



February 8, 2022

Chair C.T. Wilson  
Members of the Economic Matters Committee

Re: Earthjustice **support** of HB 696:  
Public Utilities – Electric School Bus Pilot Program

Earthjustice<sup>1</sup> strongly supports the passage of HB 696 and urges a favorable report by this Committee. HB 696 would establish, through the Public Service Commission (PSC), a pilot program allowing certain electric companies to offer electric buses to interested school districts. The pilot program would jumpstart the use of electric school buses by providing incentives to offset costs borne by school systems to deploy electric school buses and would also allow the energy stored in school bus batteries to be deployed to meet regional electricity demands when the buses are not in use for transportation needs.

Transportation is the single largest contributor of greenhouse gas emissions in the United States. One EV segment is particularly ready for electrification: school buses. Forward-thinking school districts are already shifting to electric buses. Since school buses are used for relatively short distances and only a handful of hours during the day, the main barriers to electrification—limited range and charging infrastructure—are neutralized. In short, school buses are tailor made for electrification.

Maryland's ability to expand the use of EVs will play an important role in helping Maryland achieve its climate change and air quality goals. The current Greenhouse Gas Reduction Act (GGRA) has a goal of a 40% reduction in GHG emissions from 2006 levels by 2030. The transportation strategy in the Maryland Department of the Environment's 2030 GGRA Plan is to provide Marylanders with reliable clean transportation alternatives to driving single occupancy vehicles, while accelerating deployments of electric vehicles in other sectors.

Besides cutting greenhouse gas emissions, electric school buses help eliminate hazardous pollution and smog. According to the International Agency for Research on Cancer, diesel fumes are carcinogenic to humans. These fumes are linked to asthma, chronic respiratory disease, and premature death. As the Environmental Protection Agency has noted, particulate pollution is most dangerous to children, who have a faster breathing rate than adults and whose lungs are not yet fully developed. Diesel exhaust is a significant source of student illness and absenteeism. It poisons bus drivers and maintenance workers too.

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<sup>1</sup> Earthjustice is a non-profit public interest environmental law organization that represents other non-profits free of charge. Earthjustice uses the power of law and the strength of partnerships to advance clean energy, combat climate change, protect people's health and preserve magnificent places and wildlife.

Electrifying transportation will 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. Maryland is currently in non-attainment for ground level ozone, reducing NOx emissions from the transportation sector will help Maryland achieve its air quality goals. Converting the school bus 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.

Electric buses are also the more economic choice long-term. Electric buses save up to 80% on fuel, maintenance, and repairs. These lower costs of operating and maintaining electric buses have made them financially attractive for school districts. One estimate puts the cost of operating electric school buses at about 19 cents per mile, compared to the 82 cents per mile cost of diesel buses.<sup>2</sup> According to a study conducted by the US Public Interest Research Group (PIRG), the lifetime savings in fuel and maintenance costs would be about \$170,000 per school bus.<sup>3</sup> In terms of total cost of ownership, over a typical vehicle's 15-year lifespan, school districts can actually come out ahead.

Through the partnership between investor-owned utilities (IOUs) and school districts created by the pilot program, IOUs can subsidize the additional cost of electric buses and of the ancillary charging/grid connection equipment. In return, the IOU can use the buses' batteries to store electricity during times of low demand, and draw on that electricity when the buses are not operating – which is most of the day and often most of the summer. This storage and demand management provides the energy management service that free-standing battery storage would provide, with the advantage of providing carbon- and pollution-free transportation for schoolchildren.

The Electric School Bus Pilot program will advance the use of electric vehicles, provide a benefit to participating school systems, and provide for additional electricity to be available to improve resiliency and mitigate potential power outages. Moreover, HB 696 is an environmental, economic, and health win for Maryland. The pilot program will help reduce the direct health threat of diesel exhaust to schoolchildren and others, address climate change by reducing carbon pollution from diesel buses, and support an innovative partnership between electric utilities and school districts to modernized energy economy in ways that serve both the transportation sector and the energy sector.

Earthjustice supports House Bill 696 and requests a favorable committee report.

Finally, Earthjustice thanks Delegate Fraser-Hidalgo for his leadership on this important issue.

Thank you in advance for your support. Should you have any questions, please contact me at [smiller@earthjustice.org](mailto:smiller@earthjustice.org).

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<sup>2</sup> [https://uspirgedfund.org/sites/pirg/files/reports/ElectricBusesInAmerica/US\\_Electric\\_bus\\_scrn.pdf](https://uspirgedfund.org/sites/pirg/files/reports/ElectricBusesInAmerica/US_Electric_bus_scrn.pdf)

<sup>3</sup> US PIRG, Paying for Electric Buses Financing Tools for Cities and Agencies to Ditch Diesel; 30 October 2018

Respectfully submitted,

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