



NYSERDA

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**Eligibility Guidelines for the New York School Bus Incentive Program (NYSBIP or the Program),
formerly referred to in the Bond Act as the Public School Bus Electrification Program.**

Response to Comments

On August 2, 2023 the New York State Energy Research Development Agency (NYSERDA) published the Draft Eligibility Guidelines in the Environmental Notice Bulletin for a 30-day public comment period, which closed at 5:00 p.m. September 1, 2023. NYSERDA received 29 comments which are summarized below, along with NYSERDA’s responses.

The comments received were reviewed and classified by theme and sub-theme. For example, comments regarding Geographic Criteria were all grouped together. Within Geographic Criteria, there were two sub-themes: In-district requirements and Mileage requirements. The comments under each sub-theme are summarized and then responded to. Where helpful for context, individual comments may be included or referenced. For clarity, commentors are listed in the following table and referred to by their Commentor ID throughout the document.

Commentor ID	Organization
Commentor 1	Assemblywoman Dana Levenberg
Commentor 2	BP Pulse
Commentor 3	Nancy Erber - Brooklyn Resident
Commentor 4	ChargePoint
Commentor 5	Cornice Technology
Commentor 6	Cure 100
Commentor 7	Enel
Commentor 8	e-Roll Corporation
Commentor 9	First Student, Inc.
Commentor 10	Fleet-Power Inc.
Commentor 11	Gladstein Neandross & Associates (GNA)
Commentor 12	Highland Fleets
Commentor 13	Judah Aber
Commentor 14	Navistar, Inc.

Commentor 15	New York City Clean School Bus Coalition (NYCCSBC)
Commentor 16	New York Association for Pupil Transportation (NYAPT)
Commentor 17	NYC Public Schools
Commentor 18	NYS Bus Distributors Association
Commentor 19	NYS School Boards Association
Commentor 20	Proterra
Commentor 21	Pyramid Network Services, LLC
Commentor 22	Romulus Central School District
Commentor 23	Sierra Club ¹
Commentor 24	Student Transportation of America (STA)
Commentor 25	The Joint Utilities ²
Commentor 26	The Lion Electric
Commentor 27	Vermont Energy Investment Corporation (VEIC)
Commentor 28	Vehicle-Grid Integration Council (VGIC)
Commentor 29	World Research Institute (WRI)

Geographic Criteria

Comments related to where electric buses are allowed to be purchased, stored, and operated are included in this category. This category has two sub-themes:

1. In-district requirements
2. Mileage requirements

¹ Sierra Club’s comments are signed onto by the following organizations: Environmental Advocates NY, Tri-state Transportation Campaign, EarthJustice, New Yorkers for Clean Power, Jobs to Move America, and New York Lawyers for the Public Interest.

² Joint Utilities provide electric service to over 13 million households, businesses, and government facilities across New York State. The Joint Utilities include: Central Hudson Gas and Electric Corporation, Consolidated Edison Company of New York, Inc. (“Con Edison”), New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid”), Orange and Rockland Utilities, Inc. and Rochester Gas and Electric Corporation. <https://jointutilitiesofny.org/about/who-we-are#:~:text=Who%20We%20Are,Orange%20and%20Rockland%20Utilities%2C%20Inc.>

Comments: In-district requirements

NYSERDA received six comments related to this sub-theme. Most comments referencing the proposed in-district requirements either questioned (Commentor 15) or challenged the proposed 70% threshold for in-district bus operation (Commentor 1, Commentor 6, Commentor 16, Commentor 19). Those arguing against the requirement noted that it will restrict the district's ability to serve out-of-district transportation needs and that it will require burdensome record-keeping. One comment supported the requirement (Commentor 26) on the basis of local air quality improvements.

Response

The draft requirement that "School buses must operate 95% within New York State and 70% within the identified school district(s)" was changed from a geographic requirement to a use case-based requirement. It has been updated to ensure that the primary use of the vehicles will be the transportation of students, teachers, and other persons acting in a supervisory capacity to and from school, extra-curricular activities, sporting events, field trips, and similar activities on behalf of a New York State School District. Incidental usage, which are uses that fall outside of the description in the previous sentence, will be restricted to 5% of mileage per year for the first five years and is subject to NYSERDA approval.

