



ALLIANCE FOR ELECTRIC SCHOOL BUSES

EPA Clean Heavy-Duty Vehicle Program 2024 Grants

CHEAT SHEET

This is a summary of the EPA's 72-page [Notice of Funding Opportunity \(NOFO\)](#). Please review the NOFO for all additional questions.

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KEY DATES

April 24, 2024	Applications open
July 8, 2024	Final date to submit questions
July 19, 2024	Final posting of Q&A document
July 25, 2024	Applications due
November 2024	Selections announced
December 2024	Awards distributed
January 2025	Projects begin

TOTAL FUNDING

Up to \$932 million
70% - \$652.4 million - for School Bus Sub-Program
30% - \$279.4 million - for Vocational Vehicle Sub-Program

ELIGIBLE APPLICANTS

1. States, including U.S. territories;
2. Municipalities, including public school districts;
3. Indian Tribes; and
 - a. Not Alaska Native Corporations
4. Nonprofit school transportation associations.
 - a. Not 501(c)4s that engage in lobbying activities

Applicants may own the vehicles to be replaced, or applicants may work with fleet owners to carry out the project. There is no requirement that the new vehicle be owned by the same fleet that owned the old vehicle. However, the vehicle purchased with program funds must be owned, not leased or leased-to-own.

CONTRACTORS

For-profit organizations are not eligible entities for this funding opportunity, but can work with grantees through the procurement process once the grants are awarded. Whether an individual consultant or an equipment vendor, they can be named as a contractor, subaward recipient, or project partner. Note that only subawards can be used to fund direct and indirect costs. Please read through EPA's guidance for additional details and requirements.

APPLICATION MECHANISM

1. School Bus Sub-Program
 - a. 70% of funding
 - b. Minimum of 10 school buses (except for Tribes and territories)
2. Vocational Vehicles Sub-Program
 - a. 30% of funding
 - b. Minimum of 3 vehicles (except for Tribes and territories)

Applicants can submit 1 application per program. Applications cannot combine subprograms.

PRIORITIZATION

- Tribes & Territories: EPA anticipates awarding at least 15 grants across both sub-programs to eligible applicants from Tribes and territories under a Tribal/territory set-aside
- Poor Air Quality: At least \$400 million of the total funding for this program will be used to fund projects serving one or more communities in areas designated as in nonattainment with the National Ambient Air Quality Standards (NAAQS) or that contains at least one census tract where the 2019 Air Toxics Screening Assessment is above the 80th percentile for census tracts nationwide.
- Disadvantaged Communities: EPA will prioritize projects that serve disadvantaged census tracts as identified by the Climate and Economic Justice Screening Tool and census block groups at or above 90th percentile for EJScreen's Supplemental Indexes, as well as any geographic area within Tribal lands as included in EJScreen.

ELIGIBLE ACTIVITIES

- The incremental cost of replacing existing ICE school buses and other Class 6 and Class 7 vehicles with ZE school buses and heavy-duty vehicles; including the cost of the vehicle, its delivery, and its warranty.
- Purchasing, installing, operating, and maintaining infrastructure needed to charge, fuel, or maintain ZE vehicles.
- Workforce development and training to support the maintenance, charging, fueling, and operation of ZE vehicles.
- Project implementation costs, such as personnel, contractors or consultants, travel, etc.

NOT allowed:

- Using federal matching funds, federally financed grants, or federal grants
- Funding infrastructure on the utility's side of the meter
- Non-renewable on-site power generation systems
- Demonstrations or commercialization
- Expenditures made prior to project period
- Emissions testing
- Leasing
- Repowers
- Expanding a fleet

ELIGIBLE VEHICLES

To Replace

- Class 6 or 7
 - For school bus sub-program -- can only be a school bus, not other vehicle type
 - Type C only - most Type A and all Type D buses are excluded
- Operational when applying - able to start, move, have all necessary parts
 - For school bus sub-program -- must have provided service at least 3/week on average during 2022-2023 school year, excluding emergency-related school closures
- 2010 or older diesel vehicles are first priority for replacement, then 2010 or older ICE (gas, CNG, propane) vehicles. 2010 or older buses (any fuel type) must be scrapped once replaced.
 - If no 2010 or older vehicles in the fleet, can replace 2011 or newer diesel or ICE vehicles. These vehicles can be scrapped, sold or donated once replaced.
 - If 2011 or newer, vehicle can be moved to reduced service and a 2010 or older vehicle not in service can be scrapped, sold or donated in its place.

