managers and/or drivers to facilitate the adoption of EVs and an understanding of the new technology.

Aggregators will need to provide a statement demonstrating that they have support offerings for their customers to assist them in the integration of the new EVs in their operations.

Aggregators will also need to provide a statement illustrating their capability and experience in providing fleet leasing arrangements to their customers.

Successful participants are required to provide a delivery plan at the time of returning their deed signed off, using the template provided by the department and showing their milestones to ensure full delivery by the term. In their plans, participants are welcome to raise any identified risk that may impact delivery.

How to bid and secure the incentive

Step 1: Register on the online bidding platform

Eligible participants must register via the NSW EV fleets incentive website for access to the online bidding platform.

When signing up, they will have to provide a valid registered Australian business number (ABN) in their organisation's name. The bidding platform allows participants to prepare and submit their bid. It also includes a total cost of ownership (TCO) calculator and an emission calculator.

Step 2: Prepare the bid

Individual fleets

Individual fleets will need to prepare the following information for their bids:

- details about the current structure of their fleet (that is, the number of vehicles per category, % of vehicles leased/owned, registration numbers of vehicles being replaced, if applicable)
- the models and the total number of battery electric vehicles (BEVs) they are interested in
- the estimated mileage to calculate the TCO gap for each BEV they want to procure
- how much of the TCO gap they intend to ask for as an incentive, noting that the incentive requested must be lower than the gap calculated, except if the TCO gap is less than $3,000
- the estimated total emissions abated by procuring the BEV (automatically calculated on the online platform).

Note that if the TCO gap for a vehicle is less than $3,000, the full TCO gap can be requested as an incentive.

Aggregators

Aggregators bid for an incentive that they can subsequently offer to their customers to reduce the price of leasing or subscription arrangements for the integration of BEVs into their fleets.

Aggregators may not yet have full commitment from their customers, so they make a bid for a guaranteed number of vehicles and estimated emissions abatement.

They need to prepare the following information, by using the online platform and TCO calculator:

- the models, the estimated mileage and the total number of BEVs they expect their customers may lease based on their knowledge of their customers' plans and readiness to include more EVs in their fleets
- the estimated average level of incentive they will pass to their customers. The level of incentive must be lower than the estimated average TCO gap, between the specified BEV and the vehicle that would otherwise have been procured
- the estimated total emissions abated by the new BEVs.

Aggregators cannot include their own fleet vehicles in the bid. If aggregators want to bid for incentives for their own fleet, they must also register under the individual fleets stream.

Step 3: Register for bidding

Participants must register to make a bid in the funding round. By registering, participants confirm that:

- they are eligible
- their bid complies with these guidelines
- they understand the terms, conditions and responsibilities of the incentive funding deed (available on our EV fleets incentive website)
- they will comply with all reasonable requests for information from the department regarding the verification, management and auditing of the incentives issued.

When registering, they are also required to address compliance and capability requirements (Refer to Eligibility).

Step 4: Opt in for smart charger funding

Participants have the option to ask for a payment to procure CaaS solutions or install a smart charging port for every BEV incentivised, or every 10 BEVs in the case of direct current (DC) chargers (or a 1:2 ratio for light commercial vehicles).

The payable amount does not affect the bid ranking. It is allocated only if they are successful in the bid process.

Step 5: Submit initial bid

Participants must submit their initial bids to be reviewed by the department. Below are examples of bids within each stream and a general explanation of how the ranks are determined for more details on ranking please refer to section Ranking of bids.

Individual fleets

Submit initial bid including the information shown in the following hypothetical bid example:

- total number of BEVs: 15 passenger BEVs
- average incentive requested per vehicle: $5,000
- total incentive requested: $75,000 ($5,000 x 15)
- total emissions abated (tonnes of CO2e): 250
- incentive requested per tonne of CO_2e abated: $300/t$CO_2e$ ($75,000 ÷ 250).

From the sample above, the bidder is asking for $75,000 as an incentive to procure 15 BEVs.

In this example, the bidder typically holds their vehicles for 5 years. Therefore, the bidder is asking the department for $300 for each tonne of CO_2e that will be abated (over 5 years) by transitioning 15 vehicles to BEVs.

If successful, the bidder can also request up to $2,000 per smart AC charging port.

The bidder is entitled to seek funding for 1 DC port and up to 14 AC ports.

Aggregators

Submit initial bid including the information shown in the following hypothetical bid example:

- total number of BEVs: 40 passenger BEVs
- average incentive requested per vehicle: $7,500
- total incentive requested: $300,000 ($7,500 x 40)
- total emissions abated (tonnes of CO_2e): 667
- incentive requested per tonne of CO_2e abated: $450/tCO2e ($300,000 ÷ 667).

