

EPA's National Clean Diesel Rebate Program

2016 School Bus Replacement and Retrofit Funding Opportunity
Informational Webinar
October 7, 2016





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Background (Section 1)

- Diesel engines emit nitrogen oxides (NO_x), particulate matter (PM), and air toxics
- The Diesel Emissions Reduction Act (DERA) allows EPA to offer rebates
- Rebates are non-competitive and selectees will receive payment when all work is completed



Background (Section 1)

Three rebate options:

1. Replace older school buses; and/or
2. Retrofit older buses with a Diesel Oxidation Catalyst + Closed Crankcase Ventilation (DOC + CCV); and/or
3. Retrofit older buses with a Diesel Oxidation Catalyst + Closed Crankcase Ventilation + Fuel Operated Heater (DOC + CCV + FOH)



General Information (Section 1)

- Children's health is a major priority for the agency
- EPA has reserved approximately \$7 million for school bus rebates
- Health benefits are achieved by scrapping old vehicles and replacing them with new ones and by installing retrofit/anti-idling technology to reduce emissions
- Applicants should read the entire Program Guide for additional details not covered here
 - www.epa.gov/cleandiesel/clean-diesel-rebates



Applicant Eligibility (Section 2)

- Applicant must be a regional, state, local, or tribal agency (including school districts & municipalities); or a
- Private company operating school buses
 - Private companies must have an existing contract with an entity above to provide transportation services to a specific school district
 - Companies that have subsidiaries under which their buses are registered may apply under the name of the parent company provided that the applicant submits a letter of explanation detailing the relationship between the parent company and subsidiaries.



Applicant Eligibility (Section 2)

- Applicant must own the buses to be replaced or retrofitted
 - Copy of vehicle title and registration must be provided as proof of ownership
 - Public school districts may apply with state-owned buses as long as they receive an authorization letter from the state agency that owns the buses (see Appendix C for a letter template)
 - Buses owned by federal agencies (e.g. Bureau of Indian Affairs) are not eligible
- Applicant must commit to operating the new or retrofitted bus for 3 years after receipt of the rebate



Replacements: Existing School Bus Eligibility (Section 3)

- Diesel powered, Class 3-8 (Greater than 10,000 lb GVWR)
- Powered by an engine with model year 2006 or older
- Transports 10 or more pre-primary, primary, or secondary school students to school or homes
- Operational and in regular use at the time of application
- Usage requirements:
 - Accumulated at least 10,000 miles transporting students over the most recent 12 months; or
 - Been in use for at least 3 days per week transporting students during the current school year



Retrofits: Existing School Bus Eligibility (Section 3)

- Diesel-powered, Class 3-8
- Powered by an engine with a model year **1994 - 2006**
- Engine must be well-maintained and not originally equipped with a DOC or diesel particulate filter
- Must be compatible with the selected DOC + CCV + FOH from EPA's verified technology lists
 - www.epa.gov/verified-diesel-tech/verified-technologies-list-clean-diesel
 - www.epa.gov/verified-diesel-tech/smartway-verified-list-idling-reduction-technologies-irts-trucks-and-school
- Transports 10 or more pre-primary, primary, or secondary school students to school or homes
- Operational and in regular use at the time of application
- Usage requirements:
 - Accumulated at least 10,000 miles transporting students over the most recent 12 months; or
 - Been in use for at least 3 days per week transporting students during the current school year



Requirements for Replacement Buses (Section 3)

- Must be equipped with a certified 2016 or newer model year engine, or operate solely on electricity
- New bus may be conventional or alternatively fueled:
 - CNG, propane, hybrid, battery electric, LNG, gas, other alt. fuels
- Must be operated in the same manner or over similar routes
- Must be of the same or smaller vehicle class as the original bus



Requirements for Retrofitted Buses (Section 3)

- Applicants should work with manufacturers and suppliers to ensure the engine type and model year are compatible with the technology and should negotiate a warranty
- Make sure parts and installation do not exceed \$4,000 (\$6000 w/ FOH)
- Perform regular engine maintenance to ensure DOC performance
- Not make modifications to the retrofit technologies or engine after installation
- Follow CCV maintenance schedule for filter cartridge replacements
- Must be operated in the same manner or over similar routes



Funding Amounts (Section 4)

- EPA will pay up to \$4,000 for each DOC + CCV
- EPA will pay up to \$6,000 for each DOC + CCV + FOH
- For replacements:

Class	Gross Vehicle Weight Rating of Replacement Bus	Rebate Amount
Class 3	10,001-14,000 lbs	\$15,000
Class 4	14,001-16,000 lbs	\$15,000
Class 5	16,001-19,500 lbs	\$15,000
Class 6	19,501-26,000 lbs	\$20,000
Class 7	26,001-33,000 lbs	\$20,000
Class 8	33,001+ lbs	\$25,000



Application Submission (Section 5)

- EPA began accepting applications on September 29
- Applicants must have a DUNS Code
 - www.dnb.com
- Application package must include:
 - Application form
 - Vehicle title and registration for each bus listed
 - Authorization letter for public school districts applying with state-owned buses
- Email application package to CleanDieselRebate@epa.gov by **Tuesday, November 1, 2016, 4:00pm Eastern Time**
 - Include your organization's name in the subject line



Application Form (Section 5)

- Applications must include:
 - VIN for buses to be replaced
 - Engine model year
 - GVWR (Gross Vehicle Weight Rating)
 - Engine manufacturer
 - Engine family name
 - Annual miles/ Annual fuel use/ Annual idling hours
 - Location of Operation
 - Rebate Amount
 - Indicate if a Federally recognized Tribal government
 - Yes/no for idle reduction policy
- List up to 10 buses for replacement and 10 buses for retrofit
 - Applicants with 101 or more buses in current operation may submit two applications
 - At least one of the applications must list 10 buses for either replacement or retrofit
 - List different buses on each application; do not submit the same application twice
 - Sign both applications



Selection of Participants (Section 6)

- EPA eligibility review
- Eligible applicants will be chosen by lottery
 - Applications are chose at random until all funds are reserved
 - At least one application will be chosen per EPA Region
 - At least one tribal application will be chosen
 - At least 10 applications exclusively requesting retrofits will be chosen
 - Remaining applications will be put on wait list



Notification of Selectees (Section 7)

- Lottery results will first be posted online
- Selection letters will then be sent to selected applicants
 - Amount of funds reserved
 - Additional conditions to be met before rebate is issued
- Selectees must register in the System for Award Management
www.sam.gov
- Wait list posted online



Purchase Order Submittal (Section 8)

- Within 90 days of the date of the selection letter
 - Submit proof of a purchase order for new bus or for DOC + CCV + FOH retrofits
 - Purchase order cannot pre-date the selection letter



Delivery of New Bus / DOC + CCV + FOH Installation (Section 9)

- Keep the bill of lading (proof of delivery for new buses) or the installation receipt for retrofitted buses
 - Receipts for parts and installation of the DOC + CCV + FOH is necessary because EPA will pay that exact amount up to \$4,000 per bus (\$6000 w/ optional FOH)
 - Submit with the payment request form after the old buses have been scrapped or installation of the DOC + CCV + FOH is complete



Scrappage Requirements (Section 10)

- *For replaced buses only*
- Replaced school buses must be scrapped by drilling a **3" hole** in the engine block and cutting the chassis rail in half
- Proof of scrappage is required with pictures and a letter
 - Section 10 of the Program Guide details proof of scrappage requirements including required photos
 - Appendix F of the Program Guide has a sample scrappage certification letter
- Equipment that is not part of the engine or chassis may be salvaged



Payment Request (Section 11)

- Payment Request package includes:
 - Payment request form (EPA will provide to selectees)
 - Proof of scrappage (replaced buses only)
 - Copy of new bus or DOC + CCV + FOH invoice
 - Copy of bill of lading or receipt for installation



Payment (Section 12)

- EPA will review the payment request and supporting documents
- If all requirements are met, EPA will issue funds electronically to the selectee



Rebate Timeline (Appendix A)

September 29, 2016	2016 School Bus Rebate Program opens. EPA begins accepting application submissions.
November 1, 2016, 4pm Eastern Time	Application submission deadline
Estimated December 2016	EPA posts selectees and waiting list online and mails out official selection letters to selectees
Estimated March 2017	Deadline for submission of purchase orders for replacement buses and retrofits (90 days after the date on the selection letters)
Estimated September 2017	Deadline for payment request form and supporting documentation (9 months after the date on the selection letters)
Within one month of receipt of complete payment request form and supporting documentation	EPA will process the payment and the selectee will receive an electronic deposit in the bank account associated with their sam.gov registration



Additional Requirements (Appendix H)

- Buses must be available for follow-up inspection for 3 years after receipt of the rebate
- Selectees must maintain all records and documentation for 3 years after the receipt of the rebate
- Rebates may not be used to fund the cost of emissions reductions mandated under federal law



Additional Information

- 2016 School Bus Replacement and Retrofit Rebate webpage:
 - www.epa.gov/cleandiesel/clean-diesel-rebates
- Email questions to:
 - CleanDieselRebate@epa.gov

