

2020 School Bus Replacement Rebate Application Instructions

General Information

Beginning June 1, 2020, the Nebraska Department of Environment and Energy (NDEE) is soliciting applications to the Nebraska Diesel Emission Mitigation Program for a third round of school bus replacement projects. NDEE anticipates awarding up to 44 school bus rebates during this year's program. NDEE may adjust the number of rebate awards based on the number of applications received and the types of replacement buses proposed.

The NDEE established the *Nebraska Diesel Emission Mitigation Program* to administer funds allocated to Nebraska from the *Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries, Puerto Rico, and the District of Columbia* (VW State Trust). Nebraska's *Volkswagen Environmental Trust Beneficiary Mitigation Plan*¹ currently proposes to utilize over \$6,369,000 (52% of the available funds) for the replacement of diesel school buses by new diesel or alternative-fueled buses in accordance with Eligible Mitigation Action 2 in Appendix D-2 of the Environmental Mitigation Trust Agreement for State Beneficiaries (VW State Trust Agreement)². The first two years of this School Bus Rebate Program (2018 and 2019) have funded replacement of 102 school buses.

WHO IS ELIGIBLE?

- Any Nebraska public school district or private school system that offers primary or secondary education is eligible for this funding opportunity. Companies that own buses and have a current agreement with a school district/system are also eligible to apply if they are either headquartered or have an operational base office in Nebraska.
- Each school district may apply for a maximum of one rebate for one bus.
- Previous recipients of a Nebraska or EPA Clean Diesel School Bus Rebate (2013 or later) are eligible to apply, but preference will be to given schools that are not previous rebate recipients.

VEHICLES ELIGIBLE FOR REPLACEMENT

- Eligible vehicles are school buses with diesel engines with model year 2009 or older and with Gross Vehicle Weight Rating (GVWR) of 14,001 pounds or greater (GVWR Class 4 to 8).
- The bus must be used currently to transport students to and from school or school-related activities. Applicants are required to certify that their bus meets these criteria on the application form.

ELIGIBLE REPLACEMENT VEHICLES

- New or used school buses with engine model year 2019 or newer, certified to EPA emission standards.
- The replacement school bus may operate using conventional diesel (ULSD) or alternative fuels (e.g. propane, compressed natural gas), or an all-electric drivetrain.
- Diesel engines must be equipped with a diesel particulate filter (DPF).
- The replacement school bus must be in the same or lower Gross Vehicle Weight Rating class and operate in the same manner as the original school bus. **GVWR Class 4** = 14,001 to 16,000 lbs, **GVWR Class 5** = 16,001 to 19,500 lbs, **Class 6** = 19,501 to 26,000 lbs, **Class 7** = 26,001 to 33,000 lbs.

¹ Nebraska's Beneficiary Mitigation Plan is available for download at <http://deq.ne.gov/NDEQProg.nsf/OnWeb/AirVW>

² The VW State Trust Agreement (Appendix D-2 begins on page 52) is available at: https://www.vwenvironmentalmitigationtrust.com/sites/default/files/2018-05/Final%20Filed%20Dkt%2051-1%20%20State%20Beneficiary%20Trust%20Agreement_0.pdf

2020 School Bus Replacement Rebate Application Instructions

REBATE AMOUNT FOR PUBLIC SCHOOL DISTRICTS

For *public school districts*, NDEE will reimburse:

- 50% of the base purchase cost (up to a maximum of \$42,000) of a diesel school bus certified to EPA 2019 or later emission standards.
- 60% of the base purchase cost (up to a maximum of \$57,000) of a school bus powered by a propane or compressed natural gas engine certified to meet California Air Resources Board Optional Low-NOx Standards of 0.1 g/bhp-hr, 0.05 g/bhp-hr, or 0.02 g/bhp-hr NOx.
- 40% of the base purchase cost (up to a maximum of \$80,000) of a school bus with an all-electric drivetrain.