From the sample above, the bidder is asking for $300,000 as an incentive to procure 40 BEVs on behalf of its customers. The bidder is committing to abate 667 tonnes of CO_2e (over the leasing term) through this activity.

Therefore, the bidder is asking the department for $450 for each tonne of CO_2e that they commit to abate by passing the incentive on to their customers to lease 40 BEVs.

If successful, the bidder can request up to $2,000 per smart AC charging port.

The bidder is entitled to seek funding for 4 DC ports and up to 36 AC ports or 40 AC ports.

Please note the bidding platform will calculate the **total emissions abated** (tonnes of CO_2e) as well as the **$ incentive requested per tonne of CO_2e abated** automatically, there is no need for the participant to calculate this themselves.

Step 6: Review and submit your final bid

After the submission of their initial bid, the department will let participants know how their initial bid performed against the most competitive bidder in their stream, what their relative ranking position is and if their current bid is successful. Below is an example:

Initial bid results

- Ranking: 10 out of 30
- Bid of the first ranked: $700 per tonne of CO_2e abated
- Is your bid currently competitive? Yes/No

Participants will then be able to confirm their initial bid or submit a revised final bid. Any aspect of their bid can be revised before their final submission.

Step 7: Receive notification of final bid results

Once the final bids are placed, the department will conduct eligibility criteria and compliance checks and review the bid-supporting information provided. Participants may be required to respond to requests for clarifications, including but not limited to:

- justification regarding any PVs and/or SUVs exceeding the vehicle price cap included in their bid
- justification regarding any changes to the default benchmark vehicles in their bid
- sample odometer readings or equivalent evidence to justify the mileage used for the TCO calculation.

The department may adjust bids based on these clarifications.

The department may carry out audits and request evidence for the claims fleet managers have included in their bids.

Only the bids of eligible and compliant participants will be included in the final ranking.

Both successful and unsuccessful participants will receive a written notification of the final ranking results from the department. The department will also publish the level of incentive provided to successful participants on the Grant Finder website.

A notification of successful result does not bind the department to provide the incentive payment. Successful participants will become entitled to receive the incentive only upon meeting the conditions in the incentive funding deed being signed by both the incentive payment recipient and the department.

Step 8: Funding deed execution and delivery plan

With the notification of final bid results, the department will provide successful participants access to the incentive funding deed for signing via the NSW EV fleets incentive website.

Participants will need to return the incentive funding deed signed off by an authorised representative within 15 business days from the day they receive the incentive funding deed. The department will then confirm details and countersign the deed. The department reserves the right not to proceed with the deed if there are changes in government policies.

Participants who do not return a signed incentive funding deed within 15 business days will not be allowed to progress in the process and access the incentive payment unless approval is provided by the department.

Fleet managers that have successfully placed a bid under both the individual stream and the aggregator stream and have the funding deeds executed cannot swap vehicles between the streams. Funding for vehicles or chargers will be forfeited if they are not used in accordance with the rules of their original designated funding stream.

Refer to the 'Funding deed variations' section for information on how the department manages changes to the approved vehicles and/or chargers.

Participants will also be required to submit a plan (using a template provided by the department) showing the forecasted procurement of vehicles. The department will engage with participants regularly during the period of the delivery plan. If an applicant is still delivering a previous contract under the scheme, the department may require more information on how the delivery of both contracts will be successfully guaranteed.

Step 9: Register to the grant management platform

Successful participants must register via the department's online grant management platform Smarty Grants, for access to the Round 7 acquittal payment process. When signing up, they will have to provide their contact and organisation details in their approved organisation's name/ABN. The grant management platform allows participants to upload evidence and seek payment.

Step 10: Confirm purchase orders by the deadline

Successful participants will need to contact the department and confirm that purchase orders have been raised for the vehicles included in the executed deed by 25 June 2027. The department may require evidence of the orders raised. Please refer to the Terms and Conditions section for more details.

Step 11: Provide evidence for payment

Individual fleets

Within 150 NSW business days from the notification of final bid results, the successful individual fleets will need to provide the following evidence:

- registration certificates of the incentivised vehicles in New South Wales

- tax invoices for the smart charging equipment and/or CaaS contractual arrangement with details (if applicable). Please refer to the 'Charging – Evidence requirements' section for more details.

