September 20, 2022

Karl Simon
Director, Transportation and Climate Division
Office of Transportation and Air Quality
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

## Re: Upcoming EPA Clean School Bus Program 2022 Grants

Dear Director Simon:

On behalf of the Alliance for Electric School Buses (AESB), we write to share our recommendations for the design and rollout of the Agency's Clean School Bus Program (CSBP) grants to be launched this fall. Following the inaugural implementation of the CSBP rebates, this is a critical opportunity to ensure the historic funding made available through the Program can reach the communities who most need a clean ride to school -- especially those that might not have been able to apply for or receive rebates. We greatly appreciate your time and consideration.

Our <u>Alliance</u> is a diverse partnership of not-for-profit organizations committed to equity. The AESB was established in 2017 and works with local community members, state and federal decision makers, and stakeholders to transition dirty diesel to zero-emission, electric school buses (ESBs). We prioritize communities disproportionately harmed by air pollution – Black, Indigenous, Latinx, Asian and communities of color and low-income communities. AESB members have organized thousands of families and school leaders across the country to support school bus electrification, and most recently ensured school districts applied for, and communities supported, the CSBP rebates.

We offer our support as the Agency allocates this funding and funds electric school buses in every U.S. state and territory. We want to see the Agency achieve its stated goal of benefiting historically underserved and overburdened communities. With this mind, we respectfully offer the following recommendations:

#### **GRANT PROGRAM DESIGN**

# **Eligibility**

We encourage the EPA to ensure that school districts can qualify for the competitive grant program regardless of whether they own or lease school buses, and to allow school districts interested in bringing school bus service in-house to qualify. We also recommend that school districts are not required to scrap/donate/sell another bus not in their possession in order to participate. As we learned in the rebate program, school districts that do not own buses wanted to apply but needed to find buses to scrap first, which presented logistical challenges.

#### **Funding Delivery**

We recommend that the EPA, like with the CSBP rebates, makes the funding available upfront, before school districts must pay for the new buses. This will ensure that low-income school districts are able to participate.

### **Fuel Type**

We ask the EPA to prioritize and promote the deployment of electric school buses, which ensures the greatest reduction in emissions and brings electric buses to scale and promotes cost parity. With the reductions in cost that this program could achieve in the first few years, electric school buses could achieve a lower total cost of ownership (TCO). We believe electric models should be eligible for full funding, while non-electric models should only receive partial funding, both due to the difference in harmful emissions locally and the large discrepancy in TCO costs. Current alternative fuels buses prolong the time buses will be emitting locally harmful and greenhouse gas emissions and do not future-proof school fleets. Furthermore, we encourage the EPA to prioritize replacing the oldest and most polluting buses, such as any pre-2009 buses still in actual use.

# **Funding Levels**

We encourage the EPA to continue providing generous funding for electric school buses. For electric school bus charging stations, we recommend increasing the funding amounts compared to the rebate program, as many school districts noted they would need additional funds for the necessary infrastructure upgrades.

#### **Prioritization Criteria**

Prioritization is critical to ensuring the Clean School Bus Program meets its intended goals. We urge the EPA to use different data sets than in its current criteria to achieve a list that better reflects the school districts who most need a transition to electric school buses. Specifically, for the grants program we recommend that the EPA use a different indicator for determining which school districts are low-income, such as how many students receive free and reduced lunch. We also urge the EPA to create an opportunity for large urban districts with geographic pockets of wealth and poverty to apply certain sections (such as transportation zones or attendance areas) that might meet the low-income or high-need criteria when their school district at large does not. For example, Chicago and New York City have multiple sub school districts that should qualify for funding, even if the larger school district does not.

Secondly, we ask the EPA to expand the criteria it is using for prioritization, giving additional weight to school districts persistently in nonattainment zones for ozone and particulate matter pollution, and in communities with higher levels of childhood asthma or some other way to demonstrate health burden. We continue to urge the EPA to use race as a prioritization criteria -- through indicators such as historic redlining -- to ensure program funds are reaching Black, Indigenous, Latinx, Asian and communities of color as well as low-income communities. There is no better gauge of whether a community is disproportionately exposed to pollution than race. In fact, the EPA's own EJ Screen includes race as one of the indicators that can be used to target specific "environmental justice" communities.

