PGE Electric School Bus Fund

Frequently Asked Questions

What are the goals of the Electric School Bus Fund?

The goals of this fund are to:

- Promote the transition to electric school buses for school districts in PGE's service area
- Help communities in PGE's service area learn about the benefits of electric school buses
- Document and broadly share lessons learned

Why is PGE investing in electric school buses?

Transportation is the single biggest source of greenhouse gas emissions in Oregon. Using clean energy to power electric cars, buses and trucks can reverse this trend and mitigate harmful tailpipe pollutants. At PGE, we are working with our customers to make affordable, clean electricity the fuel of choice for transportation, and the Electric School Bus Fund is just one more way for us to help promote that transition.

Where do the funds come from?

The Electric School Bus Fund is supported by the sale of Oregon Clean Fuels Program credits, which PGE receives on behalf of residential customers who charge their electric vehicles at home.

The Oregon Clean Fuels Program, administered by the Oregon Department of Environmental Quality, aims to reduce Oregon's greenhouse gas emissions from transportation by 10% from 2015 to 2025. PGE participates in the program as a provider of low-carbon transportation fuel, and the proceeds from the sale of credits PGE receives are used to promote and support transportation electrification.

What do the funds cover?

Selected public school districts receive upfront funding to pay for the incremental cost of electric school buses (the difference in cost between the traditional bus and the electric bus), as well as charging infrastructure costs and any necessary driver or technician training. PGE also provides technical assistance to school districts throughout the process, including site assessments, guidance on charger and bus selection, and monthly check-in calls.

Specifically, here is a list of eligible and ineligible costs:



Project Cost	Eligibility for Funding
Incremental cost of an electric school bus (with equivalent specs/options to a conventional bus)	✓ Eligible
Electric school bus options including charge port relocation, DC fast charging, and V2G	✓ Eligible
Engineering, design, permitting, construction, and other costs necessary to install charging infrastructure	✓ Eligible
Charger and any add-on features (cellular connectivity, cable management, etc.)	Y Eligible (up to \$50,000)
Charger's network software fees, cellular data fees, maintenance plan, extended warranty	✓Eligible (up to 3 years)
Bus driver and technician training	✓ Eligible
Fuel costs (i.e. electricity)	× Ineligible
Vehicle or driver insurance costs	× Ineligible
Bus maintenance or extended warranty costs	× Ineligible
Site costs not directly required for electrification (e.g. onsite renewables, energy storage, landscaping)	× Ineligible

Can I apply for more than one electric school bus?

Yes, the fund can cover the incremental cost of multiple electric school buses up to \$500,000 per application. For reference, the incremental cost is approximately \$200,000 for a Type A electric school bus, and \$250,000 for a Type C or D electric school bus. Typically, this means school districts can receive funding for up to 2 buses, but if school districts have additionally funding (i.e. DERA grant or VW mitigation funds), then more buses could be funded within the cap.

Who is eligible to apply?

Public school districts that are wholly or partially located in PGE's <u>service area</u> are eligible to apply. Transportation contractors can apply in partnership with the school district they serve (may be more than one). Previous grant recipients may apply for additional buses/chargers only after their prior project has been completed.

How will school districts be selected?

In selecting project participants, PGE will look for:



- Interest in exploring school bus fleet electrification
- Commitment to engaging community, school, and/or other stakeholders in the project
- Interest in using the electric bus in curriculum development around STEM, climate science and/or sustainability
- District commitment to diversity, equity and inclusion
- School districts that leverage other funding mechanisms such as VW Mitigation funds or Diesel Emissions Reduction Act (DERA) Grants

What is the timeline for the project?

Applications open April 15th, 2022 and interested school districts must submit complete applications by June 1st, 2022 at 5pm PDT. PGE aims to have decisions made by August 15th 2022 with buses on the road by the start of the 2023-2024 school year.

If my grant application is successful, when will I receive the funds?

If the school district owns/operates the bus fleet, they will receive 100% of grant funds upfront, including the estimated cost of charging infrastructure up to \$50,000. A funding agreement must be signed by the recipient before funds can be dispersed.

Once the project is complete, the recipient will need to report actual project costs including invoices and may need to reimburse PGE any extra funds or request extra funds if actual costs are different from the funding amount.

If my grant application is successful, when do I have to complete the project by?

The electric school bus(es) must be ordered and charging infrastructure must be installed and energized within 18 months of signing the funding agreement. Due to current supply chain restraints and timeline delays, PGE will be flexible with the deadline assuming all reasonable attempts have been made to complete the project within the preferred timeline.

Who is the electric school bus manufacturer?

There are several school bus manufacturers that offer electric options. PGE will support grant recipients in assessing and recommending options, but the recipient will make the final procurement decisions.

For reference, previous grant recipients purchased electric school buses from Blue Bird, Micro Bird, and Lion Electric.

Who makes electric school bus chargers? Who can install electric school bus chargers?

There are several electric vehicle chargers that are well suited for electric school buses. For a full list of eligible chargers, please visit our <u>Qualified Chargers</u> website.

Recipients can choose any qualified, licensed contractor to install the chargers. If you are not familiar with any local contractors, PGE can provide a list of contractors that have worked on electric vehicle projects before. However, PGE doesn't endorse or recommend any specific contractor.

Who claims the Oregon Clean Fuels Program credits generated from the electric school buses?

PGE will claim all Oregon Clean Fuels Program credits generated from chargers funded by the Electric School Bus Fund for a period of 5 years. This allows PGE to keep replenishing the grant funds to hopefully offer transportation electrification programs for years to come.

What are the on-going requirements of the fund?

Once the chargers are operational, PGE will need to be able to collect charging data from them for 5 years so we can learn how electric school buses interact with the grid. Data is typically collected automatically through the network provider of the charger (e.g. Nuvve, Enel X, OpConnect), but the chargers must remain connected to the internet during the entire 5-year term. This requires that recipients continue to pay software and/or connectivity fees (the first 3 years are covered by the grant) to ensure the charger is connected to internet and transmitting data to the network provider.

PGE also asks that recipients share any reasonably requested information related to the electric school bus operation. This may include actual costs (fuel, maintenance), students impacted, bus uptime, electric miles traveled, charging profiles, as well as insights on challenges, benefits, lessons learned, and opportunities. This information will help us document and broadly share lessons learned from electric school bus deployments so that other school districts can start to electrify their bus fleets.

I have a question that's not covered here - who do I contact?

Email us at <u>electricschoolbus@pgn.com</u> and we'd be happy to answer your question.

