



Maryland

Department of the Environment

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

Ben Grumbles, Secretary
Horacio Tablada, Deputy Secretary

March 22, 2022

The Honorable Delores G. Kelley, Chair
Finance Committee
Miller Senate Office Building, 3 East
Annapolis, Maryland 21401

Re: Senate Bill 948- Public Utilities-Electric School Bus Pilot Program

Dear Chair Kelley and Members of the Committee:

The Maryland Department of the Environment (MDE or the Department) has reviewed SB 948- *Public Utilities-Electric School Bus Pilot Program* and would like to provide some information related to this bill.

Maryland has been a key supporter of reducing school bus emissions. In 2009, MDE began an aggressive school bus retrofit program with the purpose of retrofitting existing Maryland school buses with new advanced emission technology. Under this program, MDE retrofitted over 200 buses with new advanced emission control technology and reduced emissions by over 60%. While these retrofits were the best option for reducing emissions from school buses at the time, technologies have progressed along with the school bus program. To reflect these advances, 2 years ago MDE announced a school bus electrification pilot program, which is funded with settlement funds received from Volkswagen and Fiat-Chrysler. Under this program, MDE is using these settlement funds to implement multiple electric school bus programs throughout the state, cover the incremental cost to purchase an electric school bus, and 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 experience, so when implemented on a large scale, they can make the right purchase decisions and take into account costs, charging infrastructure, and maintenance experience for the long term success of conversion to an electric school bus fleet. Based on our early experience with these pilot projects, MDE is seeing an incremental cost of approximately \$250,000 for an electric school bus compared to a diesel-powered school bus, with an approximate cost of \$70,000 to purchase and install the required charging infrastructure to support each bus.

In addition to the school bus electrification pilot program, on July 14, 2020, Maryland signed onto the Medium Heavy Duty zero emission vehicle memorandum of understanding (MHD ZEV MOU). Maryland was one of 15 states and Washington, D.C. to sign on to the 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 a regional Action Plan that will outline how Maryland and the region will achieve the goals of the MOU. The draft regional Action Plan was released on March 10, 2022, and will be finalized in June 2022. Maryland's ability to expand the use of ZEVs in the MHD sector will play an important role in helping Maryland achieve its ambitious and achievable climate change and air quality goals. The current Greenhouse

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Gas Reduction Act (GGRA) was signed into law by Governor Hogan in 2016, and has a goal of a 40% reduction in emissions from 2006 levels by 2030.

Thank you for your consideration. We will continue to monitor SB 948 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 tyler.abbott@maryland.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Tyler Abbott", with a long horizontal line extending to the left.

Tyler Abbott

cc: The Honorable Benjamin F. Kramer
George "Tad" Aburn, Director, Air and Radiation Administration