December 18, 2023

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: EPA Clean School Bus Program

Dear Director Simon:

We write to congratulate you on another fruitful year of Clean School Bus Program (CSBP) implementation. The continued demand for the CSBP funding 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 are grateful for the thoughtfulness and dedication EPA staff have shown.

The <u>Alliance for Electric School Buses</u> comprises over two dozen not-for-profit groups that work at the local, state, and federal levels to drive an equitable transition of the nation's school buses to electric models that won't pollute the air we breathe. Our members have mobilized advocates and organized parents, students, and community leaders in nearly 40 states to help conduct education, outreach, and advocacy on behalf of the CSBP. We have helped dozens of school districts decide to apply and receive approval from their school boards, and we continue engaging utility companies to ensure a smooth experience for communities electrifying school bus fleets across the country.

Based on this experience and collecting the input of electric school bus advocates on the 2023 grants and rebate rounds, we offer our recommendations for future funding opportunities. These comments are not in order of priority, rather organized by topic.

### Timeline

• In GRANTS, alter the application window timeline. For 2023, the application timeline coincided with summer break, making it harder for school district staff to get the application materials together, and even to reach school districts. We urge EPA to open the grants application earlier in the year.

### Prioritization

- Continue allowing large school districts to self-certify as low-income. We appreciate EPA
  listening to our prior feedback and ensuring that large, Title I-funded school districts serving
  predominantly low-income students but with pockets of wealth are not excluded from the
  priority list. We urge EPA to continue allowing self-certification for such school districts.
  Prioritizing these school districts for funding will put more clean school buses in low-income
  areas.
- Allow any school district to apply on behalf of sub-districts that meet self-certification criteria
  for Title I school districts. Currently, only large school districts can self-certify a sub-group of
  schools within the district if those schools received Title I funding and all the buses being
  requested will primarily serve those schools. We recommend offering this same option to

subdistricts that aren't large as defined by EPA (with more than 35,000 students or 45 or more schools).

## Eligible Applicants

- Create a teaming list of Third-Party and Eligible Contractor applicants. During the grants
  round and even in the rebate round, school districts were not sure who they could apply with
  if choosing not to apply on their own. We urge EPA to create a list of eligible third parties that
  school districts could apply through, also known as "teaming" lists. Such examples by federal
  agencies <u>already exist</u>.
- Continue allowing school districts that do not own their buses to waive scrappage requirements in order to apply. We urge EPA to allow a waiver, as was done in the grants round, for priority school districts seeking electric school buses that do not own buses and can't meet the requirement to replace and scrap an existing diesel bus. We were disappointed that EPA removed this option during the 2023 rebates, which could help disadvantaged school districts that are less likely to own their bus fleets. The lack of waiver makes it harder, if not impossible, for these school districts to apply. We ask for the waiver to be reinstated so that school districts that contract their bus service but need to change to owning buses can apply for funds themselves, without necessitating applying through their contractors or making an attestation that may not fit the facts.

# Application / Project Narrative

- In GRANTS, award more points for air quality improvements. Replacing diesel buses with electric school buses will do the most good in communities with the worst air quality, given the reduction in tailpipe pollution. We appreciate EPA listening to our prior feedback and incorporating air quality into the grants round, awarding more points to buses that would run routes in areas of nonattainment or maintenance status. We urge EPA to increase how much air quality improvements are worth in the selection criteria for future rounds, to at least 15 out of 120 possible points, or at least 15% of total possible points possible.
- In GRANTS, award more points for workforce impact assessments. Worker training and retention is critical to the success of electric school bus deployments. We were glad to see that EPA included workforce impact assessments as part of the grants selection criteria. We urge EPA to increase how much workforce impact assessments are worth, to at least 10 out of 120 possible points, or at least 10% of all possible points. In addition to asking applicants to detail plans for training and retaining workers, we also urge EPA to ask for the number, minimum wages, and union status per employee classification, and number of jobs expected to be lost, created, or changed if awarded funding.
- In GRANTS, continue to award more points for proposals that take into account climate impacts. We found this particularly helpful to ensure the sustainability and longevity of projects, and urge EPA to continue incorporating climate impacts into the selection criteria.
- In REBATES, require workforce impact assessments from applicants seeking 5 or more school buses. Worker training and retention is critical to the success of electric school bus deployments, and its importance is not diminished whether an applicant is receiving a rebate or a grant. We were glad to see EPA strongly encourage school districts to develop comprehensive workforce plans in partnership with their employees to help them prepare for the transition to clean school buses. We are disappointed that such plans are encouraged but not required as part of the rebate application. We urge EPA to require workforce impact assessments as part of rebate applications for applicants seeking 5 or more school buses. In