For these added criteria (air pollution, health burden and race), we recommend that they are used to further score prioritization, thereby narrowing the list of priority school districts, rather than adding more school districts to the list. In other words, we ask that the EPA prioritize school districts who meet the legally-required criteria of high-need, rural or tribal affiliations *AND* which are also located in areas with disproportionately polluted air, heavier health burdens, and higher populations of Black, Latinx, Asian and/or communities of color. We believe this is the best way to help the Clean School Bus Program meet the EPA's mission of protecting public health and our environment.

### **Funding Uses**

We strongly recommend the EPA provide appropriate funding for grant preparation as well as technical assistance for school bus charging, operations, maintenance, training, and disposal. If in the application school districts need to include an analysis of the bus routes, energy needs for those routes, numbers of buses, numbers of chargers, charging schedule, etc., school districts may not have that information and might need to calculate or develop it. Having technical assistance covered is critical for low-income school districts with fewer personnel. Moreover, EPA should design the application process for eligible recipients in a way that is easy, accessible, and streamlined. Hiring experienced grant writers that can draft competitive grants should also be an allowable cost, especially for districts serving predominantly low-income populations and students of color.

Additionally, transitioning fleets to electric school buses itself takes time and staff capacity in the initial stages. We recommend that the EPA allow funding to cover a (limited but reasonable) number of project management hours for school district staff that execute the transition from diesel to electric.

### **Advancing Innovative Technology**

As the cleanest technology on the market today, electric school buses bring many long-term benefits to school districts, yet impose a high upfront cost barrier. To send a signal to manufacturers, we recommend CSBP funding be used strategically to meet current demand and incentivize cost reduction measures in the coming years.

Two such measures the EPA can look into are exploring repowered school buses and how they might qualify for funding under the CSBP, and establishing benchmarks per year for the amount of funding available per bus. With the increase in demand for electric school buses that CSBP is generating, OEMs should be able to ramp up production and reduce their costs.

## Promote the Development of V2X Pilots and Training

Given the recent Memorandum of Understanding led by the Department of Energy for the development of Vehicle to Everything integration and its potential with electric school buses, we encourage the EPA to use this grant program to develop resources that will help school districts implement these types of projects at schools. The technology is here with bidirectional capabilities readily available in electric school buses and many of the chargers offered today. More research is recommended, even as evidence from existing V2G pilot programs demonstrate the potential cost savings, and even income generation, for school districts and benefits to the grid and/or the buildings from the energy stored at the onboard batteries. EPA is poised to support schools to undertake V2G exploration by funding the necessary training as well as staff capacity to establish and implement these projects in conjunction with school staff, operators, electricians, drivers and utility personnel.

## **Time Limits**

As with the CSBP 2022 Rebates, we recommend that the EPA give ample time for school districts to purchase and receive electric school buses. Given ongoing supply chain disruptions, we recommend that this frame should be at least one year, but no more than 5 years.

#### **Data Collection**

We recommend the following data be collected from award recipients in Year 1 to use in designing the program for Years 2 and beyond:

- Specific locations where buses will be parked (e.g., depots, lots)
- Information on routes of buses: mapped and/or areas served by them

Additionally, we recommend that the EPA match this data with health burden and air pollution data for the bus locations, routes and areas served by award recipients to better understand what improvements to air quality and health the EPA-funded electric school bus deployments are achieving.

We also encourage the EPA to collect and share feedback after funding has been distributed to learn how electric school buses are performing. Identifying good experiences and challenges can help fellow school districts. Data on uptime, downtime, range, maintenance issues and costs, fuel costs, and other operation details could also help the EPA learn how to help other school districts transition -- with the understanding that reporting can be time-intensive for school districts, and should be streamlined as much as possible. Where contractors, vendors or other third-parties or partners can assist with reporting, this should be allowed.