Aggregators

Within 150 NSW business days from the notification of final bid results, successful aggregators will need to provide following evidence:

- NSW registration certificates of the incentivised vehicles for each customer
- tax invoices for the smart charging equipment and/or CaaS contractual arrangement with details (if applicable) for each customer. Please refer to the 'Charging – Evidence requirements' section for more details
- a TCO gap report (using a template provided) for the ordered EVs, with estimated annual driving distance for each customer. The department may carry out audits, requiring evidence to validate the mileage estimates provided
- sign-off declaration or equivalent document from each customer, confirming the number of EVs and smart chargers procured, the value of the incentive included in the leasing package, including details on the customer's fleet structure.

An **advance payment** of 50% of the incentive value for the vehicles can be claimed at any time from the deed execution by participants that provide the following evidence:

- purchase orders (or equivalent approved by the department) for the vehicles to be claimed and letter from the manufacturers confirming the orders being executed/stock committed and the expected delivery date
- evidence of financial arrangements in place to support the co-funding of the vehicles (for example, financial delegate statement confirming internal budget allocation for the vehicles, loan approval)
- statement from a legal representative committing to procure the vehicles as per the purchase orders raised or to return the funds to the department if unexpected changes occur.

At their discretion, the department may require more evidence and checks to ascertain the commitment and financial capabilities of the participants seeking advance payments. The previous performance in the scheme will also be considered. If the request is submitted by a participant new to the scheme, the department may request contact details for referrals (from OEMs or dealers) that can confirm the reliability of the participant in fully settling raised purchase orders.

If the information provided raises concerns or highlights risks, the department may reject the request for advance payment.

The department can set a cap on advance payments (that is, a maximum amount payable). If the cap is established, it will be stipulated in the guidelines for the round.

Step 12: Receive payment

After receiving valid proof of registration and compliant smart charging equipment evidence documentation, the department will pay the incentive for the vehicles and the payable amount for the smart charging.

Aggregators are expected to pass the full incentive (for both the vehicle and the charging equipment) on to their customers through a discounted vehicle leasing/subscription contract, or a cashback arrangement if the customer begins making lease payments before the department can provide the incentive to the aggregator. This is confirmed through the declaration or equivalent document signed by each customer.

Participants who register vehicles before 30 May 2027 may be eligible for an extra payment of up to $1,000 per vehicle, in addition to the average incentive requested in the final bid. This extra payment funding must be used for the procurement of the incentivised vehicles.

Total extra payment funding is capped for 500 vehicles and will be allocated on a 'first submitted, first served' basis. Progress on the extra payment funding available for the first 500 vehicles submitted to the department will be published on the EV fleets incentive website.

Incentive payments are inclusive of GST, except for the payments to local government, which will be net of GST.

The department will usually make payments in one lump sum for all vehicles and chargers included in the bid, upon receipt of valid evidence within the grants management platform (Smarty Grants). Successful aggregators and successful individual fleets can also submit an alternative payment plan for consideration of the department. The plan may include batch payments.

Grantees who are registered for GST and have signed a Recipient Created Tax Invoice (RCTI) agreement form, will have an invoice raised by the department in the grants management platform and will no longer need to submit a tax invoice for their payment to be processed. Grantees not registered for GST will still need to submit an invoice to receive payment.

The incentive amount provided towards any payment (whether for all vehicles or a batch) will be based on the average vehicle incentive specified in the funding deed and not the incentive requested for each vehicle model in a final bid. Aggregators must pass the total incentives received to their customers, but they can apply different level of incentives to different customers depending on the final TCO gaps identified in the TCO gap report.

For delays in meeting the 150 business days for the provision of evidence, please refer to the 'Terms and Conditions' section.

Determining successful bids

Eligibility assessment

The department will assess the eligibility of participants against the eligibility criteria set out in these guidelines. The department may, at any time during the funding round, carry out due diligence activities to verify eligibility and/ or compliance claims and/or the legitimacy and integrity of the bid-supporting information provided.

Ranking of bids

Only bids placed by registered participants that meet eligibility criteria and compliance requirements will be ranked.

The individual fleet and aggregator stream bids are ranked separately in different bid stacks. Within each stream, the 'light vehicle' and 'light commercial vehicle' categories are also ranked separately.

The metric to determine the ranking is the dollar value requested to abate one tonne of CO_2 emissions equivalent ($/t$CO_2$e). The $/t$CO_2$e is used for ranking both the initial and final bids.

This is calculated by dividing the total amount of vehicle incentive requested (excluding the smart charger incentive) by the estimated total amount of emissions abated ($/t$CO_2$e) by procuring and operating the new EVs across the term stipulated by these guidelines.

All eligible bids for a vehicle category under one stream are placed in a bid stack and ranked by $/t$CO_2$e.