addition to asking applicants to detail plans for training and retaining workers, we urge EPA to ask for the number, minimum wages, and union status per employee classification, and number of jobs expected to be lost, created, or changed if awarded funding.

## Funding

- In GRANTS, provide greater clarity on how much funding applicants can request. We greatly appreciated that the grants round allowed more uses for funding, and included implementation and consulting costs for project deployment. Yet, we heard many questions from applicants about exactly how much funding could be applied for and received; the distinction between implementation costs and bus and charger funding was not immediately clear. We ask that EPA provide greater detail about this in the next grants Notice of Funding Opportunity. For the rebates, the program guidelines provided better clarification on eligible uses of funding, especially for infrastructure and workforce needs.
- In GRANTS, prioritize awards for school districts deploying innovative solutions. We urge EPA to encourage applications from school districts and bus operators looking to scale their infrastructure for full-fleet conversions; exploring vehicle-to-grid, vehicle-to-building, and/or microgrids; or looking into other innovative solutions that could advance school bus electrification. We believe it is especially important to encourage larger fleet conversions and aggregate orders so as to push manufacturers to scale up to economies of scale.
- In GRANTS, continue to encourage, but not require, cost-share. Cost-share is an important way to stretch federal dollars. At the same time, requiring cost-share would disadvantage low-income school districts or school districts in the 17 states that do not provide state-level funding for electric school buses. We urge EPA to continue encouraging, not requiring, cost share for priority school districts.
- Continue to provide additional funding for bus transporting students with disabilities. We urge EPA to continue the practice of providing additional funding for buses fitted with ADA-compliant wheelchair lifts in future rebate and grant rounds. We also ask EPA to award additional points to grant applicants applying for such buses, as those student populations are already at special risk of suffering the impacts of diesel pollution.
- Continue to provide additional funding for shipping buses overseas to Alaska, Hawaii, and U.S. territories. We were glad to see EPA provide additional funding for shipping buses to states and territories outside of the continental United States, and encourage this practice in future grant and rebate rounds.
- Flexibility in funding for infrastructure. We urge EPA to continue providing one combined funding amount in future rebate and grant rounds, allowing applicants to choose how much to spend on infrastructure versus buses. This will make much-needed funding available for critical infrastructure.

# Rebate Lottery Selection

• In REBATES, maintain prioritization for Zero-Emission School Bus Fund applicants. Under program guidelines, during the current/2023 lottery EPA will first select the highest numbered application for each state that applied, without regard to fuel type. This contradicts EPA's own findings under the 2022 Clean School Bus rebates, when over 2,000 applicants, representing every U.S. state requested nearly \$4 billion in funding -- 90% of them requesting electric school buses. EPA was able to double the total award amount to \$900 million, and still nearly 1,500 school districts landed on the rebates waitlist, overwhelmingly seeking electric school bus funding. Popular demand is clear: school districts want support to transition to electric school buses. We urge EPA to meet consumer demand for the buses

- that have proven to be the best choice for children's health, school district cost savings, and cleaner air. In future rebate rounds, applicants seeking Zero-Emission School Bus funding should be prioritized in lottery selection.
- In REBATES, consider air quality. Replacing diesel buses with electric school buses will do the most good in communities with the worst air quality, given the reduction in tailpipe pollution. This is especially important for people in communities of color, who breathe dirtier air than their white peers and are more vulnerable to toxic diesel pollution. As the EPA aims to meet its Justice40 requirements, we urge EPA in lottery selection to first prioritize school districts that are seeking Zero-Emission School Bus funding AND serving areas in nonattainment for air quality.

