# Clean School Bus & DERA

EPA Region 9
Air & Radiation Division

# Overview of the Bipartisan Infrastructure Law's Clean School Bus Program

Under **Title XI: Clean School Buses and Ferries**, the Bipartisan Infrastructure Law (BIL) provides **\$5 billion** over five years (FY22-26) for the replacement of existing school buses with clean school buses and zero-emission school buses.

These new clean school bus replacements will produce either zero or low tailpipe emissions compared to their older diesel predecessors.

School bus upgrades funded under this program will result in cleaner air on the bus, in bus loading areas, and in the communities in which they operate.

The first funding opportunity was the 2022 Clean School Bus Rebates. We expect the next funding opportunity to be a grants program that opens in Spring 2023.





## **CSB Rebates verses CSB Grants**

While both grants and rebates provide selectees with award funds **prior** to purchasing eligible buses and infrastructure, there are a few differences between these types of funding programs:

	Rebates	Grants		
Application Process	Quick and simple	Longer, more detailed		
Selection Process	Random number generated lottery process	Evaluation of application materials and scoring criteria		
Project period support, flexibility, and duration	Shorter project period; less support and flexibility in funding provided to applicants	Longer project period; may offer more support for recipients during the project, as well as flexibility in funding – such as covering project implementation costs - and timing of the project, such as longer project periods to complete the project.		

EPA encourages school districts to consider which competition structure (grants or rebates) best suits their needs.





# 2023 CSB Grant Program Overview



EPA anticipates awarding approximately **\$400 million** in CSB funding under this FY23 Notice of Funding Opportunity (NOFO).

This NOFO **includes two sub-programs**, one for school district and Tribal applicants (School District Sub-Program) and one for third-party applicants (Third-Party Sub-Program).

Eligible activities include the replacement of existing internal-combustion engine (ICE) school buses with electric, propane, or compressed natural gas (CNG) school buses, as well as the purchase and installation of electric vehicle supply equipment (EVSE) infrastructure.

EPA is prioritizing applications that will replace buses serving high-need local education agencies, Tribal school districts funded by the Bureau of Indian Affairs or those receiving basic support payments for students living on Tribal land, and rural areas. EPA is committed to ensuring the CSB Program delivers on the Justice40 Initiative to ensure that at least 40% of the benefits of certain federal investments flow to disadvantaged communities.





## **Eligible Applicants**

#### School District Sub-Program

Eligible entities: (1) State and Local Governmental Entities (e.g., school districts), (2) Public Charter School Districts, and (3) Indian Tribes, Tribal Organizations, or Triballycontrolled Schools

Minimum of 15 buses
Maximum of 50 buses

Targeting large single-fleet turnovers that may have been limited by the 25-bus maximum in the rebate program.

#### Third-Party Sub-Program

Eligible entities: (1) Nonprofit School Transportation Associations and (2) Eligible Contractors (including OEMs, Dealers, and Private Bus Fleets)

Minimum of <u>25 buses</u>

Maximum of <u>100 buses</u>

Application must include at least <u>4</u> school district beneficiaries.

Targeting school districts - particularly small, rural, Tribal, or low-income beneficiaries - that may benefit from third-party technical support, grant administration, and coordination (e.g., with utilities)





# Prioritization Criteria 2023 CSB Grants\*

The Bipartisan Infrastructure Law allows EPA to prioritize certain communities that will benefit from the CSB program. For this funding opportunity, prioritized communities include:

#### HIGH-NEED SCHOOL DISTRICTS AND LOW-INCOME AREAS

- School districts listed in the Small Area Income and Poverty Estimates (SAIPE) School District Estimates for 2021 as having 20% or more students living in poverty.
- School districts located in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.
- Title I-funded public school districts and charter school districts not listed in the SAIPE data.
- Title I-funded large public school districts (more than 35,000 students and/or more than 45 public schools) that do not meet the 20% SAIPE threshold.

#### **RURAL**

• School districts identified with **locale code "43-Rural: Remote"** by the National Center for Education Statistics (NCES).