- the bid with the lowest $/t$CO_2$e ratio is ranked first and the bid with the highest is ranked last
- the bidder who is requesting the department to pay the lowest amount of funding to abate each tonne of CO_2 equivalent in their bid will be first in the ranking
- smart charging payments are not included in the $/t$CO_2$e ratio.

Funding distribution

Once final bids are ranked by stream and vehicle category, the department will assign the funds starting from the first ranked bid until the funds are exhausted. Funds will be assigned as per the internally agreed funding splits between the Aggregators and Individual streams and the light vehicle and light commercial vehicles categories.

The funding allocated will include the incentives requested for the vehicles and the capped amount for the smart charging equipment, if applicable.

If there are equal $/t$CO_2$e offers competing in the ranking, volume will be used as a secondary metric to assess the successful bid. The bid with the higher volume of eligible EVs requested will have the higher ranking.

If the available funds are not sufficient to cover the full amount of the bid at the cut-off point in the bid stack, the department will decide, at its discretion, whether to accept the bid or not and whether the available round funds can be increased to fully incorporate this bid.

Ceiling on average incentive per vehicle

The department may set a ceiling on the average incentive per vehicle requested, which will not be disclosed to the participants.

For reference, the ceiling prices set in previous rounds were:

- round 1: $12,500
- round 2: $11,000
- round 3: $9,899
- round 4: $9,400
- round 5: no ceiling price was applied
- round 6: $8,000

From Round 7, participants can bid separately for light vehicles and light commercial vehicles, and these 2 categories will each have their own ceiling prices.

If a ceiling is set for the 2 vehicle categories, the department will exclude from the ranking any bids with an average incentive per vehicle that exceeds the ceiling.

In setting the ceiling for the round, the department will consider:

- the average TCO observed in the market by vehicle category
- the principle that the department's incentive is designed to partly cover the TCO gap.

The same ceiling on the average incentive per vehicle applies to both the initial and final bidding windows and to both the individual fleet stream and the aggregator stream. When applied to the initial bid, fleet managers who have been removed from the bid stack because they have exceeded the ceiling will be notified. They can review their bid and submit a final bid in the second bidding window.

Management of underspent funding

The NSW Government may, at its discretion, reassign any unspent funding from a competitive bid round into the next round or to the kickstart funding program stream.

If there is unspent funding under one stream (individual fleets or aggregators), the department may, at its discretion, reallocate the funding to the other stream within the round to meet demand.

If there is unspent funding under one vehicle category (light vehicle or light commercial) within one stream, the department may, at its discretion, reallocate the funding to the other category to meet demand.

Assessors and decision makers

An Assessment Working Group including departmental staff will undertake the assessments and rankings. An Assessment Review Panel, consisting of a mix of departmental senior staff, external subject matter experts and the probity adviser will provide oversight to scrutinise the work of the Assessment Working Group, challenge any of their recommendations and endorse the round outcomes so they may be presented to the delegated decision maker, as per below:

- if successful bids amount cumulatively up to $5 million, they will be approved by the Executive Director, Consumer Energy Division
- if successful bids amount cumulatively above $5 million and up to $20 million, they will be approved by the Deputy Secretary, Energy, Climate Change and Sustainability.

Terms and conditions

Late submissions

Apart from any extension published by the department, bids submitted after the bidding round closing dates will only be accepted by the department in exceptional cases at its discretion. Bids must be anyway submitted via the dedicated bidding platform.

Failure to raise vehicle purchase orders in time

If successful participants do not raise purchase orders for the number of vehicles included in their executed funding deeds by 25 June 2027, the funding for the vehicles and for the associated charging infrastructure will be forfeited.

If successful participants raise purchase orders for only part of the contracted vehicles by 25 June 2027, funding will only be allocated for those vehicles with a purchase order (PO). All funding for the remaining vehicles and associated charging infrastructure will be forfeited.

Extensions

The department encourages participants to carefully plan their vehicle procurement and charging infrastructure projects from the outset, including during bid preparation.

Extensions to the 25 June 2027 deadline may be considered and granted at the department's discretion, only if successful participants can demonstrate that the delay in raising purchase order is due to unforeseeable circumstances and/or events that were beyond the participants' reasonable control.

Successful participants will have to provide evidence to back up their request for extension and seek approval before 25 June 2027. Approvals are at the discretion of the department.

Extensions to the 150-business days term to provide vehicle registration evidence may be granted at the department's discretion, only if the delay of registration is due to supply chain issues and/or delays beyond the reasonable control or foreseeability of the participant, and adequate evidence is provided.

Applicants will need to submit a written request for extension, with details and evidence about the purchase order date (if not already provided to request an advance payment), details about the causes for delay and the expected delivery times supported in writing by the dealer or original equipment manufacturer (OEM).