### **Additional Funding**

We support allowing school districts to pair this funding with other private, state and/or local funding or financing provided by green banks, utilities and other financial entities. However, in order not to disadvantage low-income school districts that are less likely to have other funds available, having existing additional or matching funds should not be required in order to receive funding from EPA's Clean School Bus Program.

In order to leverage federal resources, we encourage the EPA to:

- Incentivize state and local government funding through matching and reward mechanisms.
- Incentivize inclusive utility investments in charging infrastructure, batteries or buses to reduce upfront costs. Inclusive utility investments, approached with robust consumer protections, are financing mechanisms where utilities make site-specific investments and recover their costs with fixed charges. Utilities don't increase their rates, and the charges are still within the savings between operating diesel and electric buses for school districts. These mechanisms known as Tariff on Bill Programs or Pay as You Save® have been identified by the Energy Star EPA's program as emerging models to expand the scale and deployment of the zero-emissions technologies to everyone.
  - Relatedly, we urge the EPA to encourage utilities to become actively involved in the CSBP and be available to work with school districts when they are approached about electric school bus deployments. NREL, the Joint Office and other federal agencies can be critical partners to help utilities across the country prepare to serve their school districts in this transition.
- Work with the Climate Partnerships Division at EPA, which is already educating utilities, to implement utility inclusive investments in an integrated way.

#### **Limit for New Buses**

We recommend that the EPA raise the cap from the rebate program's maximum of 25 new buses, at least for the first round of the grants program. This will help ensure larger fleet deployments and help pilot programs graduate at the pace needed to achieve the full transition of school buses. To incentivize larger fleet deployments, the EPA could also set a minimum number of school buses or percentage of its fleet that school districts or operators could apply to fund.

#### **EVSE Installments**

As we did for the rebate program, we urge the EPA to require that Electric Vehicle Supply Equipment (EVSE) installation projects funded through CSBP grants employ EVITP-certified electricians in order to ensure safe and proper installation and maintain high standards in the electrical contracting industry. Through the procurement process, the EPA could encourage school districts or school bus operators to ask EVSE vendors for information on how they plan to create electrical pre-apprenticeship and apprenticeship opportunities for workers from communities that have traditionally been excluded from or under-represented in the electrical workforce, workers with barriers to employment and displaced workers. Additionally, EPA should partner with the Joint Office of Energy and Transportation to ensure strategic deployment of charging infrastructure to support electric school buses.

# **Training for Drivers and Mechanics**

In order to ensure a rapid, just, and successful transition, it will be necessary to ensure that the workers who operate and maintain electric school buses receive all of the training they need to drive ESBs, provide preventative maintenance and perform repairs when necessary. Electric motors and batteries are dramatically different technology from internal combustion engines, and require entirely new skills to use and care for them. These skills are advanced and technical, and it will take deliberate planning and thoughtful policies to ensure that workers have the opportunity to learn them as quickly as possible. The consequences for falling short on this effort include major, unnecessary delays to school bus electrification as buses wait too long for repairs, as well as disruptions to workers' livelihoods and wages (and consequent worker shortages). We urge the Agency to adopt the following measures for a smooth and successful transition that is good for communities and workers:

- 1. Workforce impact assessments, in which applicants describe and plan for the impact on their workforce, including the number of jobs impacted, an evaluation of skills, gaps and needed training to address them, a plan to train workers in the needed skills and wage disclosures.
- 2. Ensure that ESB vendors are providing training in one or both of the following ways:
  - Require applicants to include specifications in solicitations to purchase school buses that vendors train the applicant's existing workforce to operate and maintain the equipment.
  - b. Allow CSBP funds to be used for training employees in the operation and maintenance of ESBs.

