



**Training Proposal for:
John L. Sullivan Chevrolet, Inc.**

**Alternative and Renewable Fuel and Vehicle
Technology Program (AB 118)**

Agreement Number: ET15-0294

Panel Meeting of: August 22, 2014

ETP Regional Office: Sacramento

Analyst: M. Mazzone

PROJECT PROFILE

Contract
Attributes: Priority Rate
Retrainee

Industry
Sector(s): Green Technology
Retail
Services

Counties
Served: Alameda, Placer

Union(s): Yes No

FUNDING DETAIL

All Funding will be under the Alternative and Renewable Fuel and Vehicle Technology Program created under AB 118.

Program Costs	Total ETP Funding	In-Kind Contribution
\$23,220	\$23,220	\$59,933

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Commercial Skills	15	8-200	0-22	\$774	\$16.00
				Weighted Avg: 43			
2	Retrainee Priority Rate	Commercial Skills	43	8-200	0-10	\$270	\$16.25
				Weighted Avg: 15			

Minimum Wage by County: \$16.00 per hour for Job Number 1 in Placer County and \$16.25 per hour for Job Number 2 in Alameda County.

Health Benefits: Yes No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: Yes No Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1:		
Service Technician		15
Job Number 2:		
Sales Representative		30
Service Technician		13

INTRODUCTION

In this proposal, John L. Sullivan Chevrolet, Inc. (John L. Sullivan) including the co-owned John L. Sullivan Investments, Inc., dba Roseville Toyota (Roseville Toyota) and John L. Sullivan Enterprises, Inc. dba Livermore Toyota (Livermore Toyota), seeks funding under the Alternative and Renewable Fuels Vehicle Technology Program (ARFVTP, AB118) program. John L. Sullivan will be the lead employer for training its employees and those of its close affiliates Roseville Toyota and Livermore Toyota.

John L. Sullivan is a new and used vehicle sales and service dealership, headquartered in Roseville. Along with its affiliates, it is referred to collectively as the Sullivan Auto Group. According to Company representatives, they sell the largest quantity of new Toyota and Chevrolet alternately powered, fuel efficient, and low-emission vehicles in the greater Sacramento region and throughout northern California.

This proposal, under ARFVTP and AB118, is designed to allow the Sullivan Auto Group the ability to more effectively sell and service alternatively powered vehicles in support of the long-term reduction of carbon emissions throughout the region.

AB 118

The AB 118 Program is administered by ETP in partnership with the California Energy Commission (CEC). The overall goal of the AB 118 Program is to support a transition from petroleum-based transportation to alternative and renewable fuels and clean, low carbon vehicle technologies. Training is focused on job skills for a skilled workforce for the production, maintenance, and distribution/sale of vehicles powered by new alternative fuels, as well as the design, construction, and operation of the accompanying refueling infrastructure for such vehicles.

Alternative Fuel is defined as any fuel other than the traditional selections, gasoline and diesel from petroleum sources, used to produce energy or power. Examples of alternative fuels are: bio-diesel, ethanol, methanol, electricity, propane, compressed or liquid natural gas, and hydrogen.

The Need for AB 118 Training

The Sullivan Auto Group's clean-green products and services include new/used car sales, parts retailer, and maintenance/repair service for plug-in hybrid electric vehicles (PHEV) (such as the Chevrolet Volt and Toyota Plug-in Prius), hybrid vehicles, and E85 flex fuel (ethanol) vehicles.

John L. Sullivan seeks to provide significantly better, more proficient and cost-effective service/maintenance and improve initial sales of greener, cleaner motor vehicles in an area of California heavily impacted by air pollution. As such, the Sullivan Auto Group needs training on vehicles with alternate power systems, particularly PHEVs.

Currently, customers ask many questions about the alternative fuel technologies. According to John L. Sullivan, staff is not equipped to handle those questions with their current lack of knowledge, resulting in customers buying more conventionally powered and fewer alternately powered vehicles than they otherwise would. This is exacerbated by the fact that, during bad economic times, drivers keep their cars, SUVs and trucks longer, choosing repair over investment in a newer and potentially cleaner vehicle.