#### BUREAU OF INDIAN AFFAIRS FUNDED SCHOOL DISTRICTS

SCHOOL DISTRICTS THAT RECEIVE BASIC SUPPORT PAYMENTS FOR CHILDREN WHO RESIDE ON INDIAN LAND

\*Please note that program criteria may be different from prior CSB funding opportunities and are subject to change in future rounds of CSB funding

Applications due Tuesday, August 22 www.epa.gov/cleanschoolbus





# **CSB Funding per Replacement Bus**

School District	Replacement Bus Fuel Type and Size						
Prioritization Status	ZE* – Class 7+	ZE* – Class 3-6	CNG– Class 7+	CNG – Class 3-6	Propane – Class 7+	Propane – Class 3-6	
Buses serving school districts that meet one or more prioritization criteria	Up to \$395,000 (Bus + Charging Infrastructure)	Up to \$315,000 (Bus + Charging Infrastructure)	Up to \$45,000	Up to \$30,000	Up to \$35,000	Up to \$30,000	
Buses serving school districts that are not prioritized	Up to \$250,000 (Bus + Charging Infrastructure)	Up to \$195,000 (Bus + Charging Infrastructure)	Up to \$30,000	Up to \$20,000	Up to \$25,000	Up to \$20,000	

<sup>\*</sup>Funding levels include combined bus and EV charging infrastructure. Recipients have flexibility to determine the split between funding for the bus itself and the supporting infrastructure.

Vehicle and Infrastructure
Costs: Eligible project costs
include the purchase price
of eligible vehicles as shown
on this slide and electric
vehicle supply equipment
(EVSE) infrastructure for
new electric buses

#### **Project Implementation**

Costs: Eligible additional project costs also include those costs directly related to the implementation, management, and oversight of the project. Please refer to the NOFO for additional specific information.

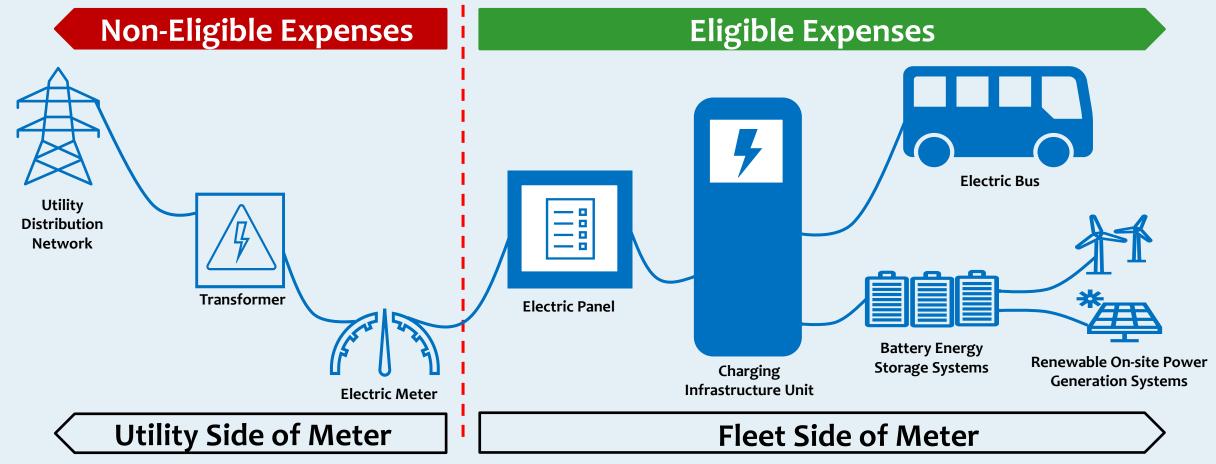






## Infrastructure Funding Restrictions





- EPA funding for infrastructure is limited to the fleet's side of the meter. May include installation, upgrades (including software and telematic equipment) and permits. Funds may also be used for battery energy storage systems (BESS) associated with new electric school buses, and renewable on-site power generation systems to power the buses and equipment, if on the fleet side of the meter.
- All Level 2 charging infrastructure purchased under this program must be <u>EPA ENERGY STAR certified</u> chargers. EPA recommends that all other charging infrastructure (e.g. DC Fast-Charge) purchased under this program be listed by a Nationally Recognized Testing Laboratory (NRTL).

