

## **ATTACHMENT 1 - DRAFT REVISED LANGUAGE FOR 2008 LOWER-EMISSION SCHOOL BUS PROGRAM (LESBP) GUIDELINES**

The proposed language changes below are to facilitate discussion at the January public workshop regarding upcoming revisions to the Lower-Emission School Bus program. This document is printed in a style to indicate changes from the existing provisions. All existing language is indicated by plain type. All additions to language are indicated by underlined text. All deletions to language are indicated by ~~strikeout~~. Only those sections containing the suggested modifications from the existing language are included. All other portions remain unchanged and are indicated by the symbol “\* \* \* \* \*” for reference.

The 2008 LESBP Guidelines language will be revised as follows:

### **REPLACEMENT PROGRAM PROPOSED CHANGES**

#### **Chapter III. Lower-Emission School Bus Replacement Program Requirements**

##### **Page 15. B. Emission Standards and Certification Levels for School Buses**

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Table III-1 below, shows the emission criteria that replacement school bus contracts need to meet for each calendar year in order to qualify for program funding. ~~Starting in 2007, the average heavy duty NOx emission standard is 1.2 g/bhp-hr. For this program, ARB will allow new buses that meet up to 1.44 g/bhp-hr NOx emission standards, as there are a couple of common school bus engines that come in at this level. The 2007 model year Cummins ISB 6.8 liter diesel-fueled engine is currently certified to a significantly higher level, 2.2 g/bhp-hr NOx+NMHC FEL. As such, its NOx + NMHC emission level does not qualify it for funding under the Lower Emission School Bus Program. If necessary, Table III-1 will be evaluated and updated at the staff level by the end of the first quarter of each year.~~

<b>Table III-1 Emission Criteria for Use of Lower-Emission School Bus Program Funding by Calendar Year</b>			
<u>In 2007-2009 Model Year engines</u> must meet:		<u>In 2010 Model Year engines</u> must meet:	
NO <sub>x</sub> (g/bhp-hr)*	PM (g/bhp-hr)	NO <sub>x</sub> (g/bhp-hr)	PM (g/bhp-hr)
1.44 NO <sub>x</sub> FEL	0.01	<del>0.2</del> <u>0.50 NO<sub>x</sub></u> <u>FEL</u>	0.01
FEL: family emission limit g/bhp-hr: grams per brake horsepower-hour * Both the NO <sub>x</sub> FEL and the NO <sub>x</sub> +NMHC FEL must be at or below 1.44 g/bhp-hr.			

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## DISBURSEMENT PROCESS

### Chapter V. ADMINISTRATIVE RESPONSIBILITIES OF AIR DISTRICTS AND THE ARB IN IMPLEMENTING THE LOWER-EMISSION SCHOOL BUS PROGRAM

#### Page 31. J. 1. Fund Disbursement to Air Districts

##### 1. ~~Initial Disbursements~~ Documentation Required for Funds to be Disbursed

*(Previous language in section remains the same.)*

- ~~100 percent of the allocation designated for replacing pre-1977 model year buses, if applicable; and~~
- ~~10 percent of the remainder of the allocation; and~~
- ~~50 percent of its administrative funds. Air districts will receive one check for both administrative and project funds. However, air districts must account for the administrative and project funds separately.~~

~~An air district may receive up to 65 percent of its total allocation through June 30, 2009.~~

##### 2. ~~Additional Disbursements~~

~~Additional disbursements will be made to air districts based on demonstrated need, i.e., at least 50 percent of funds from all previous disbursements must be~~

~~under contract. For additional disbursements of Lower Emission School Bus Program State program funds, air districts must submit a Grant Disbursement Request and provide documentation (i.e., copies of fully executed contracts) that 50 percent of the funds from all previous disbursements are under contract.~~

~~An air district may request the other half of its administrative funds when 50 percent of the funds in its full Lower Emission School Bus Program allocation have been committed. The air districts will again receive one check for both administrative and project funds and must account for the administrative and project funds separately.~~

Once an air district has provided the documentation required for funds to be disbursed, the air district must complete and submit the online Lower-Emission School Bus Program AIR DISTRICT GRANT DISBURSEMENT REQUEST located at <http://www.arb.ca.gov/bonds/schoolbus/documents/disrequest.pdf>. Funds will be disbursed based on the availability of bond funds.

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**Appendix D. Lower-Emission School Bus Program Expanded Timetable  
Page D-1. Table D-1 Expanded Lower-Emission School Bus Program  
Timetable**

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Beginning May 2008 and ongoing	<p><del>Initial d</del><b>Disbursements to air districts based on readiness availability of funds</b> (see Section J of Chapter V)</p> <p><del>Additional disbursements from ARB to air districts based on demonstrated need</del> (see Section J of Chapter V)</p> <p><b>ARB/CAPCOA begins direct implementation of Program, where applicable</b></p> <p><b>Pre-1977 model year (MY) bus replacement projects must be funded before any other projects are funded</b></p>
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**Chapter V. ADMINISTRATIVE RESPONSIBILITIES OF AIR DISTRICTS AND THE ARB IN IMPLEMENTING THE LOWER-EMISSION SCHOOL BUS PROGRAM**

**Page 39. O. Liquidated Damages for Late Delivery of School Buses**

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~~For the air districts that self-implement the program, the liquidated damages will be administered through a withhold by the ARB air districts of five percent of the total grant fund award to each air district until after April 1, 2011. Upon confirmation by each air district that all program-funded buses have been delivered to school districts by April 1, 2011, the ARB will immediately release the remaining five percent of their respective grant awards to each air district. As required in the contracts, for each bus delivered late, the air districts shall reduce the grant payment to either the school bus distributor or the school district (depending on the contract arrangements for the payment of bus purchase orders) by \$100 per day per bus for each day a bus is delivered after the deadline. The ARB will retain an amount equal to the calculated liquidated damages from the applicable air district's grant withhold. Upon confirmation of final bus delivery to the school districts, the ARB will then release the remaining grant award balance, if any, to the air district.~~

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**RETROFIT PROGRAM PROPOSED CHANGES**

The 2008 LESBP Guidelines language will be revised as follows:

<u>June 30, 2010</u>	<del>Retrofit funding may no longer be available for school buses due to proposed In-Use On-Road Heavy-Duty Diesel Vehicle Regulation</del>  <del>Retrofit funding must be fully expended</del>
<u>June 30, 2012</u>	<ul style="list-style-type: none"><li>• Deadline for full expenditure of Proposition 1B funds</li><li>• 100% of funds paid out; all projects/equipment in operation</li><li>• Funds outstanding as of this date must be returned to ARB within 60 days</li></ul>

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