If there are delays in the provision of the charging infrastructure, this will only be considered if acceptable evidence is provided. Acceptable evidence for consideration includes agreed delivery plans supported in writing by the charging providers/installers.

Any extension request must be submitted by the applicant before the expiry of the 150-business day term, or it will not be considered by the department.

Funding deed variations

The funding deed includes provisions to manage variations. Variation requests may include:

- reductions in vehicle quantities
- reductions in charger quantities
- changes to vehicle models
- changes to the mix of chargers.

Funding associated with unclaimed vehicles and/or charging ports will be forfeited.

Proposed variations will be subject to a department assessment of the impact on TCO gaps, emissions abatement and the $/tonne ratio compared to the original funding deed.

The following principles apply:

- Alternative battery electric vehicle (BEV) model/s must have a positive total cost of ownership (TCO) gap, when assessed against their equivalent internal combustion engine (ICE) model. If the TCO gap is negative, they cannot be incentivised.
- The alternative EV model/s cannot receive an incentive that is greater than the TCO gap. If the TCO gap is bigger than the bid average incentive, the bid average incentive will be paid.
- If the TCO gap of the alternative BEV model is equal or smaller than the bid average incentive, 95% of the TCO gap will be paid.
- If the TCO gap of the alternative EV model is $3,000 or less the full amount will be paid.
- If the final $/tCO2e value for all vehicles after the variation is higher than the amount requested in the bid, the program team will decrease the payment per vehicle proportionally to compensate for the difference.
- If the final $/tCO2e value for all vehicles after the variation is lower than or equal to the amount requested in the bid, no variations will be required, and the full incentive payment will be made.
- The final charger mix can deviate from the charger mix included in the bid as long as:
  - the updated total payable does not exceed the approved charging funds
  - AC and DC ports installed are paid as per the eligible incentives included in the Charging section

- the change in the mix still meets the eligibility and quantity rules applicable to AC and DC as included in the Charging section
- if there is a change in the final charger mix that results in a lower payment, the remaining funds are forfeited.

Changes of circumstances

Throughout any stage of the process, from bidding to final payments, participants must notify the department immediately about changes to their business entity (such as Australian business number or trading name changes) and/or to their ownership/organisational structures. The department will undertake a legal and probity review of the changes. If the changes affect the integrity of the process and/or expose the department to financial, delivery or reputational risks, the participant may be disqualified from the process or the deed in place may be terminated. Any decision to agree to accommodate a change of entity, ownership or structure will be entirely at the department's discretion.

Withdrawal and non-performance

Participants may notify their intention to withdraw a bid in writing to the department. In this circumstance, the participant may still register and bid for funding in future rounds. However, if an applicant has a record of withdrawing from previous rounds and/or failing to meet past contractual terms, the department may require additional information and evidence to confirm a genuine commitment to the program, at the eligibility assessment stage.

If a participant has previously participated and failed to deliver more than 75% of the vehicles specified in a deed, the department reserves the right to exclude them from the current round or any future rounds.

Suspension and cancellation

The department may suspend or cancel a funding round if it believes on reasonable grounds that:

- the round cannot continue, or be conducted, in a fair and orderly manner
- it is likely that the round will not be able to continue, or be conducted, in a fair and orderly manner.

The department may suspend or cancel the round at any time during the period that the round is open. The department will communicate any decision to suspend or cancel to all participants. The department will seek the advice of the probity adviser when making any such decision in a fair and objective manner, consistent with established probity guidelines.

If a round is suspended, the department will continue or cancel the round within a reasonable timeframe. If a round is cancelled, it may be rescheduled, and the updated dates will be published on the department’s website.

Disqualification of participants

The department reserves the right to disqualify participants from competitive bid funding for an identified period. This can be done if the department believes, on reasonable grounds, that a participant has engaged in misconduct relating to any part of the application process.

In determining whether to disqualify a participant, the department may consider whether they have:

- breached the guidelines including no longer meeting the compliance requirements
- breached a direction given by the department in relation to the incentive process
- been involved in or is suspected of being involved in, now or in the future, conduct intended to affect the integrity of the process, including disclosing a pricing strategy.

Conflicts of interest

If participants are aware of any actual, apparent or potential conflicts of interest, they must advise the department at the registration stage. Participants must comply with any directions from the department in the management of a conflict of interest. At their discretion, the department can seek evidence for the declarations provided.

Confidentiality

Information of a confidential nature, which is provided by a participant as part of or in connection with any bid and/or funding application process, will be treated as commercial-in-confidence information and only disclosed with the consent of the participant.

