

November 26, 2024

TO: Parry Graham (Superintendent, Lincoln Public Schools)
Andrew Stephens (Superintendent, Lincoln-Sudbury Regional High School)

FROM: Paul Shorb (Chair, Lincoln Green Energy Committee) & Scott Rodman

CC: Brad Crozier (Superintendent, Sudbury Public Schools)

RE: EV school bus funding opportunity - need to express interest soon

As you requested when we spoke yesterday, this memo provides some basic information about how the three school districts identified above (“the Districts”) could potentially receive major funding for battery electric vehicle (“EV”) school buses. The Lincoln Green Energy Committee has already voted to recommend that the Lincoln Public Schools take the preliminary step described below. **I hope that this memo will help the Districts act timely on that recommendation as soon as reasonably possible in December, to enable related parties to prepare and submit non-binding applications by January 9.**

The information below comes from conversations that Scott Rodman and I have had with Jason Raposa of Highland Electric Fleets (“Highland”)¹, Michael Callender of CleanRide², Cindy Murphy of Doherty’s Garage (“Doherty’s”)³, and other interviews and research.

Program overview

According to Jason, currently an EV school bus costs about \$200K more than a comparable diesel-powered bus, and a Level 3 “fast charger” costs about \$30K. USEPA has a “[Clean School Bus](#)” funding program that could provide the Districts with a subsidy of up to \$170K per school bus. Massachusetts has parallel incentive programs, including [MOR-EV Trucks](#)⁴ and the Accelerating Clean Transportation School Bus Program (implemented by the Massachusetts Clean Energy Center), that can provide additional funding at a smaller scale. Maintenance costs for an EV are substantially less than for a diesel bus. Therefore, with the government subsidies, an EV school bus may cost its owner less over its lifetime than a diesel bus.

The subsidies can be sought and obtained through several different business models. One option is for a third party such as Highland to apply for the subsidies, based on a non-binding expression of interest from a school district. Alternatively, the school district itself could apply or a bus service provider could apply. Whoever is designated as the applicant is the one who will

¹ [Highland](#) is a potential problem-solver for communities potentially interested in electrifying their school bus fleets. An admiring TIME magazine article is [here](#).

² [CleanRide](#) provides consulting services regarding electrification of school bus fleets.

³ [Doherty’s](#) has long been the provider of school bus services to the Lincoln school district. Doherty’s recently wrote to the Lincoln school district to propose an approach to electrification - developed in coordination with Highland and CleanRide - along the lines summarized in this memo.

⁴ MOR-EV Trucks is administered by the Department of Energy Resources (“DOER”). Most Class 7 electric school buses qualify for \$75,000 of incentives; as of 7/30/2024, there were 149 vouchers remaining at this level.

receive the federal funds. This memo focuses on the first option because it seems the most practicable, especially for the first time a school district enters into the USEPA program.

Timeline

The deadline to apply for the USEPA funding is [January 9](#). Highland is prepared to do virtually all of the work required to prepare and submit the application, but for it to do so, some earlier action is required ASAP in December.

1. **Specifically, an authorized representative of the School Board needs to sign [this form](#) (along with Highland) and an authorized representative of the School District needs to sign both that one and [this form](#) and [this form](#)**, as required by USEPA's process. Each form states that it "is not binding", meaning that the school does not need to commit to proceeding with the potential new bus project, even if funding is awarded.
2. Highland would then collect certain information from the school district (requiring no more than 30 minutes of school district staff time) and from Eversource to (A) complete the application and (B) build a financial model for the school district's review.
3. USEPA expects to announce the awards by [May 2025](#); says that an award winner typically gets an award for as many buses as it requested (it is common practice for a school district to start by seeking EVs for only a portion of its fleet); and says that a lottery is involved in deciding which school districts get awards.
4. While awaiting USEPA's decision on the application, Highland would prepare an economic model and an offer for the school district to consider and the school district would do its own due diligence. This might culminate in defining the terms of one or more contracts that would be ready to be signed if the school district wins the award. (For example, in the case of Lincoln, Doherty's Garage (the incumbent school bus service provider) has already proposed to partner with Highland to offer a service contract to the Lincoln school district at no more than the current price for diesel buses. Similarly, Highland's research and planning will show the cost to install the charging system and who would bear how much of that cost.)
5. After receiving notice of winning an award, the winner will have 180 days (i.e., until [November 2025](#)) to issue purchase orders and submit reimbursement requests to USEPA. USEPA gives extensions of that deadline for good cause shown.
6. If a school district decides to accept the award, it probably would want to initiate procurement soon to have the buses manufactured, because that can take 10 to 12 months. (Highland would order them from one of the [main manufacturers](#), such as Blue Bird, IC Bus, or Thomas Built Buses). Similarly, it presumably would want to initiate efforts soon to start building the charging infrastructure.
7. Based on the above sequence of events, the new EV buses might be ready to use by the start of the fall 2026 school year. USEPA requires completion by [May 2027](#).
8. Future rounds of application for similar funding may be possible. Jason believes that at least the current "Round 4" of funding for the USEPA program is essentially locked in, and therefore there is no risk that it would be a waste of effort to pursue funding on the schedule discussed above. However, it is possible the new Federal administration will not want to continue the USEPA's Clean School Bus funding program and/or that the new Congress will not authorize it in the federal budget.