Comments: Mileage requirements

There were five comments related to this sub-theme. One comment supported the requirement (Commentor 26) based on maximizing the environmental benefit of the buses supported by the Program. The remaining comments either questioned (Commentor 7, Commentor 15) how the mileage requirement was determined or how it would be reported on or challenged (Commentor 1, Commentor 6) the 5,000-mile per year requirement that school buses must meet, as this may pose a burden for school districts.

Response

The mileage requirement is included to ensure that the buses supported by the Program are well-utilized and do not serve as back-up or spare buses. The associated requirement in the New York Truck Voucher Incentive Program (NYTVIP), which this Program is based on, was 8,000 miles per year. The requirement was reduced to 5,000 miles to provide more flexibility and allows for the fact that some districts may have shorter daily mileage requirements. The average daily mileage per bus in NYS is around 80 miles. A 5,000-mile/year requirement, assuming 185 school days, works out to 27 miles per school day.

Vehicle Specifications

This category covers comments related to the criterion of eligible replacement vehicles for purchase. This category has six sub-themes:

1. Range requirements

2. Warranties
3. Maintenance
4. Repowers
5. Fuel-fired heaters
6. Vehicle Eligibility

Comments: Range requirements

There were three comments related to this sub-theme. Two comments questioned (Commentor 17, Commentor 25) the necessity of requiring school buses to have a minimum electric range of 100 miles. Commentor 17's comment appeared to confuse the range requirement with an operating requirement (i.e. the vehicle must operate a minimum of 100 miles). Commentor 25 recommended removing the requirement on the basis that NYC schools may choose to electrify buses serving shorter routes first and these buses may not need 100-mile range. One comment supported the requirement (Commentor 18).

Response

For clarification, this requirement requires the vehicle's battery to be capable of operating 100 miles on a single charge. It does not require the vehicle to operate 100 miles per day. Most, if not all, electric school bus models offer a minimum reported range of 100 miles or more. While districts/contractors may operate shorter routes, a minimum reported range provides more flexibility with assigning buses to a variety of routes and will enable buses serving shorter routes to go more than one day on a charge (enabling buses to be parked away from the depot and/or reduce the number of chargers that must be installed).

Comments: Warranties

There were three comments related to this sub-theme. One comment suggested increasing the warranty requirements (Commentor 27). One comment supported the requirement (Commentor 26). Commentor 17 appeared to suggest that a longer warranty was justified on the basis of the technology being new and unreliable.

Response

The proposed warranty requirement of 5 years (60 months) is based on industry standards. Five years is an appropriate minimum that will help push the industry toward longer warranties but is also consistent with industry practice. Warranty requirements will continue to be monitored throughout the Program.

Comments: Maintenance

There were six comments from five commentors related to this sub-theme. Most comments either asked for clarifications (Commentor 15, Commentor 27) or challenged the 48-hour requirement to provide repair support (Commentor 26), suggesting a more flexible timeframe. One comment supported the requirement (Commentor 16). Commentor 17 suggested that the requirement would be difficult to achieve on the basis of supply chain and staffing issues. Commentor 26 suggested it may be difficult to achieve based on the size of the New York State and requested more flexibility. In addition to supporting the requirement, Commentor 16 suggested that all approved dealers should have a presence in NY State, including adequately staffed repair shops.

Response

The 48-hour repair requirement is based on the need for school bus fleet owners to receive vehicle servicing within a reasonable timeframe to reduce downtime. Since electric school buses are a relatively new technology and service and maintenance options are limited, it is imperative that manufacturers demonstrate how their vehicles will be serviced, maintained, or warranted with limited disruption or burden on fleet owners. For clarity, the Manufacturer will be asked to submit a written plan demonstrating how they will meet service requests within 48 hours, if the Manufacturer does not own a facility in New York State, or have a contract with a NYS entity to provide repair and warranty service.

Comments: Repowers

There were seven comments related to this sub-theme. Commentors expressed concerns regarding the inclusion of repowered vehicles as eligible replacement vehicles (Commentor 12, Commentor 14, Commentor 16, Commentor 17, Commentor 18, Commentor 23). The concerns included how to ensure safety, cost effectiveness, warranty responsibilities, and proper disposal of diesel engines for repowered vehicles. Two commentors supported the requirement (Commentor 15, Commentor 29).