However, commercial-in-confidence information provided by a participant may be disclosed:

- to the minister/the Minister’s Office
- to office staff
- to relevant parties for auditing purposes
- where authorised or required by law to be disclosed.

Promotion of incentivised BEVs

The department encourages successful participants to promote and share via media and communications about the procurement of the incentivised BEVs and their benefits (including estimated emissions abated). This is intended to motivate other organisations to transition their fleets to electric.

Successful participants need to notify the department about their planned communications to ensure coordination with potential announcements by the Minister.

Reporting and surveys

Participants successful in the competitive bid agree to provide reports in a template provided by the department for 2 consecutive years. Participants may arrange for reports to be prepared by their customers.

The reports must include details of:

- mileage
- if any vehicles or chargers have been written off, swapped, sold or replaced
- information on when the fleet managers plan to resell the vehicles on the second-hand market.

Aggregators are expected to collate the necessary information from their customers.

Participants that fail to provide a complete report in the agreed timeframe are deemed to be non-compliant and could be subject to exclusion from future funding opportunities.

Participants agree to participate in any surveys, or ensure their customers participate in any surveys, the department may request for analysis. Samples of information the surveys may collect include:

- driver/staff sentiment towards BEVs
- levels of utilisation compared to internal combustion engine or hybrid vehicle
- suitability of BEV models chosen
- staff charging behaviour (for example, usage of public or private charging, state of charge vehicles are required to be charged to)
- future BEV procurement plans.

Probity

The department has developed an internal Probity and Governance Plan to ensure high standards of probity throughout the planning and implementation of this incentive. The plan underpins the following principles:

- treating all potential participants with impartiality and fairness, with all having equal opportunity to access and respond to information and advice
- using a competitive process to rank the bids in order of merit against the identified assessment criteria
- maintaining the accountability and transparency of the process, assessing all bids in a systematic manner consistent with the incentive evaluation plan
- managing all participants' information to ensure the confidentiality and security of that information, including any intellectual property, proprietary and privacy issues
- identifying and managing conflicts of interest before carrying out work or as soon as they arise.

The department ran a competitive tender and appointed O'Connor Marsden & Associates Pty Ltd (ABN 94 135 783 792) as the independent probity adviser for the incentive. The probity adviser will monitor the conduct of the rounds and ensure they are delivered in line with the probity principles underpinning the delivery of the incentive, as described above.

Should any participant have questions or concerns about the probity of the incentive, they are welcome to bring these directly to the probity adviser's attention: email Richard O'Neill, Partner at OCM Probity.

Provision of false or misleading information

The department takes fraud very seriously. It is an offence to provide false or misleading information to the department.

If a participant provides any information, or makes any representations to the department that the department considers is or may be intended to be misleading, deceptive, deceitful or otherwise fraudulent, the department may take the following actions against the participant:

- refusing to consider their bid
- refusing to accept or consider any further funding request
- withdrawing their funding offer
- requiring the return of funding paid by the department
- escalating to further investigation or law enforcement involvement.

Double incentivisation

The same vehicle cannot receive funding under both the competitive bid and kickstart options. Each vehicle can only be incentivised once.

Fleet managers cannot request an incentive for the same vehicle under both the individual fleet stream and the aggregator stream in the same round, but they can apply in both the individual and aggregator streams for different vehicles.

Operation of incentivised chargers

Charging infrastructure installed through the incentive program must only be used by the participating organisations to support their incentivised fleet vehicles. Incentivised charging infrastructure cannot be used for commercial profit. For example, chargers cannot be installed for public use where fees are charged to generate revenue.

Audit

Participants may be subject to audits to verify all details and claims, including but not limited to:

- legitimacy of information provided in the bid (for example, mileage)
- purchase, receipt and registration of vehicles being incentivised
- acceptable use of incentivised vehicles
- purchase, installation and use of funded smart chargers (where applicable).

Audits may be carried out directly by the department or third party that has a relationship with the department.

Audits may be carried out during or after the completion of the funding round. The department will notify the participant to confirm the details.

If an audit reveals non-compliance, the department may take corrective actions against the participant and restrict their participation in future funding opportunities.

Data and information

The NSW Government may publish aggregate information of round results on the energy website.

The NSW Government may use de-identified data in training materials, case studies, evaluations and other portfolio purposes.

To understand how data is collected, stored and protected when visiting the energy website and bidding platform, visit the NSW Climate and Energy Action Privacy page.

Complaints and appeals

Complaints concerning competitive bid funding are to be emailed to the EV fleets incentive program team using electric.fleets@dcceew.nsw.gov.au

Complaints will be reviewed by the department within 30 business days.

