Maryland
Department of the Environment

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor

Ben Grumbles, Secretary
Horacio Tablada, Deputy Secretary

February 18, 2021

The Honorable Dereck E. Davis, Chair
Economic Matters Committee
Room 231
House Office Building
Annapolis, Maryland 21401

Re: House Bill 832- *Public Utilities-Electric School Bus Pilot Program*

Dear Chair Davis and Members of the Committee:

The Maryland Department of the Environment (MDE or the Department) has reviewed House Bill 832- *Public Utilities-Electric School Bus Pilot Program* and would like to provide some information related to this bill.

For more than ten years, Maryland has been a key supporter of reducing school bus emissions. Beginning in 2009, MDE began an aggressive school bus retrofit program. The purpose of this program was to retrofit existing Maryland school buses with new advanced emission technology. These retrofits reduced emissions by over sixty percent. Under this program, MDE retrofitted over two hundred buses with new advanced emission control technology. While these retrofits were the best option for reducing emissions from school buses at the time, technologies have progressed and so has the MDE school bus program. The school bus industry has made significant strides in school bus electrification. This technology has been proven and is ready for use. To reflect these advances, two years ago MDE announced a school bus electrification pilot program. This program is funded with settlement funds received from the Volkswagen and Fiat-Chrysler Settlements. Under this program, MDE is using these settlement funds to implement multiple electric school bus programs throughout the State. These funds cover the incremental cost to purchase an electric school bus and also cover the cost to install the required charging infrastructure. Currently MDE has pilot programs underway with four Maryland counties and is working to develop several more. These types of pilot programs allow counties and schools to gain important "real world" experience with the buses, so when implemented on a large scale, they can make the right purchase decisions and take into account costs, charging infrastructure, and maintenance experience that are important for the long term success of conversion to an electric school bus fleet.

In addition to the school bus electrification pilot program, on July 14, 2020, Maryland signed on to the Medium Heavy Duty zero emission vehicle memorandum of understanding (MHD ZEV MOU). Maryland was one of fifteen states and the District to sign on to this MOU. The goal of the MOU is to work with both private and public stakeholders to identify and address the issues that impact the wide spread electrification of the MHD sector. In addition to this work, the MOU establishes a goal of achieving a 30% sales share of MHD ZEV by 2030, and 100% MHD ZEV sales by 2050. As part of this process, Maryland is working with stakeholders to develop both a regional and Maryland specific Action Plan that will outline how Maryland and the region will achieve the goals of the MOU. Maryland has been conducting webinars and outreach to stakeholders to develop these Action Plans. The goal is to have both the regional and Maryland specific Action Plans completed by the end of the year.

Maryland's ability to expand the use of ZEVs in the MHD sector will play an important role in helping Maryland achieve its climate change and air quality goals. The current Greenhouse Gas Reduction Act (GGRA) was signed into law by Governor Hogan in 2016 and has a goal of a 40% reduction in GHG emissions from 2006 levels by 2030. The transportation sector is the largest source of greenhouse gas (GHG) emissions in Maryland. The transportation strategy in the *2030 GGRA Plan* is to provide Marylanders with reliable clean transportation alternatives to driving single occupancy vehicles, while accelerating deployments of electric and other ZEVs that are powered by increasingly clean Maryland electricity.

Transportation technologies also play a critical role in reducing emissions from the transportation sector that can contribute to air pollution and health problems in communities. Transportation accounts for over fifty percent of all nitrogen oxides (NOx) emissions in the State and the MHD sector is the second largest source of NOx emissions in the State. Maryland is currently in non-attainment for ground level ozone, reducing NOx emissions from the transportation sector, and specifically from the MHD sector, will help Maryland achieve its air quality goals. Converting this sector to electric vehicles will not only achieve significant short-term emission reductions of both GHG and NOx, but also continue to generate deeper reductions beyond the 2030 time-frame.

Thank you for your consideration. This is an important issue that warrants more discussion. We will continue to monitor House Bill 832 during the Committee's deliberations, and I am available to answer any questions you may have. Please feel free to contact me at 410-260-6301 or by e-mail at tyler.abbott@maryland.gov.

Sincerely,

Tyler Abbott

cc: George "Tad" Aburn, Director, Air and Radiation Administration