Response

The inclusion of repowers is supported by NYSERDA and will continue to be part of the Program. Under the NYTVIP, Upfit/Retrofit Manufacturers (URMs) demonstrated the ability to successfully and safely retrofit diesel buses to electric. Repowered school buses undergo the same safety testing and inspections at the Federal and State level as new electric school buses. Additionally, URMs will be held to the same warranty requirements as other manufacturers under the Program. Supporting repowered vehicles provides additional flexibility for school bus fleet owners and may provide an economical way for districts to begin their transition. Repowered school buses and medium- and heavy-duty vehicles are in operation in NYS and across North America. As noted by one commentor, many diesel, propane or natural gas-powered buses purchased leading up to the 2027 zero-emission school bus sales and adoption requirements may have several years of useful life remaining in 2035. Electric conversions provide a potential solution that will allow fleets to transition those vehicles and others to electric without having to purchase an entirely new vehicle. Repowers could also support local New York

companies and organizations including vehicle dismantlers and upfitters, dealers, and manufacturers that have the capabilities to perform repowering in-state.

Comments: Auxiliary Fuel-Fired Cabin Heaters

There were seven comments provided by five commentors related to the use and funding of auxiliary fuel-fired heaters for bus cabin heating. Most comments questioned the feasibility of not providing funding for fuel-fired heaters given decreased ESB range during cold months and in rural districts with longer routes (Commentor 9, Commentor 18, Commentor 19). Some comments proposed that vented fuel-fired heaters be eligible for funds (Commentor 14). One comment supported the requirement (Commentor 26). Commentor 27 requested clarification on how the incentive award would be impacted if an applicant requires a fuel-fired heater.

Response

The incentives provided by the Program will not cover the cost of fuel-fired heater. The incremental cost difference that dictates the award amounts in the Program are based on the average price differential of electric buses that are not equipped with fuel-fired heaters. The cost for this equipment would be added to the portion of the purchase that is not covered by the award. This rule does not prohibit vehicle purchasers from installing fuel-fired heaters on their bus. The Bond Act funding is focused on supporting clean air across NYS and as such the Program will not fund this component of the vehicle. It is acknowledged that this technology may be needed in the near term in certain parts of the state where extended extreme cold weather conditions and longer routes exist. However, we expect fuel-fired heater to be unnecessary in the long-term given pre-conditioning (warming or cooling the cabin of a bus while still connected to the charger); the improvements being made on battery capacity, efficiency, and insulation; and the development of zero-emission auxiliary cabin heating technologies.

Timeline

This category covers comments related to the timeline of key events in the implementation process of NYSBIP. This category has one sub-theme:

1. Speed of Rollout / Award timeline

Comments: Speed of Rollout and Award Timeline

There were eleven comments by nine commentors related to this sub-theme. Three comments asked for a timeline for the release of program funding (Commentor 5, Commentor 11, Commentor 24), with one suggesting alignment with the school budget season (Commentor 6). Several comments expressed concerns about delays in releasing funds (Commentor 6, Commentor 18, Commentor 20). Two comments encouraged a gradual transition and flexibility in the timeline for vehicle delivery to account for potential supply chain issues (Commentor 14, Commentor 17). Some commentors expressed the need for a timeline or deadline between application and award (Commentor 20). One commentor expressed support for the use of a voucher program

over a grant program (Commentor 14). One commentor expressed concern about the sufficiency of funding to meet the deadline and recommended that further conversations on funding take place (Commentor 16).

Response

The Program is launching on September 28, 2023, by releasing program rules and opening the pre-application process where bus manufacturers and dealers can apply to qualify for NYSBIP. The program will begin accepting applications for funding on November 29, 2023. The goal is to enable school districts to consider this Program’s incentives for the FY 2024-25 budget. The Program will be open on a rolling basis as funds allow. Applications can be submitted once a purchase order or a provisional purchase order has been issued. Vehicles must be delivered within 12 months of the Program application approval. This allows for school bus fleets to plan for purchases at least one year in advance. This has been sufficient for fleets purchasing buses through the Truck Voucher Incentive Program. These timelines will be monitored and adjusted if needed. The overall Program will extend as long as funding allows.