If the complaint cannot be resolved within 30 business days, it will be escalated to a nominated complaints and review officer from the NSW Government, who will advise the next steps. If the complaint is still not resolved satisfactorily, the NSW Ombudsman can be engaged for external review of the administrative actions of the NSW Government.

Application support

User guide, frequently asked questions, industry information session recordings as well as other supporting documents can be found on the EV fleets incentive website.

Requests for support can be made by emailing the Electric Vehicle Fleets Team at electric.fleets@dcceew.nsw.gov.au

Glossary

Aggregator: An organisation that bids for vehicles on behalf of its customers. An aggregator is a party to the funding deed with the NSW Government.

Balloon payment: A balloon payment is the final amount due on a loan or lease that is structured as a series of small monthly payments followed by a single (typically larger) sum at the end of the loan or lease period.

Base charging: Smart charging installed at the fleet's business premises or employee's home, which may feature single or dual charging ports.

Battery electric vehicle (BEV): A vehicle that is fully electric and powered by an electric drivetrain. BEVs do not include plug-in hybrid or hybrid electric vehicles. A BEV is commonly referred to as just an 'EV'.

Car rental companies: Companies that provide traditional car-hire services. Bookings are usually made in advance, and go by the day, week or month. Vehicles are owned by the rental company and procured prior to the customers' commitment. Vehicles are typically hired for up to 6 months. The contract is for time only, with additional fees for kilometres travelled and tolls. Customers hiring vehicles are required to make a deposit/balloon payment.

Car share companies: Companies that allow customers to hire vehicles owned by private individuals. Bookings can be made in advance or last minute and users are often charged by the hour.

Car subscription companies: Companies that provide a service similar to car rental companies that is generally a more economical option for longer periods of time (typically 4–24 months). Users pay a recurring fee (typically weekly or monthly) to access a specific vehicle, instead of purchasing or leasing it. The contract bundles everything except fuel and tolls. The car subscription company owns the vehicle and procures it before the customer's commitment/usage.

Ceiling price: The maximum average incentive requested per vehicle in a competitive bid that the NSW Government is willing to pay. Note: in order to increase competitiveness in the bidding process, the department does not disclose the ceiling price. However, the department will disclose the ceiling prices from closed rounds. The department will exclude from ranking any bids that would need an average incentive per vehicle that exceeds the ceiling.

Charge-as-a-Service (CaaS): A subscription-based model allowing fleet operators to pay a regular fee in exchange for access to EV charging equipment, located at the incentivised BEV(s) garaging location, and owned/managed by an unrelated third party. Upfront charger installation costs or external network connection costs may be additional. The service can deliver turnkey EV charging stations, including management software, 24/7 driver support and professional field maintenance. CaaS solutions may be termed under rental of charger offerings.

Conflict of interest: A situation where bidding Participants may be, or may be perceived to be, influenced by personal interests (financial and non-financial) or personal associations.

Electric vehicle (EV): In these guidelines, electric vehicle refers to battery electric vehicle (BEV).

Financial lease: A lease where the lessee has the option to purchase the vehicle at the end of the lease. The lessee will obtain ownership of the vehicle upon an 'offer to buy' or 'balloon payment' at the end of the lease. The lessor does not buy a vehicle until they have the customer's commitment and purchases the vehicle on behalf of the lessee. The lessee pays monthly instalments that go towards the vehicle. The term of a financial lease is typically 3 or more years, and the contract generally includes the lease only. A deposit payment may be required from the lessee. At the end of the lease period, the residual value of the vehicle must be paid by the lessee.

Fleet: A group of vehicles owned or leased by an organisation and used for business purposes.

Fleet manager: For the purposes of these guidelines, a fleet manager means those bidding under the individual fleet stream and aggregator stream of the competitive bid option, that is, fleet managers managing vehicles for their own organisation, and aggregators managing fleet vehicles for customers.

Fleet management organisation (FMO): A company that provides operational and/or financial leasing arrangements to customers requiring fleet vehicles. FMOs help organisations with the acquisition, maintenance and disposal of fleet vehicles. They also help streamline administration and reporting.

Fuel cell electric vehicle (FCEV): A vehicle that has an electric motor that is powered by a fuel cell. The fuel cell converts hydrogen into electricity to run the motor.

Heavy vehicle: Vehicles designed exclusively for heavy commercial applications. They have a gross vehicle mass greater than 8 tonnes.

Hybrid electric vehicle (HEV): Vehicles that use both fossil fuel (petrol or diesel) and electricity to power both an internal combustion engine and electric motor. HEVs have a fuel tank and an electric battery for energy storage. The internal combustion engine recharges the battery.

