



SIERRA CLUB

LONE STAR CHAPTER

To: Chair Todd Hunter, House Committee on State Affairs
Members, House Committee on State Affairs
From: Cyrus Reed, Conservation Director, Sierra Club, Lone Star Chapter

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The Sierra Club Supports HB 4789 (Anchia) Relating to the use of school buses and electricity by public schools.

There is currently a revolution of sorts happening around the country: electric school buses. Just a few short years ago, such buses seemed out of reach for most school districts. Today, however, school districts are beginning to discover the benefits of electrifying their school buses. From lower emissions, to lower fuel and operating costs, to new federal funding opportunities, it makes sense to invest in these buses. Indeed, Texas just benefitted from an initial round of funding from the EPA's Clean School Bus program, and now a second round of funding has just been opened up. With funding from the Bipartisan Infrastructure Law, EPA's new Clean School Bus Program provides \$5 billion over the next five years (FY 2022-2026) to replace existing school buses with zero-emission and low-emission models. EPA solicited rebate applications for \$500 million through the 2022 Clean School Bus Program for zero-emission and low-emission school bus rebates as the first funding opportunity, and have just opened up an additional funding opportunity.

HB 4789 builds on this positive momentum, and the existing Clean School Bus program under Chapter 390 of the Texas Health and Safety Code to move electric school bus policy forward in Texas. First, the bill modernizes the Clean School Bus program in Texas by allowing for TCEQ TERP grants to go toward new electric school buses conversion or replacement (as long as the bus being replaced is at least nine years old), and adds charging infrastructure as an eligible use of the TERP funds. Traditionally, Texas TERP grants have almost exclusively been used for bus repair and diesel or

propane replacement. While propane and modern diesel buses are cleaner than older buses, they are not zero emissions vehicles and on a lifetime basis their emissions are much higher than electric buses. The bill also allows the leasing of buses as an eligible activity, and raises the minimum amount going toward electric buses to 75 percent of the funds.

Finally, the bill requires electric utilities to offer a unique time-of-use program for school districts both for their energy use and for any electric school buses they may operate. Importantly, school buses with batteries could be used for storing electricity, by charging at times when the electricity is not at peak use. On average, school buses are parked for up to 18 hours a day during the school year and nearly three months over the summer. When they aren't being used to transport students, electric school buses can be used as mini, mobile sources of power via their battery storage. Experts are exploring advancements in vehicle-to-grid (V2G) technologies. V2G technologies make use of bidirectional batteries (meaning energy goes in and out) that can store surplus energy and then return it to the grid during peak times of use. This is an important function as more renewable energy sources are added to the grid to help take advantage of lower cost wind at night to charge, but allow for some back-up power during the day if the grid is stressed or more power is needed.

Given the rapid adoption of electric school buses in Texas, HB 4789 provides a needed modernization of the state's existing clean school bus program and also will assure that utilities offer new rates that will benefit schools that want to take advantage of time-of-use rates. Eventually, it could also lead to vehicle-to-grid opportunities to help stabilize the grid.