

Volkswagen Environmental Mitigation Fund School Bus Application Process

KENTUCKY OFFICE OF ENERGY POLICY



Kentucky Legislature Authorized

(a) School Buses -- \$8,521,700

(b) Transit Buses -- \$8,521,700

(c) Light Duty, zero-emission vehicle supply equipment -- \$3,056,700

(d) Administrative Costs -- \$278,500



School Buses --

\$8,521,700 shall be used to reimburse local school districts for 50 percent of the purchase cost to replace up to five school buses per district currently in daily use meeting the necessary criteria with a chassis year of 2001 or earlier. If these funds are insufficient to cover 50 percent of the purchase costs of districts that have requested reimbursement by June 1, 2021, the reimbursement shall be pro rata reduced



Eligibility

Language from the General Assembly

- *Local school districts*
- *Having a 2001 or earlier bus*
- *In Daily Service*
- *Maximum eligibility for five (5) buses per district*



Eligibility Determination

EEC will be comparing submitted applications with the

- 2019-2020 School Bus Inventory
 - School System
 - Year of Bus
 - VIN Number
 - Daily Service



Additional Eligibility

IF

Local school district does **NOT** have an eligible bus listed on KDE's 2019-2020 Published School Bus Inventory

BUT

- Has a 2001 or earlier bus listed on the inventory
- Being used daily as a replacement for other daily buses being taken out of service
- Can apply for replacement of that **one (1)** bus



Eligible Replacement Costs

reimburse local school districts for 50 percent of the purchase cost... If these funds are insufficient to cover 50 percent of the purchase costs of districts that have requested reimbursement by June 1, 2021, the reimbursement shall be pro rata reduced

- Eligible reimbursements will be based on the **2021 School Bus Purchasing Guide**
- Reimbursement will be for up to 50% of the cost of a **BASE BUS**



Other Important Considerations

- **Replacement** Bus must be same as the bus being replaced (Appendix D)
 - Class 4-8
 - Type of bus A-D
 - Number of passengers
- Bus being replaced **MUST** be **SCRAPPED**
 - *“...to render inoperable and available for recycle, and at a minimum to specifically cut a 3-inch hole in the engine block for all engines. If any Eligible Vehicle will be replaced as part of an eligible project, scrapped shall also include the disabling of the chassis by cutting the vehicle’s frame rails completely in half.”*



Application Timeframe

- Application period is --
- **September 9, 2020 through COB October 9, 2020**
- EEC will provide notification back to school districts no later than November 1 on how many buses and total potential reimbursement amount to be provided.



Application Documents

EEC Volkswagen web site

<https://eec.ky.gov/Pages/Volkswagen-Settlement.aspx>

- Downloadable – Fillable PDF
- Instruction document



Application

- Name of District
- Detailed description of mitigation action & how it will help your community
- If your district is in an air quality nonattainment or maintenance area – or is listed as an ARC distressed area, list the importance of the project here
- List the buses to be replaced
- List the buses being purchased as replacements
- Identification of alternate eligibility status



Application *(continued)*

- Acknowledge that the buses being replaced must be scrapped
- Expected lifetime NOx emissions reduction for each proposed School Bus replacement calculated using the Argonne National Laboratory Heavy-Duty Vehicle Emissions Calculator *(attach files)*
- Signed by official of the district



NEXT STEPS

- EEC will compile all applications received by
COB October 9, 2020
- Verify applications with the KDE 2019-2020 School Bus Inventory
- Spot check Argonne National Lab emissions reduction results
- Notify School Districts and KDE on or before November 1, 2020, of the potential funding available for school bus replacement(s)