Internal combustion engine vehicle (ICEV): Vehicles that use fossil fuel (petrol or diesel) to power an internal combustion engine. These represent the traditional petrol and diesel vehicles in the market.

Individual fleet: For the purposes of these guidelines, this term refers to an organisation with 21 or more vehicles registered and used for business purposes in New South Wales.

Leaseback vehicle: An arrangement where a vehicle is purchased by an employer and then leased back to an employee for both business and personal use. Leaseback arrangements are common among local councils.

Luxury Car Tax (LCT): A tax imposed by the Australian Taxation Office on luxury vehicles. For the financial year 2026-2027, the threshold is $91,661 for fuel-efficient vehicles.

Light commercial vehicle (LCV): Vehicles designed for commercial applications, primarily carrying goods used for business or trade. They have a carrying capacity of one tonne or greater and a gross vehicle mass of up to 4.5 tonnes. They include light trucks, utes and vans.

Novated lease: A financial arrangement in which a vehicle is provided to an employee by a financier/FMO, but the leasing obligations rest with the employer. The employer pays for the vehicle lease and running costs out of the employee's salary. This is usually done through a combination of pre-and post-tax salary deductions (salary packaging). The employee's name is on the registration. However, it remains a lease and the employee does not actually own the vehicle. The financier/FMO owns the vehicle. The employee can purchase the vehicle at the end of the lease, refinance the contract or start a new lease with a different vehicle. As it is a lease, it must have a residual value at the end of the lease due to ATO legislation, with the ATO providing guidelines for the residual amount. The employee carries the residual value risk if the lease is terminated early.

Operating leasing: An operating lease is a type of vehicle lease that also combines the vehicle running costs into a single monthly payment for the customer. Fuel may be included in the contract, and the term is typically 3 or more years. An operating lease is tax-deductible and carries no residual value risk for the customer if the vehicle is well maintained. The vehicle is typically also used without conveying ownership rights to the lessee. The lessor owns the vehicle and does not buy it until they have the customer's commitment.

Original equipment manufacturer (OEM): A company that manufactures and/or imports vehicles or vehicle components.

Passenger vehicle (PV): A vehicle designed primarily for the carriage of passengers, such as hatches, sedans and wagons.

Public charging: Any charging undertaken on publicly available chargers, not including at a private residence or worksite (for example, employee's home or work). Public charging is assumed to be powered by 100% renewable energy. It is currently assumed that, on average, fleet BEVs in Australia access public charging sites to satisfy up to 8% of their charging needs. The remaining needs are satisfied by base charging infrastructure (that is, the chargers at work facilities or at the employees' homes, if the vehicle is home-garaged overnight).

Plug-in hybrid electric vehicle (PHEV): Vehicles that use both fossil fuel (petrol or diesel) and electricity to power both an internal combustion engine and electric motor. PHEVs have a fuel tank and an electric battery for energy storage. PHEVs can be recharged by plugging the vehicle into electric charging sources and refuelled at conventional service stations. They typically have smaller batteries than a BEV.

Price cap: A price limit – based on recommended retail price (RRP) plus GST – above which vehicles will not be considered for the incentive, except by exemption. For the seventh funding round, a price cap of $91,661 (including GST) applies to eligible PVs and SUVs. There is no price cap on eligible LCVs.

Smart chargers: Chargers that share data connections with the vehicle being charged and a charging operator. This data is hosted by a cloud- based application that helps monitor, manage and restrict the use of charging devices to manage energy consumption. Smart chargers can adjust the time of day that electric vehicles are charged and the rate of charging. By adopting smart chargers, fleet managers can better manage their charging requirements, achieve cost savings and reduce the impact that electric vehicles have on the electricity grid.

Sports utility vehicle (SUV): SUVs evolved from conventional 4WDs. They come in a range of sizes and are based on a 2/4 door wagon body type and elevated ride height.

Subscription: An arrangement in which an individual pays a regular fee (usually weekly or monthly) to use a car. This fee usually also covers registration, insurance, maintenance and repairs, but not fuel or charging costs. Subscription arrangements are usually designed to have more flexibility than a lease, but at a lower cost than a long-term rental.

Total cost of ownership (TCO): The whole-of-life cost of a vehicle. There are several inputs into a TCO calculation, such as purchase price, fuel costs, maintenance and taxes.

TCO gap: The difference in the TCO between a BEV and an equivalent-sized ICE vehicle over a given period and distance of use.

For more information

[Visit the NSW EV fleets incentive website]

[Email the Electric Fleets team]

www.energy.nsw.gov.au