To Purchase

- Electric or zero-emissions; repowers or conversions not eligible
- Engine Model Year 2023 or newer
- Class 6 or 7
- Ordered after receiving EPA award notice
- Purchased, not leased or leased-to-own
- No unvented diesel heaters
- Conform with all safety standards
- Maintained, operated, insured, registered, charged according to manufacturer recommendations and state requirements
- Not purchased with other federal funds (IRA tax credits okay)

- For vocational vehicle sub-program, vehicle must be similar in form and function

School buses are *not* subject to Build America, Buy America provisions.

ELIGIBLE INFRASTRUCTURE

- Limited to customer's side of the meter
- Level 2, DC Fast Chargers, V2X equipment
 - Level 2 must be EPA ENERGY STAR certified
- Eligible costs include design and engineering; installation costs such as trenching, wiring and electrical upgrades, labor, and permitting; and related intelligent equipment and software designed to monitor vehicle and infrastructure performance (such as telematics or charge management software)
- Electricians installing infrastructure must be EVIPT certified.

Build America, Buy America requirements do apply to charging infrastructure equipment.

PER VEHICLE FUNDING

\$280,000 for a school bus + charging infrastructure

\$300,000 for an ADA compliant school bus

Everyone is subject to per-vehicle cost caps.

Project implementation costs are not included in the per-vehicle cap.

COST SHARE

EPA only provides up to 75% of new vehicle price. Applicants are responsible for the remainder. Applicants can use state, utility, private funding or financing (like school bonds) to meet the cost-share, but not other federal funds (even pass-through like DERA).

- In-kind administrative costs may count towards cost-share, pending they meet federal requirements
- Applicants can offer to cover more than 25% -- this is known as voluntary cost sharing, or matching funds. Recipients are legally obligated to meet cost-shares they voluntarily included in the approved project budget. Cost-share contributions must be for eligible costs (e.g., not for expenditures on the utility's side of the meter). Applicants must describe in the project narrative how and when they will obtain the cost share and how it will be used, and include the cost-share in the project budget.
- Applicants can also leverage other resources to meet the 25% or beyond. Leveraged resources do not need to be spent on eligible costs, and can be described in the narrative but not included in the project budget.

Tribes and territories are not subject to cost-share requirements.

Letters of commitment are required from partners providing cost shares. Recipient is still ultimately responsible for ensuring the cost-share is met.

If cost-share does not materialize, EPA may reconsider the award.

TO APPLY

Eligibility criteria:

- Applications must comply with instructions and requirements. Can't be more than 15 pages.
- Applications must be submitted through grants.gov.
- Applications must be submitted on time.
- Applications must support EPA's goal to tackle climate change and reduce climate missions.
- Applications must be submitted to the right sub-program and meet the vehicle minimums.
- Applications must specify the EPA region based on where the vehicles will operate.

Evaluation criteria:

Project Narrative	130 possible points
Section 1 - Project Summary and Approach <ul style="list-style-type: none"> • Overall Project (10 possible points) • Applicant Fleet Description (10 possible points) 	20 points
Section 2 - Environmental Results - Outcomes, Outputs and Performance Measures <ul style="list-style-type: none"> • Expected Project Outputs and Outcomes (10 possible points) • Performance Measures and Plan (5 points) • Timeline and Milestones (5 possible points) 	20 points
Section 3 - Programmatic Capability & Past Performance <ul style="list-style-type: none"> • Past Performance (5 possible points) • Reporting Requirements (5 possible points) • Staff Expertise (5 possible points) 	15 points
Section 4 - Environmental Justice and Disadvantaged Communities <ul style="list-style-type: none"> • Prioritized Counties Containing Disadvantaged Communities: Nonattainment Areas (10 possible points) • Prioritized Counties Containing Disadvantaged Communities: Areas with Air Toxics Concerns (5 possible points) • Community Engagement (5 possible points) 	20 points
Section 5 - Project Readiness <ul style="list-style-type: none"> • Coordination and Consultation with Utility <ul style="list-style-type: none"> ○ Charging needs ○ Upgrades needed ○ Costs ○ Rates for future service ○ Timeframe for necessary upgrades • Coordination and Consultation with Approvers (e.g., School Board) <ul style="list-style-type: none"> ○ School board awareness form 	10 points
Section 6 - Project Sustainability <ul style="list-style-type: none"> • Ability to promote and continue efforts to reduce emissions after EPA funding for the project has ended • School buses will service districts listed in the project for at least 5 years 	5 points
Section 7 - Climate Resilience <ul style="list-style-type: none"> • Protection and preparation for extreme weather and other climate-related events 	5 points

Section 8 - Job Quality and Workforce Development <ul style="list-style-type: none"> • Workforce Impact Assessment • Worker Training • Worker Safety • Workfer and Labor Engagement 	10 points
Section 9 - Funding Beyond Mandatory Cost Share <ul style="list-style-type: none"> • Additional resources leveraged for the project • Applicants demonstrating confirmed initiatives will score higher than those with only prospective initiatives 	5 points
Section 10 - Budget <ul style="list-style-type: none"> • Budget Detail (10 possible points) • Expenditure of Awarded Funds (5 possible points) • Reasonableness of Costs (5 possible points) 	20 points

MANDATORY materials (all either online or accepted only as PDF or Word documents):

- Standard Form 424, Application for Federal Assistance
- Standard Form 424A, Budget Information for Non-Construction Programs
- EPA Form 4700-4, Pre-Award Compliance Review Report
- EPA Form 5700-54, Key Contacts Form
- Project Narrative Attachment Form, Project Narrative (15 page limit, including budget but not including the cover page)
- Other attachments:
 - Applicant Fleet Description (use the template)
 - If applicable: Documentation of Partnership with Utility
 - If applicable: Documentation of School Board Awareness
 - If applicable: Documentation of Third-Party Approval
 - If applicable: Cost Share Commitment Letters
 - If applicable: Intertribal Consortium documentation

Optional materials (not included in 15 page limit):

- Project Team Biographies
- Negotiated Indirect Cost Rate Agreement
- Partnership Letter(s)

EPA has specific requirements regarding file naming format.

LABOR STANDARDS

Applications will also be evaluated based on the extent to which the applicant demonstrates: 1) a plan to prepare the workforce for the project, 2) policies and protections to prevent existing workers from being replaced or displaced because of the new vehicles and infrastructure, and 3) activities to incorporate worker voice into the project.

SCRAPPAGE

Applicants must propose to replace eligible vehicles with comparable, eligible ZE vehicles. Existing vehicles must be disposed of (i.e., scrapped, sold, or donated) according to program guidelines. For vehicles moved to “reduced service,” a detailed scrappage plan must be submitted and requires prior EPA approval.

Scrappage includes cutting a hole in the engine block or cutting through the chassis frame/rails. Other methods may be considered but would require pre-approval from the EPA.

PROJECT LENGTH

24-36 months

Projects start around January 2025

AWARDS

40-160 awardees

\$500,000 to \$60 million per award

Partial allocations are possible

REGIONAL DISTRIBUTION

Region Total Anticipated Funding per Region

1	\$ 50,000,000
2	\$ 92,000,000
3	\$ 83,000,000
4	\$ 90,000,000
5	\$ 100,000,000
6	\$ 117,000,000
7	\$ 64,000,000
8	\$ 67,000,000
9	\$ 218,000,000
10	\$ 51,000,000

Allocation is based on the percentage of the population that is living in PM2.5 and ozone nonattainment areas that are attributable to the region, and the percentage of the total NOx and diesel PM emissions from mobile sources that are attributable to the region.

WHAT TO DO NOW

1. Register for SAM.GOV and GRANTS.GOV
2. Sign up for EPA newsletter and webinars
3. Put project team in place and begin application