



A&M Education

# \$1 Billion Opportunity for School Districts – EPA School Bus Fleet Electrification Program

## What Is the Clean School Bus Rebate Program?

The 2021 Bipartisan Infrastructure Law allocates \$5 billion to the EPA for replacing diesel school buses with clean (propane or compressed natural gas) and zero-emission (ZE) electric buses. Since 2022, the EPA has administered an annual Clean School Bus (CSB) Rebate and/or Grant Program. The 2024 round of the CSB Rebate Program makes \$1 billion in funding available for eligible parties, with **applications due online by January 9, 2025**.

## Who Is Eligible to Apply?

Public school districts, tribal applicants and certain third parties (nonprofit school transportation associations and eligible contractors) can apply. Funding covers bus replacement, charging infrastructure and labor, electrician certification, design and engineering, workforce training and more.

## Benefits of Participating in the Program

- Acquire **up to 50 clean or ZE school buses** through rebates.
- Receive **up to \$325,000** per bus for priority (low-income or rural) districts and **up to \$170,000** per bus for non-priority districts or parties.
- Save thousands in annual fuel costs, potentially **over \$100,000 in lifetime fuel and maintenance savings**.
- Gain **additional tax benefits** through the Inflation Reduction Act (IRA); tax-exempt entities may receive part or all of the tax benefit's value through a direct payment.
- Contribute to **cleaner air** and meet key environmental health and safety goals.
- Address **environmental and transportation justice goals**, benefiting communities with higher **pollution** rates and students more likely to ride the bus: minority, **low-income** and **students with disabilities**.

## Preplanning Is Essential or Benefits May Not Be Realized

In 2022 nearly 12 percent of selectees withdrew, and many more failed to reap benefits due to:

- Limited range of electric buses, especially in extreme temperatures, that could not satisfy capacity and route requirements.
- Unplanned retraining and electrical infrastructure needs.
- Incompatible bus depot models.
- Insufficient electrical infrastructure, leading to costly upgrades and delays.
- Supply chain and infrastructure challenges delaying deployment.
- Steep learning curves for maintenance staff and drivers.
- Unaccounted indirect costs in applications, resulting in out-of-pocket expenses.
- Not leveraging other sources of funding leading to incomplete business case.

## What to Do Now – Application Steps

- **Conduct a fleet inventory** with specific information on every bus.
- **Evaluate bus types and numbers** to meet district needs.
- Coordinate with the district's electric utility provider for a **Utility Partnership Agreement**.
- **Identify funding amounts for indirect costs before submitting the application.** These include charging stations' purchase and installation, bus depot redesign, repair shop transformation, electrician certification costs and drivers and maintenance staff retraining.
- **Craft** short and long-term **business case**, make go or no-go decision.
- **Obtain school board approval.**

## A&M's Capabilities to Support Your Application and Program

A&M ensures a seamless, cost-effective transition to clean school buses, supporting districts through all steps of the process — your economic and operational analysis, rebate application writing, vehicle procurement, utilities planning, implementation, fleet management and optimization.

Possible Pain Point	A&M Solution
Limited range of electric buses.	Execute bus route analysis and optimization.
Overestimating buses to order.	Perform fleet operational analysis.
Unexpected training, infrastructure and maintenance costs.	Develop initial economic analysis for rebate application.
Incompatible bus depot model.	Redesign bus depot model based on charging needs.
Lengthy and costly electrical infrastructure upgrades.	Strategize with local utility company for timely deployment.
Delivery and/or power grid connection delays.	Manage utilities planning and supply chain.
Extensive retraining for maintenance staff and drivers.	Develop training plans and identify maintenance staffing needs.

A&M will work to ensure that the clean energy transition benefits your district. We will reduce pain points along the way and maximize opportunities through the 2024 CSB Rebate Program.

## KEY CONTACTS



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