REBATE AMOUNT FOR PRIVATE SCHOOLS AND CONTRACTORS

For non-government recipients such as *private schools* or *private companies providing student transport services under contract*, the VW State Trust agreement limits reimbursement to 25% of the base purchase cost of a new school bus. The maximum rebate that NDEE will award in this category is \$21,000 for a diesel bus or \$23,750 for a bus powered by a propane or compressed natural gas engine certified to meet California Air Resources Board Optional Low-NOx Standards (see above).

OTHER REQUIREMENTS

- The replacement bus may not be used to expand the applicant's current fleet; it must replace a bus that is currently operational and in use.
- The replaced bus and its diesel engine must be disabled (scrapped) within 90 days of replacement; delays in scrapping the old bus must be approved in advance by NDEE.
- If selected for an award, the rebate recipient must maintain ownership of the new school bus for at least three years from the date of purchase. If the replacement school bus is sold before the end of the three-year period or used for purposes other than what is allowed under this program, the rebate recipient must notify NDEE and may be required to return up to the full amount of the rebate to NDEE. The amount required to be returned is at the discretion of NDEE and will be determined on a case-by-case basis.

APPLICATION PROCESS

All applicants must completely fill out and submit the attached Application Form and provide all of the listed supporting documents in order to be considered for funding. NDEE may contact you or your organization for clarification and/or additional information using the provided contact information. Applicants will have 10 calendar days to respond to any such request. Applications that remain incomplete after the application deadline will not be considered. Only **one application per applicant** will be accepted, and only **one bus rebate is allowed per application**.

Applications must be submitted and complete before 5:00 pm on August 7, 2020 in order to be considered.

Only signed and dated original applications received by mail, e-mail, or in person at the address below will be accepted. Rebate applications cannot be submitted by fax. The department is not responsible for any applications that are delayed or lost in the mail. Applicants will receive an e-mail confirming NDEE's receipt of the application. It is the applicant's responsibility to ensure that their application was received by the department by the deadline.

Mail or e-mail applications to:

Nebraska Diesel Emission Mitigation Program
Nebraska Department of Environment and Energy
PO Box 98922
Lincoln NE 68509-8922
NDEQ.VWSettlement@nebraska.gov

2020 School Bus Replacement Rebate Application Instructions

APPLICATION MATERIALS CHECKLIST

Use the following checklist to ensure you have submitted all required materials with your application. A complete application will include all the documents listed below.

- Completed and signed application form.
- An organizational Dun and Bradstreet (D&B) Data Universal Number System (DUNS) number must be included on the application form. Organizations may obtain a DUNS number at no cost by calling the toll-free DUNS number request line at 1-866-705-5711 or visiting the D&B website at: www.dnb.com.
- Photocopy of the Nebraska vehicle registration for the bus being replaced.
- Photocopy of the title of the bus being replaced.
- Photograph of the bus (side profile) being replaced showing the identifying vehicle unit number.
- Photograph of the engine label showing the EPA Engine Family (see FAQs).
- Copy of bid or price quote for the replacement bus, including estimated delivery dates.

SELECTION OF RECIPIENTS

If the number of complete, eligible applications is greater than the number of available rebates, rebate recipients will be drawn by lottery on August 12, 2020. Each applicant that has not received a previous Clean Diesel Rebate will have two entries in the drawing, while each previous rebate recipient will have one entry in the drawing. Applicant names will be drawn and placed in corresponding order (omitting duplications) until the number of available rebates is reached. The remaining applicant names will be drawn and placed in order on an alternate list. If an applicant on the rebate list withdraws, funds will be offered to the next applicant on the alternate list.

PROJECT AGREEMENT

- All rebate recipients must sign an agreement with NDEE. ***The replacement bus cannot be purchased until the signed agreement is on file at NDEE.***
- After NDEE has received the signed agreement, the recipient will be notified that they can complete the purchase of the replacement bus. ***Note: the date of the purchase order cannot pre-date the signature date of the agreement.*** Projects must be completed by **December 15, 2021.**

The applicant is responsible for the remainder of the bus purchase price (cost-share). Other grant funds from federal, state, or private sources may be used for part or all of the cost-share. Prior to submitting an application, it is recommended that all applicants also review 1) the portions of the Appendix D-2 of the VW State Trust Agreement that apply to their funding request and 2) Nebraska's Beneficiary Mitigation Plan.

