

TO: Corbett School Board and Dr. Fialkiewicz
FROM: Todd Williams, Transportation Supervisor
DATE: JUNE 10, 2024

Summary of PGE and EPA awards

Our District has received several sources of funding to Electrify our school bus fleet. It has been explained to me that moving to electric school buses with these awards will cost our District nothing. I have reviewed the Contracts and Agreements and my understanding of them is that it will cost our District a significant amount of money to purchase one Electric School Bus using only the EPA award and even more with the agreement with PGE. It will also cost our district a very significant amount of money to purchase 10 electric school buses within ten years to meet the contract with PGE. If our District moves forward with these contracts and we do not meet the requirements of the agreements we will be liable to pay back the funds provided by these awards according to the PGE Contract. When the process began with PGE I heard we would be getting a bus barn out of this. I also heard we would get a generator for when we have power outages. I didn't see either of those things specified in the agreement or contract that I have access to. My calculations for the distribution of funds as specified by the information I have access to also doesn't seem to allow for these items. It could be that I do not have the most up to date agreement with PGE, but the Contract and Agreement I do have seems to be clear that there will be a cost to the district with or without the EPA rebate. I'm sure that Curtis Young and Dr. Fialkiewicz have the most up to date contracts and agreements and can explain the differences from what I was told and what is actually part of the agreement and contract provided to me.

It seems to me if electrifying our fleet will cost our district nothing we should seriously consider this option for a number of reasons. If my readings and understandings of the terms of these awards are correct then it will in fact cost the District a substantial difference in cost if we purchase electric school bus(es) compared to buses that meet current EPA requirements. In the close to eight years that I have been working in the Transportation Department for our District the Board has foregone replacing school buses under the Bus Replacement Plan at least a handful of times stating the fact that it was not in the budget and I was able to make it work and still keep the fleet we need in compliance. It seems like this year's budget is in the similar condition as years' past. It isn't an option to not purchase a replacement bus this year without reducing services the transportation department provides. If this year's budget is a concern then it seems to me the better option for this year's bus purchase will be to forego the Electric Bus(es) which means giving up the awarded funds and purchasing a bus that we already have

the infrastructure for and costs significantly less than an electric school bus even with the EPA award.

Here is a breakdown of costs to the District for three scenarios based on the contracts, agreements and general information I had available which I included with these summaries:

Option 1: EPA Funds & PGE Funds - Up to 979K for 2 Electric School Bus(ESB) & Charging Infrastructure (CI)

Take Bus 17 and Bus 11 (1 route bus and 1 spare bus) out of service once 2 ESBs have been delivered. EPA Funds = \$200K

COST BREAKDOWN

• Type C Electric School Bus	\$431,413.00
• PGE Contribution	(\$284,186.00)
• Total Cost to CSD for ESB 1	\$147,227.00
• Type D Electric School Bus	\$455,388.00
• PGE Contribution	(\$272,415.00)
• Total Cost to CSD	\$182,973.00
• EPA Fund Reduction	(\$200,000.00)
• Total Cost to CSD for 2 ESBs	\$130,200.00
• Cost of CI for 10 make ready ports	\$257,000.00
• Fleet Partner Incentive	(\$181,567.00)
• Cost to District	\$75,433.00
• Total Cost to the District for 2 ESBs and CI	\$205,633.00
• Total Cost for 8 ESB's over 10 years	\$3,648,000.00*
• Total Cost for CI and Software over 10yrs	\$480,000.00*
• Total Cost for 1,647,360 kWh (\$0.20/kWh)	\$329,472.00*
• Total Rough Cost for New Site & Building	\$650,000.00*
*Costs at current(2024) rates	
• Total Overall Cost to District over 10 years	\$5,313,105.00

Option 2. EPA Funds (Awarded 200K) - Requires us to take a regular route bus out of service. Bus 17 is our oldest regular route bus so we would take it out of service once Electric School Bus (ESB) has been delivered.

- New **ESB** costs **\$450K** and Charging Infrastructure (**CI**) costs **60-100K**.

Total Cost to District after deducting \$200k = \$310-\$350K

Option 3. Purchase Gas School Bus - In order to continue providing the same level of transportation we have been maintaining we need to maintain **3 spare buses** in our fleet. After this year we need to retire one bus, which takes us down to **2 spare buses**. If we would have replaced a bus last budget cycle we would have enough spare buses, but that did not work for last year's budget.

- **New Gas Engine School Bus** **= \$142,000.00**

In my experience the more time technology has to improve the better the product gets and the more costs level off. I think waiting a few more years to invest in this new technology will be a better financial option for our district in a number of ways even if the grants and rebates are no longer available. However, if the Board and Dr. Fialkiewicz believe we should explore the idea of electrification, I recommend option 2.