### Infrastructure

- Convene stakeholders to solve infrastructure challenges. EPA encourages fleet operators to contact their electric utility early and often to discuss school bus electrification (and in fact requires proof of this for the rebate round), but utilities are not accustomed to providing guidance for *potential* service requests where project funding is not guaranteed. As such, CSBP applicants are struggling to engage utilities throughout the application process. We heard many examples where utilities were unwilling/unable to provide site visits or fleet analyses for school bus operators until the funding is guaranteed -- even in areas where make-ready programs are available. We also heard of utilities that signed forms indicating their support for electric school bus grant proposals, but without committing to provide actual support if the school district is awarded. The existing process for requesting utility service does not match the needs of fleet operators applying for federal funding. Additionally, funding for infrastructure needs is outpacing EPA's funding. We urge EPA to work with the Joint Office, utility trade associations, and other key stakeholders to find collaborative solutions to assist school districts as they seek funding.
- Co-host a webinar with the Joint Office for utility companies supporting school bus fleets. The webinar could be hosted in partnership with the Beneficial Electrification League and the Edison Electric Institute to share with utility companies how they can support Clean School Bus Program applicants. Utilities already active in this program could share their experiences and best practices for achieving regulatory approval of electric school bus infrastructure projects. EPA could hear feedback directly from utilities, and learn how school districts and other eligible applicants can efficiently and meaningfully engage with utility stakeholders throughout the application process.
- With the Joint Office, participate in and present at NARUC's annual conference, or identify other avenues to reach utility regulators. EPA could present at NARUC's annual conference on the Clean School Bus Program and how utilities can support school bus electrification. This would reach an audience that may not be aware of the program or the critical role that utilities, and their regulators, play in its success.
- Survey electric utility companies. We urge EPA to leverage its partnership with the Edison Electric Institute and the Beneficial Electrification League, as well as its collaboration with the Joint Office, to develop and distribute a questionnaire for utilities to provide details on how they are supporting school bus electrification. The questionnaire could ask questions about what existing make-ready, V2G or EV programs electric school buses qualify for; what rate structure electric school buses fall under; how costs are recovered; and maps of where 3-phase power is available. The responses would be published publicly and made available for CSBP applicants. Ideally, EPA, EEI and BEL could create utility stakeholder groups that can advise EPA and develop best practices on how utilities can support CSBP applicants.

• Ask the Joint Office to provide more infrastructure/informational support. Renegotiate terms of BEL/EEI agreement to publish list of key contacts for utilities on Joint Office website. Assist applicants with questions regarding different stakeholders involved in infrastructure planning and various business models for electric school bus energy and operations needs.

## **Education & Technical Assistance**

- Respond to questions more quickly. School districts still need a lot of education before
  deciding to apply. They tend to have very simple questions about the program how is the
  rebate different from a grant, what does each require, what about this set of circumstances.
   We heard from many applicants and potential applicants that EPA responses to questions
  emailed into the helpline took too long.
- Introduce the TCTACs. The Thriving Community Technical Assistance Center should play a major role in helping priority school districts apply for CSBP funding. We urge EPA to host a webinar session with the EPA Office of Environmental Justice introducing TCTACs to the CSBP and how they can support priority school districts. To ensure this assistance is adequate, we urge EPA to ensure that within each TCTAC there is one person and/or group with knowledge about the EPA Clean School Bus Program. We also encourage EPA to ensure TCTACs are connected with regional NREL/Joint Office staff who can provide deployment and implementation technical assistance to school districts.
- Encourage peer-to-peer learning. School districts and bus operators greatly value hearing from peers sharing their experiences with electric school buses. We urge EPA to have regional offices set up cohorts of school districts that have already electrified and/or received CSBP funding who can answer questions about electric school bus deployments for new interested applicants. Peer-to-peer learning has already been successful in certain EPA Regional Offices, including Region 5, and can be emulated elsewhere.
- Ongoing education. School districts and communities need ongoing education from trusted experts. We appreciate how EPA has provided education on school bus electrification through national and regional webinars, school district conferences, and materials published on the CSBP website. It was especially impactful to have NREL address electric school bus myths and offer technical advice on infrastructure and route planning. We also encourage EPA to be language inclusive and create materials in major languages to ensure widespread community education. In particular, we recommend EPA develop or publish additional materials on:
  - Workforce development training needs and how they can be met;
  - The importance of procuring from high-road manufacturing companies, to complement the manufacturer survey on the EPA's website;
  - How utilities and regulatory commissions can support ESB programs;
  - How to maintain electric school bus charging equipment;
  - o How to structure interconnection agreements when V2X is involved;
  - How to fairly and equitably recover costs for electric school bus make-ready programs,
     such as Inclusive Utility Investments.
- Tax credit education. While EPA encourages awardees to pair CSBP funding with IRA tax credits, many are not aware of the tax credits or how to claim them. We urge EPA to partner with IRS and other stakeholders to provide more education on the applicable tax credits, and especially elective/direct payment, which few school districts are familiar with. We greatly appreciated that EPA hosted a December 5th webinar with the Department of the Treasury on this very topic. Providing information on tax credits or other options for gap financing