## **Important Dates**

April 24, 2023	Notice of Funding Opportunity (NOFO) Opens			
May – August, 2023	Various Webinars on CSB Grant Program  More information can be found on the <a href="https://www.epa.gov/cleanschoolbus">www.epa.gov/cleanschoolbus</a> website under the 'Webinars' section.			
August 9, 2023	Final Date to Submit Questions			
August 22, 2023 at 11:59 p.m. (ET)	NOFO Closes – Application Deadline Application packages must be submitted electronically to EPA through Grants.gov (www.grants.gov) no later than Tuesday, August 22, 2023, at 11:59 p.m. Eastern Time (ET) in order to be considered for funding			
November 2023 to January 2024	Anticipated Notification of Selection			
February to March 2024	Anticipated Awards			







# Summary



#### 2023 CSB NOFO

- Application packages must be submitted to EPA via Grants.gov no later than 8/22/23 at 11:59 p.m. ET.
- Dates and topics for future webinars are on our website under the 'Webinars' section.

#### **Future Funding Opportunities**

- EPA encourages school districts to consider which competition structure (grants or rebates) best suits their needs.
- EPA anticipates opening a rebate program in fall 2023.

#### Resources

- EPA's CSB Program website
- The Joint Office of Energy and Transportation (cleanschoolbusTA@nrel.gov)
- The CSB helpline (cleanschoolbus@epa.gov)

#### **Stay in Touch**

- View the full 2023 CSB Grant NOFO at <a href="mailto:epa.gov/cleanschoolbus/clean-school-bus-program-grants">epa.gov/cleanschoolbus/clean-school-bus-program-grants</a>
- Submit questions to <u>cleanschoolbus@epa.gov</u>
- Don't miss any updates! To sign up for the listserv, please visit epa.gov/cleanschoolbus.



# Diesel Emission Reduction Act (DERA)



- DERA provides grants to accelerate the upgrade and turnover of diesel fleets to reduce diesel air emissions from medium- and heavy-duty vehicles or nonroad engines
  - Scrap an existing, currently operating older diesel engine;
     replace it with new, cleaner similar vehicle type
- Some eligible diesel vehicles and equipment include:



## **DERA Funding Programs**



National Grants
23/24 Now Open



Tribal & Insular
Area Grants
2023
Coming Soon

## **DERA National**

- National grant program, very competitive
- 2-year cycle
- Eligible entities- involved in transportation, air quality & diesel fleets
  - Tribal, regional, state, local, or port agencies
  - Nonprofit organizations
  - Can partner with public & private fleets to pass down grant funds
- Must scrap and replace or upgrade an existing diesel vehicle, equipment or engine
- Various types of diesel vehicles & equipment are eligible for funding to reduce diesel emissions
- Evaluation Criteria points tied to poor air quality areas
- Now Open Closes Friday December 1, 2023

## DERA Tribal & Insular Areas

- Competitive
- No mandatory cost share requirement
- Separate funding opportunity from the other DERA programs
- More flexible than the DERA National Grant Program
- Separate review by EPA staff of the tribal & Insular Area applications
- Must scrap and replace or upgrade an existing diesel vehicle, equipment or engine
- Various types of diesel vehicles & equipment are eligible for funding to reduce diesel emissions
- Evaluation Criteria points tied to poor air quality areas

## Eligible Diesel Vehicles, Engines & Equipment

- Buses
  - Transit, school
- Class 5-8 medium & heavy-duty highway trucks
  - Drayage, Delivery, long- & short haul, trash, fire, rescue, dump, utility
- Marine engines
- Locomotive engines
- Nonroad engines, equipment or vehicles
  - Forklifts
  - Cargo handling- at a port, airport or warehouse
  - Yard Hostler
  - Construction
  - Agriculture



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