Charging

Comments related to the charging infrastructure component of NYSBIP and funding are included in this section. This category has seven sub-themes:

1. Eligible infrastructure
2. Eligible installers
3. Eligible charging owners
4. Incentive level

5. Timeline
6. Utilities
7. Voucher process

Comments: Eligible infrastructure

There were twelve comments related to this sub-theme. All commentors (Commentor 2, Commentor 4, Commentor 9, Commentor 14, Commentor 18, Commentor 26, Commentor 27, Commentor 28, Commentor 29) showed support for and acknowledged the importance of including charging infrastructure incentives in the program. Many comments asked NYSERDA for further elaboration on the scope of charging incentives (Commentor 2, Commentor 4, Commentor 10, Commentor 27, Commentor 29), and encouraged a wider financial support that includes hardware, installation and upgrades, and operational costs (Commentor 2, Commentor 4, Commentor 9, Commentor 10, Commentor 18, Commentor 28). For example, Commentor 28 proposed that NYSERDA incentivize the use of automated load management. Commentor 29 also recommended that calculations for charging incentive amounts factor in coverage from other programs, including the utility-provided make-ready programs and the Alternative Fuel Refueling Property Tax Credit from the Inflation Reduction Act. Commentor 4, Commentor 9, and Commentor 18 recommended covering hardware and make-ready costs. Commentor 2 recommended including operating costs by capitalizing these costs and covering them with a lump sum, upfront payment. Commentor 14 recommended that NYSERDA consider a scaled incentive approach that provides full funding for Level 2 charging and/or a percentage of Level 3 charging for larger fleets.

Response

The charging component of the Program is still in development and will be added before the Program opens for applications in November 2023. NYSERDA anticipates providing funding to cover charging stations and certain other charging-related equipment and installation costs. Since most districts are served by electric utilities with make-ready programs, the focus of the charging funding will primarily be on charging equipment. This is to encourage districts to take advantage of the existing make-ready programs, which support cover utility-side costs and may cover customer-side costs in the near future.

Comments: Eligible installers

There were two comments related to this sub-theme. Both comments recommended infrastructure installers be trained and certified (Commentor 14, Commentor 21).

Response

Other programs in New York State, such as [the Joint Utilities](#) make-ready programs, have lists of qualified installers, so NYSERDA does not feel that this Program needs to develop another list of installers. Workforce development is a critical need for EV charging installation and is being provided through other programs at NYSERDA. It will not be covered by Bond Act funding.

Comments: Eligible charging owners

There were six comments related to this sub-theme. Most comments pointed out the limitation of proposed charging infrastructure ownership to school districts, third parties and contractors. These commentors (Commentor 2, Commentor 4, Commentor 7, Commentor 12, Commentor 25) suggested that as-a-Service companies, charging OEMs, and charging installers be enabled to participate by expanding eligible charging owners.

Response

NYSERDA recognizes the potential role new business models can play in supporting the transition to electric school buses. Specifically, school bus operators may seek outside support in owning, installing, operating, and maintaining charging infrastructure. In the development of the charging component of the Program, NYSERDA will explore the feasibility of enabling these alternative business and operational model providers to participate in the Program.

Comments: Incentive level

There were three comments related to this sub-theme. Commentor 4 recommended increasing incentive amounts to cover infrastructure costs for DAC districts. Commentor 4 recommended not having electric school bus purchases as a precondition to apply for charging infrastructure funding. Commentor 20 suggested setting aside sufficient charging infrastructure funding to enable fleet-wide transition and include project features such as vehicle-to-grid and storage.

Response

The charging component of the Program is still under development and these comments will be considered in the program design. NYSBIP will include a Priority District 'bonus,' which will increase the percentage of incremental cost covered for school districts categorized as 'high-need' and school districts where at least 40% of the population is within a DAC. NYSERDA is also considering a scaled approach to charging infrastructure funding to enable a variety of charging models and futureproofing. NYSERDA also supports allowing for the stacking the Program's incentives with other available funding, including State Transportation Aid and Make-Ready programs. The amount of funding available and primary focus on enabling school bus purchases does not enable the Program to cover full fleet-wide transition. The concept of allowing fleet operators to obtain charging incentives without purchasing a bus through the Program is also being explored.

Comments: Timeline

There were two comments related to this sub-theme. Both comments were from Commentor 4 and recommended extending deadlines for infrastructure programs in case of unforeseen delays.