In addition to providing training to service personnel who will keep existing alternately powered vehicles running, John L. Sullivan has determined that a significant need exists to train the sales staff, to increase sales of cleanly powered vehicles to customers who would otherwise continue to drive vehicles with the more polluting internal combustion engines, both four-stroke and diesel. The public is going to dealerships to learn about these new technologies. Research and inquiries recently conducted by John L. Sullivan show that providing this training to sales personnel at similar dealerships has led to statistically significant increases in the sales of vehicles powered by alternate fuels.

Incumbent workers who did not receive all or part of the trainings from the previous curriculum will have the opportunity to do so during the new contract term. In no event will training offered under this proposal duplicate training received under the previous Agreement.

Training Plan

John L. Sullivan is proposing to train 58 employees in a training curriculum in AB118 Commercial Skills spanning both maintenance/service skills and sales skills. The training plan contains consists of Class/Lab training and Computer-based training (CBT). The training plan contains two Job Numbers, with Technical Staff in Job Number 1 and 2, and Sales Staff in Job Number 2.

Commercial Skills - The curriculum encompasses a program of training in maintenance-service for technical staff, as well as in technical commercial skills knowledge for sales staff, applicable to engines, power trains, and directly related systems in alternately fueled vehicles, including sedans, SUVs, small and heavy-duty trucks, and related vehicles.

Commitment to Training

John L. Sullivan represents that ETP funds will not displace the existing financial commitment to training. Company representatives state that periodic training is provided on an ad-hoc basis. The Company's training budget is approximately \$390,000 annually (\$130,000 per location). Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

John L. Sullivan represents that its commitment includes the company's overall goal better sales of PHEVs and other alternately powered and low-emission vehicles, through improved and continuing sales and service training.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by John L. Sullivan under an ETP Agreement that was completed within the last five years also using AB118 funds:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET12-0806	Roseville	06/25/12 - 03/31/14	\$138,708	\$22,996	(17%)

ET12-0806: This was John L. Sullivan's first ETP contract. Training started slower than anticipated, which caused some trainees not to reach the minimum 24 hours of training in order to earn reimbursement. The contract representative had difficulty with the service tech managers and a training schedule was not mandated. John L. Sullivan now realizes that its original request for funding was too aggressive to take on while still handling the needs of the business.

The contract representative states that these issues have been corrected and the requested funding amount has been reduced to a more manageable amount. The representative has ensured that the service tech managers effectively schedule training to meet the growing need of knowledge regarding alternate fuel vehicles.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

8-200

Trainees may receive any of the following:

COMMERCIAL SKILLS

- ❖ Introduction to Hybrids, BEV's and PHEV's
- ❖ Major types and models of Hybrids (parallel, series) and electric vehicles
- ❖ New Models: performance, fuel efficiency, and features
- ❖ How hybrids meet diverse needs (commutes, long trips, mixed use)
- ❖ Fuel efficiency literacy: mainly gas (mpg) and electric (kWh) and MPGe
- ❖ Cost of ownership (great EV/hybrid benefit) vs. initial cost
- ❖ Purchase/lease incentives (Federal, State, charging, HOV)
- ❖ Charging basics (level 1-120V, level 2 2-240V, and J1772 standard)
- ❖ Charging stations (home, public-major networks including ChargePoint and Clipper Creek)
- ❖ Driving and charging: recommended techniques
- ❖ Programs and rates of major utilities (SMUD, PG&E)
- ❖ Renewable energy sources for electric vehicles (utility & home)
- ❖ New Technologies: fuel efficiency & power flow
- ❖ New Technologies: integration with smartphones/mobile apps
- ❖ E85 (ethanol) Flex Fuel vehicles (and Propel)