- could help school districts and bus operators decide to apply for CSBP funding and understand how much they could save with electric school buses.
- **New education**. We are pleased to hear that EPA is developing some activity guides and related materials for schools. The CSBP is having an immediate impact as electric school buses are deployed. We urge EPA to partner with the Alternative Fuels Data Center to provide resources and tools for school districts to calculate how much pollution (NOx, PM 2.5, greenhouse gasses) they are reducing by going electric. We also encourage EPA to collect and share curricula other school districts have created to educate students about electric school buses.

### Labor Standards

- Strengthen the manufacturer questionnaire. We greatly appreciate that EPA has listened to our concerns regarding labor standards and made its support for job quality in the clean school bus market clearer. We see that EPA has taken important steps towards providing transparency on working conditions at school bus original equipment manufacturers (OEMs) through the manufacturer questionnaire. To build on this initiative and create real accountability for manufacturers, we urge EPA to:
  - Make responding to the questionnaire mandatory to receive funding from the Clean
     School Bus Program, and expand it to battery and charging station manufacturers.
  - Make the questions more specific to invite more detailed answers, and allow fleet operators to make apples-to-apples comparisons between companies. For example, EPA should solicit information on the minimum wage paid to employees in each employment classification, and more detailed information on health benefits.
  - Score the questionnaire responses according to job quality.
  - Provide higher subsidy amounts for buses that receive higher scores.
  - Continue making all information public on the EPA website.
- Continue to require EVITP certification for EVSE installations. We appreciate that EPA has
  made this a requirement for the 2023 grants and rebates, and urge you to continue doing so.
  This will ensure electric school bus infrastructure is installed safely and properly by trained
  experts.

## Reporting

• Collect additional data. We urge EPA to collect data from recipients on where buses are parked and areas that they serve as part of interim and/or final reports. EPA can then use that data to compare it with data on health burden and air quality to identify and report on program impact. We also urge EPA to track how many EPA-funded school buses are serving students with disabilities.

We know this is an exWe would be glad to meet with your team to discuss these recommendations and answer any questions you may have.

Again, thank you for the time and dedication you have given to ensure the success of the Clean School Bus Program. The Alliance for Electric School Buses shares your commitment to a speedy and equitable transition to zero-tailpipe-emission school buses.

Respectfully,

Chispa LCV

Chispa Maryland, a program of the Maryland League of Conservation Voters

Chispa Nevada

Chispa Texas

Clean Energy Works

Dream.org

Earthjustice

Electric School Bus Newsletter

Environmental Law & Policy Center

It's Electric! Coalition

Generation180

Jobs to Move America

League of Conservation Voters

Moms Clean Air Force

Mothers Out Front

New York League of Conservation Voters

Piedmont Environmental Alliance

Sierra Club

Southern Alliance for Clean Energy

Texas Electric School Bus Project

cc: Michael Regan, Administrator, U.S. EPA

Theresa Segovia, Principal Deputy Assistant Administrator, Office of Environmental Justice, U.S. EPA

David Cash, Administrator, U.S. EPA Region 1 Office

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