Response

NYSERDA will take these comments into consideration in designing the charging component of the Program. NYSERDA is aware of the long lead times and associated timelines required for some charging projects. Where these delays occur, documentation and periodic updates will likely be required to keep the project active.

Comments: Utilities

There were four comments related to this sub-theme. Most comments requested NYSERDA provide guidelines for utilities on how to meet the increase in electricity demand from electric school bus charging. Commentor 22 asked for details on how infrastructure upgrades are being considered as part of the Program. Commentor 6 emphasized the need for utilities to meet infrastructure needs in a timely manner. Commentor 24 asked if additional measures will be put into place to help utilities meet increased demand. Commentor 9 recommended early and sustained coordination with utilities and requested designated contacts at each utility for school bus operators.

Response

The focus of the Program is on helping school bus fleet operators purchase their initial buses and chargers. While it is possible that some of these projects will require significant infrastructure upgrades, most depots are assumed to already be able to accommodate low-power charging of a few school buses. Beyond the Program, NYSERDA is working with utilities across the state and the Department of Public Services to prepare for the increased electrical demand that school bus electrification will require. The Public Service Commission's Make Ready Program Midpoint Review is evaluating the progress of the Medium- and Heavy-Duty Make-Ready Pilot Program and is considering proposed changes to broaden eligibility. Longer-term, the Public Service Commission's Medium- and Heavy-Duty Proceeding will consider further recommendations and support for bus electrification and proactive electric grid investments to support vehicle electrification. New York State's efforts to support utility and EV charging investments are documented in the recently released Electric School Bus Roadmap and will continue to be a focus in subsequent ESB Roadmap updates.

Priority Districts - DAC

Comments related to eligibility of priority districts and relevant incentive allocations are included in this section. This category has two sub-themes:

1. Bond Act compliance and funding allocations
2. High-need district eligibility

Comments: Bond Act compliance and funding allocations

There were seven comments related to this sub-theme. Three comments (Commentor 15, Commentor 23, Commentor 27) requested further information on how NYSERDA ensures DACs will be prioritized for funding.

Two commentors (Commentor 16 and Commentor 26) supported the provisions. Commentor 29 recommended dedicating at least 50% of funds to DACs and that awards to DACs be based on the upfront premium while awards to non-DACs should be on the lifetime premium of electric school buses over internal combustion engine buses.

Response

As required by the Bond Act, at least 35%, with a goal of at least 40%, of the benefits of the Program will accrue to disadvantaged communities (DACs). In addition to specific outreach to school bus fleets serving DACs, NYSERDA will also offer a higher incentive amount in the Program for school bus fleets serving DACs. NYSERDA will coordinate with New York's Department of Environmental Conservation on a robust tracking mechanism to publicly share funding data.

Comments: High-need district eligibility

There were six comments related to this sub-theme. Commentor 14 and Commentor 18 suggested providing additional funding for both DACs and early-adopters to encourage more school districts to apply regardless of their priority status. Commentor 24 requested clarification on the eligibility for DAC-serving districts (e.g. are charter schools eligible). Commentor 19 recommended more consideration for rural high-need districts. Commentor 3 expressed support for prioritizing high-need communities. Commentor 27 asked for clarification on how DACs will be prioritized and how much additional incentive will be provided.

Response

NYS Education Department-designated high-need public school districts are those districts in which at least 40% of the school district population lives within a designated DAC. These districts are considered Priority Districts in the Program. The inclusion of high-need school districts in the Program's definition of Priority District ensures that high-need districts will also benefit from higher incentive amounts. While charter schools are not directly eligible to receive Bond Act funds, public school districts are primarily responsible for providing transportation to charter schools, private schools, and out-of-district schools. School buses used to transport students to these schools by or on behalf of public school districts are eligible for Bond Act funding. The purpose of the Program is to incentivize early adoption of electric school buses so no additional incentives will be provided based on early adoption. While Priority Districts are encouraged to participate and given access to higher incentive levels, buses serving all school districts are eligible for the program because it is also important to ensure that every interested school district has assistance and access to State funds in this early stage as they prepare for the total switch over to electric by 2035.