2024 Clean School Bus (CSB) Rebate Program School Board Awareness Certification

The intent of this form is to ensure awareness of all parties involved in the potential new bus project. This form is not binding, meaning that applicants do not need to fully commit to proceeding with the potential new bus project if selected for funding. This early communication is meant to provide notice and the EPA fully expects that awardees and their appropriate school board will have additional communications as needed as part of the award acceptance process.

For this form, an authorized representative may include, for example, the Superintendent or their representative, who could sign the form after notifying an appropriate person at the Board of the application for the potential new bus project.

By signing, I certify that I am an Authorized Representative for Lincoln Public Schools and that Highland Electric Fleets (Applicant) has made us aware that Highland Electric Fleets is applying for 2024 Clean School Bus Rebate Program funding for Lincoln Public Schools. I also certify that, in discussions with Highland Electric Fleets, we have discussed the number of buses for replacement, the fuel type of the new buses, and which party will own the new buses.

School Board Authorized Representative

<i>School Board Authorized Representative Name (Print)</i>	<i>Authorized Representative Signature</i>	
<i>Authorized Representative Title</i>	<i>Phone Number</i>	<i>Email</i>

School District Authorized Representative

<i>School District Authorized Representative Name (Print)</i>	<i>Authorized Representative Signature</i>	
<i>Authorized Representative Title</i>	<i>Phone Number</i>	<i>Email</i>

Applicant Authorized Representative

<i>Applicant Authorized Representative Name (Print)</i>	<i>Authorized Representative Signature</i>	
<i>Authorized Representative Title</i>	<i>Phone Number</i>	<i>Email</i>

2024 Clean School Bus (CSB) Rebate Program School District Approval Letter for Third-Party Applicants

The intent of this form is to ensure awareness of all parties involved in the potential new bus project. This form is not binding, meaning that applicants do not need to fully commit to proceeding with the potential new bus project if selected for funding. This early communication is meant to provide notice of consent and the EPA fully expects that awardees and their appropriate school districts will have additional communications as needed as part of the award acceptance process.

For this form, an authorized representative may include, for example, Transportation Director or their representative, who could sign the form after notifying an appropriate person at the school district of the application for the potential new bus project.

By signing, I certify that I am an Authorized Representative for Lincoln Public Schools (the District) and that Highland Electric Fleets (Applicant) has Lincoln Public Schools' approval to apply for 2024 Clean School Bus Rebate Program funding on behalf of the District. I also certify that, in discussions with Highland Electric Fleets, we have discussed the number of buses for replacement, the fuel type of the new buses, and which party will own the new buses if the Applicant is selected for funding in the 2024 Clean School Bus Rebate Program.

I also certify that I am aware that school districts are eligible to apply directly, even if they contract out bus service to a private fleet; if selected, the school district could pass funds to the private fleet(s) to replace the buses. If a third-party applies on behalf of a school district and is selected for funding, then that third-party is the applicant and will receive the funding on behalf of the school district. The school district that is listed on the third-party application cannot switch the third-party applicant and the EPA will not send funding to an entity that is not the selected applicant.

School District Authorized Representative

<i>School District Authorized Representative Name (Print)</i>	<i>Authorized Representative Signature</i>	
<i>Authorized Representative Title</i>	<i>Phone Number</i>	<i>Email</i>

School District Alternative Representative

<i>School District Alternative Representative Name (Print)</i>	<i>Alternative Representative Signature</i>	
<i>Alternative Representative Title</i>	<i>Phone Number</i>	<i>Email</i>

Applicant Authorized Representative

<hr/> <i>Applicant Authorized Representative Name (Print)</i>	<hr/> <i>Authorized Representative Signature</i>	
<hr/> <i>Authorized Representative Title</i>	<hr/> <i>Phone Number</i>	<hr/> <i>Email</i>