# **High-Road Manufacturing**

We urge the EPA to ensure the creation of high-wage, domestic careers through program investments, especially for workers from communities that have traditionally been excluded from or under-represented in the manufacturing workforce, workers with barriers to employment and displaced workers. EPA could accomplish this through one or more of the following measures:

- Require OEMs to certify vehicle models that can be purchased using CSBP funds. This
  certification can include requirements for manufacturers to provide public, enforceable
  commitments on the creation of well-paid jobs in the U.S.; EPA can score these
  commitments to ensure that the production of school buses creates good domestic
  manufacturing careers with inclusive hiring practices.
- Encourage school districts to procure buses using best value solicitations where possible and include manufacturing job quality as a factor in evaluating bids.

## **GRANT PROGRAM ROLLOUT**

## **Program Launch**

With the CSBP rebates program, we were pleased to see the EPA conduct press-worthy events that brought attention and awareness to the launch of the funding opportunity. We would like to see the EPA do the same for the grants program, and continue to host local press conferences, attend conferences and gatherings, and participate in community events to promote the grants program. Electric school bus demonstrations and events with local community members and decision makers, in coordination with regional EPA offices, proved very persuasive for school districts interested in applying for the rebate program.

### **Webinars and Materials**

We urge the EPA to continue hosting weekly webinars and Q&A sessions for potential applicants, as well as regularly updating its CSBP website with the latest materials and information, not only from the EPA but from other federal agencies, local partners and regional offices as well. These were valuable resources for school districts and stakeholders during the CSBP rebates program, and should be continued and expanded upon for the grants program.

#### **Education**

We recommend that the EPA provide continuing outreach and education to school districts and school bus operators on the benefits of electric school buses and the infrastructure and purchasing decisions that must be made. For example, the infrastructure webinar hosted with NREL this summer was greatly educative and should be replicated, with additional materials and resources of topics discussed distributed after the webinar. This can help ensure school districts can enact successful deployments that maximize cost savings and prepare their fleets for future electrification.

## **Partnership**

We remain committed to the successful delivery of electric school buses to children who most need them and are eager to partner with you to help the CSBP be as successful as possible. We are ready to work with the EPA's national and regional offices, as well as other federal stakeholders, to achieve this goal.

The overwhelming demand for electric school buses in the CSBP rebate program demonstrates that communities across the country are ready for a clean ride for kids. Who this funding reaches, and how it does so, is incredibly important to our children's future and to our shared commitment to justice.

We look forward to meeting with you to discuss these recommendations further.

Respectfully,

Chispa Arizona
Chispa Florida, a program of Florida Conservation Voters
Chispa Maryland, a program of the Maryland League of Conservation Voters
Chispa National
Chispa Nevada
Clean Energy Works
DreamCorps Green For All
Earthjustice

Electric Bus Newsletter
Environmental Law & Policy Center
Jobs to Move America
League of Conservation Voters
Moms Clean Air Force
Mothers Out Front
New York League of Conservation Voters
Save the Sound
Sierra Club
Southern Alliance for Clean Energy
Virginia Clinicians for Climate Action
WE ACT for Environmental Justice

cc: Michael Regan, Administrator, U.S. EPA
Matthew Tejada, Director, Office of Environmental Justice, U.S. EPA
Jeff Norcross, Region 1, Office of Environmental Justice, U.S. EPA
Towana Joseph, Region 2, Office of Environmental Justice, U.S. EPA
Gail Scott, Region 3, Office of Environmental Justice, U.S. EPA
Tammi Thomas-Burton, Region 4, Office of Environmental Justice, U.S. EPA
Kathy Triantafillou, Region 5, Office of Environmental Justice, U.S. EPA
Gloria Vaughn, Region 6, Office of Environmental Justice, U.S. EPA
Monica Espinosa, Region 7, Office of Environmental Justice, U.S. EPA
Corbin Darling, Region 8, Office of Environmental Justice, U.S. EPA
Morgan Capilla, Region 9, Office of Environmental Justice, U.S. EPA
Alessandro Molina, Region 10, Office of Environmental Justice, U.S. EPA