Program Design

Comments related to the charging infrastructure component of NYSBIP and funding are included in this section. This category has nine sub-themes:

1. Domestic content (e.g. Buy American) requirements

2. User-friendly program
3. Technical assistance
4. Scrappage
5. Role of dealers and manufacturers
6. Eligible fleet operators
7. Stacking

Comments: Domestic content (e.g., Buy America) requirements

There were five comments related to this sub-theme. Some commentors (Commentor 9 and Commentor 14) showed concerns about domestic content requirements and the potential impact on costs and project timelines. One comment asked about requirements' interactions with other funding sources (Commentor 6). Two commentors (Commentor 20 and Commentor 26) showed support for this requirement.

Response

NYSERDA is not including domestic content requirements for Bond Act-funded buses and charging stations initially, but by law there are domestic content requirements for electric school buses that will start in 2027. NYSERDA intends to explore whether to include Domestic Content requirements in this Program in the future and will align with State and Federal requirements if they arise.

Comments: User-friendly program

There were two comments related to this sub-theme. Both commentors (Commentor 4 and Commentor 19) recommended a streamlined application process that does not require excess documentation upfront.

Response

NYSERDA is modeling this program on the NYTVIP and is maintaining a streamlined application process while ensuring compliance with the required reporting component of the Bond Act.

Comments: Technical Assistance

There were six comments related to Technical Assistance. Five of the six comments supported the use of Bond Act funds to provide technical assistance to develop a fleet transition plan (Commentor 4, Commentor 7, Commentor 10, Commentor 25, Commentor 27, Commentor 29). Commentor 7, Commentor 25, Commentor 27, and Commentor 29 all supported the use of funds for technical assistance. One commentor (Commentor 4) suggested that evaluation for technical assistance should be separate from the bus and charging incentive program evaluation. Commentor 27 asked if a list of guidelines for approved entities to conduct technical assistance would be provided.

Response

NYSERDA will continue to provide technical assistance to school districts and contractors. Funding will be set aside for this purpose and will be available on an as-needed basis, separate from the Program. The funding will be administered through existing technical assistance programs to minimize administrative burden and increase familiarity with the process, as many school districts have utilized these programs for energy performance contracts or energy efficiency studies in the past. Guidelines for technical assistance are available through the [Flex Tech](#) and [Clean Green Schools](#) programs. While the evaluation of technical assistance will be separate from bus and charging incentive evaluation, applicants for bus and charging funding will be encouraged to seek technical assistance support; school bus fleets that have conducted fleet electrification studies will be eligible to receive funding for more buses and charging stations than those that have not.

Comments: Scrappage

Eight comments about scrappage requirements were received. Most comments asked for clarification on the scrappage requirements. For example, Commentor 9 asked whether the model year maximum for scrappage from NYTVIP (2009) will apply to the Program and noted that keeping this requirement disadvantages certain fleets (e.g., fleets who turnover their vehicles on a shorter timeline than others). Commentor 9 also suggested that larger bus operators that serve multiple school districts should be allowed to transfer scrappage-eligible vehicles to districts that demonstrate interest in fleet electrification, enabling these 'early adopter' school districts the opportunity to scrap a vehicle that may not be directly serving it. Commentor 14 suggested that NYSERDA not adopt a strict engine model year requirement. Commentor 16 urged no scrappage requirements. Commentor 13 suggested that while scrappage is a good policy, the age of buses needs to be updated annually to enable participation and also suggested that NYSERDA use funding to purchase vehicles to be used for scrappage in the Program. Commentor 15 and Commentor 24 asked for clarity on scrappage requirements.

Response

NYSERDA has been engaging with school bus operators across New York State ahead of the development of this program and has had significant input on this topic. Based on the feedback received through these comments and other engagement, the Program will treat scrappage as an opportunity to earn a bonus incentive. Scrappage will not be required by the Program but operators who opt to scrap an old bus will receive a larger incentive than those that do not. NYSERDA still believes that removing older diesel and gasoline vehicles from the road is an important environmental and public health imperative but also recognizes that previous program rules were restrictive and often hard to comply with. Other changes to how scrappage is treated include setting a model year minimum that is within the lifetime of an average NYS school bus, increasing the model year minimum annually, and enabling operators to scrap gasoline as well as diesel buses. These changes to how scrappage is structured will add flexibility to the program. It is expected that all operators will be able to meet the Programs scrappage requirements and obtain the bonus, if desired.

