



# DPI Transportation Services

VW SETTLEMENT

# VW RFI and DEQ Draft Plan

- ▶ SBE + DPI Submitted information to the DEQ RFI December 2017
- ▶ DEQ initial draft plan allocates in three phases
- ▶ Phase One Initial Draft Plan
  - ▶ 35% to School Bus Repower/Replacement Projects
  - ▶ No Cost Share

**Table 2: Summary of Phase 1 Funding Programs for 2018 – 2020**

NC Grant Programs (2018-2020)	Eligible Action Category	Eligible Fuels	2018-2020 Funding (Phase 1)	
			Targeted Percent*	Targeted Funding Amount
School bus replacement program	School buses	Diesel – 25%	40%	\$12,272,754
		Propane & Natural Gas – 10%		
		All-electric – 5%		
Transit bus replacement program	Transit buses	All (diesel, propane, natural gas, electric)	20%	\$6,136,377
Clean heavy-duty on-road equipment program	Class Local Freight 4-8 trucks	All (diesel, propane, natural gas, electric)	10%	\$3,068,189
Clean heavy-duty off-road equipment program	Switcher locomotives, ferries, tugs, forklifts, port cargo handling equipment, ocean-going vessel shore power, airport ground support equipment, Diesel Emission Reduction Act (DERA)	All (diesel, propane, natural gas, electric)	10%	\$3,068,189
ZEV infrastructure program		Not Applicable	15%	\$4,602,283
DEQ administrative costs		Not Applicable	5%	\$1,534,094
	<b>Total:</b>			<b>\$30,681,886</b>

\*Percentage of available settlement funds targeted in these eligible categories for 2018 – 2020.

# What does that look like?

- ▶ Non-Binding Percentage Distributions
- ▶ School Buses
  - ▶ 40% of Phase 1 Funding (\$12,272,754)
  - ▶ Targeted percentages (Non-Binding)
    - ▶ Use 5% for Electric (Relative Percentage: 12.5%) ~\$1.5M (~4 Buses)
    - ▶ Use 10% for Propane (Relative Percentage: 25%) ~\$3.1M (~32 Buses)
    - ▶ Use 25% for Diesel (Relative Percentage: 62.5%) ~\$7.7M (~88 Buses)

# Phase One DPI VW Project Proposal

- ▶ Early Replacement of VT365 Engine School Buses
- ▶ New Diesel Buses
- ▶ New Propane Buses
  
- ▶ Limited Pilot of approximately 4 electric school buses
  - ▶ LEAs will need to request/apply to be part of it (unknown exactly what that will look like)
  - ▶ There will be additional requirements on testing, monitoring, routing, and reporting from all levels of LEA staff



# DPI Actions in the Coming Months

- ▶ Finalize New “Fuel Burning” School Bus Specifications
- ▶ Complete Bid Process on existing 060C State Term Contract for School Buses
- ▶ Submit a Statewide School Bus Replacement Project Proposal in response to DEQ’s RFP
- ▶ Modify Existing School Bus Specs to create an “Electric Powertrain” School Bus Specification
  - ▶ School Bus Spec Committee Members
  - ▶ Vendor Input

# Other Considerations

- ▶ Define Requirements for LEA proposals to take on one of the limited Electric School Bus Pilots
- ▶ LEAs are not precluded from presenting their own projects in answer to the RFP from DEQ
- ▶ Future Project Phases and Potential for MaxxFORCE 7 Early Replacement based on Engine Model Year

Questions?

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