

Clean School Bus Program Overview

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Overview of the Bipartisan Infrastructure Law EPA Clean School Bus Program

The new legislation authorized EPA to award grants, rebates, and contracts to eligible recipients for the replacement of existing school buses with zero emission and clean school buses

- \$5 billion over five years (FY22-26) -> \$1 billion per year
 - Half of the funding is for zero emission, battery-electric buses
 - Half of the funding is for clean buses, including zero-emission, propane, and CNG buses

Why clean school buses?

- While new buses meet EPA's tougher emission standards, many older buses continue to emit pollutants that can be harmful to health like nitrogen oxides (NOx) or particulate matter (PM)
- Students are particularly vulnerable to air pollution inside and near older diesel school buses, and these pollutants increase their risk of asthma and other respiratory illnesses.
- Bus drivers, other school staff, and neighboring communities are also exposed to diesel exhaust

Benefits of zero-emission and clean school buses

The <u>Department of Energy's Alternative Fuels Data Center</u> provides useful information about the pros and cons of electric and alternative fueled buses

Benefits of zero-emission buses	Benefits of alternative fueled buses
Zero tailpipe pollution	Reduced tailpipe pollution
Reduced greenhouse gas emissions compared to diesel school buses	Potential for reduced greenhouse gas emissions compared to diesel depending on the alternative fuel that is used
Reduced maintenance costs	Potential for reduced fuel costs compared to the diesel depending on the alternative fuel that is used
Potential for fleets to partner with local utilities to feed power back into the grid when buses are not in use and electricity demand is high	

EPA's Clean School Bus Program Goals

Engage	Engage stakeholder in program development
Evolve	Evolve the programs, as needed, based on successes and lessons learned
Promote	Promote cost parity between bus technologies
Allow	Allow school districts multiple opportunities to apply for funding
Maximize	Maximize the number of zero emission and clean buses that get funded
Ensure	Ensure a broad geographic distribution of awards

2022 Clean School Bus Rebate Program

Progress Update

- The final program guidance is still under development
 - We are unable to release the full program details at this time
- We are targeting late April to open the rebate program
- We welcome your feedback. Please submit comments to <u>cleanschoolbus@epa.gov</u>

School Bus Definition

 For the 2022 CSB Rebates, "school bus" is defined as a passenger motor vehicle designed to carry a driver and more than 10 passengers, that the Secretary of Transportation decides is likely to be used significantly to transport primary and secondary school students to or from school or an event related to school

Eligible Applicants

- Eligible State and Local Government Entities:
 - Local Educational Agencies (LEAs), Public School Districts, a few State agencies that own/operate bus fleets for their schools
 - Includes DC, Puerto Rico, Guam, American Samoa, Commonwealth of the Northern Mariana Islands, and the US Virgin Islands
- Eligible Tribal Entities:
 - An Indian Tribe or Tribal Organization as defined in section 4 of the Indian Self-Determination and Education Assistance Act
 - A tribally controlled school as defined in section 5212 of the Tribally Controlled Schools Act of 1988 (25 USC 2511)
 - That is responsible for providing bus service to 1 or more Bureau-funded schools (as defined in section 1141 of the Education Amendments of 1988 (USC2021)) or is responsible for the purchase of school buses
- Eligible Nonprofit School Transportation Associations:
 - Trade associations and membership organizations in the student transportation industry

- Eligible Contractors:
 - Eligible contractors are for-profit, not-for-profit, or nonprofit entities that have the capacity to:
 - Sell eligible buses, charging or fueling infrastructure, or other maintenance equipment for eligible buses, to entities that own school buses; or to arrange financing for such a sale
 - For example, eligible contractors may include school bus manufacturers and dealers

Prioritization for funding

- Per the statute, the rebate program will prioritize the replacement of buses which serve:
 - High-need school districts
 - Tribal schools
 - Rural and low-income areas
- EPA plans to post a list of prioritized applicants

Charging and Fueling Infrastructure

- Interested in fleet electrification? Reach out to your utility now!
 - Reach out to your utility: It can be a months-long process to secure charging infrastructure for electric buses. EPA wants to avoid funding fleet electrification when charging infrastructure isn't ready.
- EPA has created a charging and fueling infrastructure technical assistance page: www.epa.gov/cleanschoolbus/charging-and-fueling-infrastructure-resources
- EPA will be working closely with the Joint Office of Energy and Transportation to provide additional technical assistance and support for school bus fleets on infrastructure planning
- EPA is awaiting final guidance from the Office of Management and Budget on any applicable Buy America requirements

Why is EPA running a Rebate Program?

- Rebate Programs:
 - Fastest funding program to develop
 - Quickest timeline fleets to receive funding
 - Straightforward rules rebates are for bus replacements and infrastructure (not workforce development or administrative costs)
 - Streamlined application, selection, and funding processes
 - Application tends to be shorter, at about 1 page, rather than grant applications
 - Applicants will be put into a lottery
- EPA is exploring options for future grant and other funding opportunities

Available Funding for FY2022

- FY2022 Rebate Program: \$500 million
 - Half for zero-emission buses only

- Half for clean school buses and zero-emission buses
- EPA may award more than \$500 million based on applicant demand and other considerations
 - This total amount can reach up to just below \$1 billion
- The amount received by all eligible entities in a State cannot exceed 10% of the total amount awarded each fiscal year

Application Process

- New online application form
- Application period: Approximately three-month open period
- Applicant needs old bus model years and VINS
- Applicant needs an active SAM.gov registration

Please check <u>www.epa.gov/cleanschoolbus/prepare-clean-school-bus-funding</u> for more information about how to prepare for the upcoming rebate program

- All applicants must identify the elementary and/or secondary school district served by the
 bus being replaced, and which will continue to be served by the new replacement bus for
 not less than five years from the date of delivery
- Eligible contractors and nonprofit school transportation associations that apply for funds must also notify and seek approval from the school district that would be served by the buses purchased using award funds

Next Steps

Please visit www.epa.gov/cleanschoolbus to:

- Check our schedule of events for upcoming informational webinars
- Create a fleet inventory using the 2022 Clean School Bus Inventory Sheet provided online
 - This information will help you characterize the buses in your fleet to best determine what buses may be the best candidates for replacement with new electric or alternative fuel buses
- Sign up for the Clean School Bus listserv and continue to check <u>www.epa.gov/cleanschoolbus</u> for latest program updates
- More program details and technical resources will be available soon
- Thinking about electrification? Begin discussions with your utility now
- Please submit comments to cleanschoolbus@epa.gov

Upcoming Announcements

- In the coming weeks, EPA will:
 - Release program guidance including:
 - Specific eligibility information for applicants, buses to be replaced, and new buses
 - Prioritized applicant list

- EPA cost share
- o Upcoming informational webinars including:
 - Program kickoff
 - Demos of how to complete an application
 - Weekly Q&A sessions during open rebate application period