Comments: Role of Dealers and Manufacturers

There were four comments on the role of dealers and manufacturers. Commentor 15 asked for clarification on whether only dealers, or dealers and manufacturers, are able to become 'eligible dealers'. Commentor 15 also asked for clarification on the manufacturer qualification process and suggested that manufacturers could be encouraged to adopt fair labor practices through the qualification process. Commentor 9 suggested that large fleet operators should be directly eligible (rather than going through dealers or manufacturers). Commentor 29 provided one comment with recommendations on increasing dealer and OEM participation, transparency, and reporting.

Response

Dealers are the primary eligible parties to participate. According to the Program requirements:

Per the Program rules, NYSERDA defines the Dealer as the entity that sells an approved eligible vehicle to a school bus purchaser. Entities interested in becoming Dealers that are approved to sell vehicles through NYSBIP must:

- Be any of the following types of entities:
 - A school bus dealership that has a written agreement with a medium- and/or heavy-duty vehicle original equipment manufacturer (OEM), and sells complete eligible vehicles to purchasers.
 - An OEM that builds and sells complete eligible vehicles directly to purchasers.
 - A bus uplift/retrofit manufacturer (URM) that has a written agreement with a medium- or heavy-duty OEM, and upfits, retrofits, or performs final equipment installations on those new replacement or repowered vehicles and sells the completed eligible vehicle to a purchaser.
 - A retrofit kit company that produces and installs the kits on existing vehicles, such as a battery electric conversion kit on an existing gasoline or diesel vehicle.
- Have a valid business license for the past two years and be registered to do business in New York State
- Be the entity that sells the fully assembled and completed new or repowered eligible vehicles.

NYSERDA is exploring options for including fair labor considerations in the Program but this element is not included in the initial launch. The Program is being promoted to all dealers and OEMs and all have an opportunity to apply to have their buses qualify for incentives (by meeting the vehicle eligibility criteria and completing the eligible vehicle application) and/or to become eligible dealers on a rolling basis now. Dealer and manufacturer information will be shared on the website. Frequency of updating and posting information provided by dealers and/or manufacturers will be considered. At this time, fleet owners are not able to apply as 'eligible dealers'.

Comments: Eligible Fleet Operators

Six comments were received on this topic. Comments either supported (Commentor 9, Commentor 26) or asked for clarification on operator eligibility. Commentor 9 asked whether third-party operators (contractors) are eligible fleet owners. Commentor 9 also asked for clarification on whether the 2027 and 2035 zero-emission school bus (ZESB) sales and adoption requirements applies to school districts as well as contractors and requested guidance for school districts that use contractors and how the requirements impact their existing service contracts. Commentor 25 proposed to expand eligibility to cover 3-K pupil transportation. Commentor 6 asked for clarity on the term “P-12.”

Response

School districts and their third-party operators (contractors) are eligible to apply to the Program. Senate Bill S8006C (2021-2022), codified as New York Education Law § 3638, states that by 2027 every school district shall include, in any procurement for school transportation services, a requirement that any contractors providing transportation services for the school district must only purchase or lease zero-emission school buses when purchasing or leasing new school buses. More guidance on how school districts can prepare for the ESB sales and adoption timelines in their service contract requests for proposals (RFPs) will be provided as part of the ESB Guidebook. The ESB sales and adoption requirements apply to all public school districts and the school buses owned and operated by these school districts and/or their third-party contractors. Grade level is not a factor in the ESB sales and adoption requirements.

Comments: Stacking

Five comments were provided regarding ‘stacking’ the Program with other State, Federal, and Utility incentive programs. Three commentors (Commentor 4, Commentor 20, Commentor 25) supported enabling stacking. Two commentors (Commentor 15 and Commentor 27) asked for more information on stacking.

Response

NYSERDA allows stacking Program incentives with other funding programs in multiple ways. However, NYSERDA will not allow the Program, when combined with other funding programs, to cover more than 100% of the vehicle or charging infrastructure cost. Programs like the Inflation Reduction Act medium- and heavy-duty EV tax credit (which can provide up to \$40,000 per vehicle) and NYSED transportation aid are good examples of stackable programs. On the charging side, school bus operators may use Program funds to cover expenses that are not covered by Make-Ready programs. NYSERDA is exploring further how the Program may be stacked with the EPA Clean School Bus program, which already covers a large portion of the school bus cost.