Chevrolet

- ❖ Hybrids: Theory, Operation and Service
- ❖ Hybrids: Diagnosis and Repair (Sessions 1 and 2)
- ❖ Two-mode Hybrid 300V battery system theory and operation
- ❖ Two-mode Hybrid 2ML70 transmission theory and operation
- ❖ Two-mode Hybrid supporting systems theory and operation
- ❖ Two-mode Hybrid system diagnosis & repair (sessions 1 & 2)
- ❖ Two-mode Hybrid safety and battery system service
- ❖ eAssist: Introduction, safety, battery storage systems, system diagnosis and service
- ❖ Volt and SparkEV: Introduction and safety; High voltage disable procedure
- ❖ Advanced Technology: Vehicle power electronics, transmission, support systems
- ❖ Electric Vehicle (EV): Systems diagnosis and service (Sessions 1 and 2)
- ❖ EV: Transmission diagnosis and service
- ❖ EV: Systems and battery diagnosis and service
- ❖ EV: Engine performance and repair
- ❖ EV: Automatic and manual drivetrains, transaxle/transmissions
- ❖ EV: Steering and suspension, HVAC and brakes
- ❖ EV: Strategies for data communication

Toyota

- ❖ Toyota Hybrid general service
- ❖ Plug-in Prius and Rav4EV service, diagnosis and repair
- ❖ Hi tech hybrid classes

- ❖ Hybrid system diagnosis
- ❖ Multiplex CAN diagnosis
- ❖ Hi tech engine service and repair (H112a, 973a & 973c)
- ❖ Hybrid/EV: Advanced electronic/computer systems
- ❖ Hybrid/EV: Advanced emissions diagnosis
- ❖ Hybrid/EV: Battery service
- ❖ Master Technician High-Tech update
- ❖ Fuel cell service, diagnosis and repair

Safety Training will be limited to 10% of total training hours per-trainee

CBT Hours

Job Number 1: 0-22

Job Number 2: 0-10

COMMERCIAL SKILLS

Job Number 1

- ❖ Chevrolet Volt service, diagnosis and repair (1 hr)
- ❖ Chevrolet SparkEV service, diagnosis and repair (1 hr)
- ❖ High voltage battery service (2.5 hrs)
- ❖ Bi-fuel systems (1 hr)
- ❖ General hybrid and electric vehicles (1 hr)
- ❖ Battery systems (2 hrs)
- ❖ New models (hybrid/EV) – customer satisfaction (0.5 hrs)
- ❖ Advanced technology transmissions and supporting systems (1 hr)
- ❖ Hybrid/EV: engine performance, new and updates (1 hr)
- ❖ eAssist diagnosis, service, safety (1 hr)
- ❖ Toyota hybrid general service (3 hrs)
- ❖ Toyota Plug-in Prius service, diagnosis and repair (1 hr)
- ❖ Toyota hybrid technical updates (1 hr)
- ❖ High tech hybrid operation and diagnosis (1 hr)
- ❖ Toyota hybrids and new models (1 hr)
- ❖ Toyota Rav4EV service, diagnosis and repair (1 hr)
- ❖ Toyota Rav4EV technical updates (1 hr)
- ❖ Toyota fuel cell general service (3 hrs)

Job Number 2

- ❖ Chevrolet Malibu eco walk around (1 hr)
- ❖ Chevrolet Volt walk around (0.5 hrs)
- ❖ Chevrolet Volt sales (1 hr)
- ❖ Chevrolet Volt competitive comparisons (1 hr)
- ❖ Chevrolet Volt selling skills (1 hr)
- ❖ Chevrolet Volt delivery and follow-up (1 hr)
- ❖ Chevrolet SparkEV walk around and sales (1 hr)
- ❖ Toyota Plug-in Prius walk around and sales (1 hr)
- ❖ Toyota Plug-in Prius updates (0.5 hrs)
- ❖ Toyota Rav4EV walk around and sales (1 hr)
- ❖ Toyota Rav4EV updates (0.5 hrs)

Note: Reimbursement for retraining is capped at 200 total hours per trainee, regardless of method of delivery. CBT is capped at 50% of total training hours, per trainee.