SCRAPPAGE

The old bus being replaced must be scrapped (permanently disabled) within 90 days of replacement and prior to submission of the reimbursement request to NDEE. Scrappage consists of:

1. Cutting, drilling, or punching a 3" by 3" hole completely through the cylinder wall of the engine block or shearing the engine block.
2. Cutting completely through the chassis frame rails on either side between the front and rear axles.

Before and after photographs of the scrapped engine and chassis frame rails must be submitted with the reimbursement request. Recipients should consult NDEE in advance for approval of any other proposed scrappage methods. Delays in scrappage must be approved in advance by NDEE.

Questions? Email us at NDEQ.VWSettlement@nebraska.gov or phone 420-471-4272

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Nebraska Diesel Emission Mitigation Program
 Volkswagen Environmental Mitigation Trust for State Beneficiaries
2020 School Bus Replacement Rebate Application

Section 1 – Applicant Information

School Type: Public Private

School District / School / Company Name: _____

Project Manager (if different from authorized signatory): _____

Address: _____

City State Zip Code

Email Address: _____ Phone: _____

Tax ID Number: _____ DUNS Number: _____

County in which the school bus primarily operates: _____

Section 2 – Original Bus Information

Vehicle Identification Number (VIN)	
Bus Unit Number	
Vehicle manufacturer	
Vehicle model	
Vehicle model year	
Engine manufacturer	
Engine model year (2009 or older eligible)	
Engine model	
Engine EPA Family (provide engine label photo; see FAQ for more information)	
Engine horsepower	
Gross Vehicle Weight Rating (lbs)	
Fuel Type	
Annual Fuel Consumption (gallons)*	
Annual Hours Idling*	
Annual number of miles traveled*	
Estimated remaining years of service*	

*** Please provide values that are as accurate as possible to provide a basis for determining emissions reductions.**

Nebraska Diesel Emission Mitigation Program
Volkswagen Environmental Mitigation Trust for State Beneficiaries
2020 School Bus Replacement Rebate Application

Section 3 – Bid Information: Provide summary information from the dealer’s quote or bid in the columns. ***** Please attach copy of bid/quote to application. *****	
Vendor:	Engine Manufacturer:
Bus Manufacturer:	Engine Model:
Bus Model:	Mode of Use (Route or Activity)
Fuel: <input type="checkbox"/> Diesel <input type="checkbox"/> Propane <input type="checkbox"/> CNG	Engine Horsepower:
Bus Gross Vehicle Weight:	Purchase Cost:
Other details:	

Section 4 – Rebate Amount Requested Based on Bid/Quote
Base Purchase Cost of Bus: _____
Rebate amount requested*: _____ Applicant cost-share amount: _____
* Public school, diesel replacement: 50% of base purchase cost, maximum \$42,000. Public school, Low-NOx CNG or propane replacement: 60% of base purchase cost, maximum \$57,000. Private school: 25% of base purchase cost.

Nebraska Diesel Emission Mitigation Program
Volkswagen Environmental Mitigation Trust for State Beneficiaries
2020 School Bus Replacement Rebate Application

Section 5 – Applicant Certification

Owner or Authorized Representative: I certify to the best of my knowledge that (check each item):

- The information contained herein is true and correct.
- The school bus being replaced is currently in use, in proper working condition, and is used to transport students to and from school or school-related activities. If selected for an award, the new school bus will perform these same functions.
- The bus being replaced will be properly disposed of in accordance with the requirements of this agreement.
- The new bus will not be used for fleet expansion.
- The applicant is either headquartered or has an operational base in Nebraska and the new bus will continue to operate in Nebraska.
- If selected for an award, the school district/school/company will maintain ownership of the replacement school bus for at least three years from the date of purchase. I understand that if the replacement school bus is sold before the end of the three-year period or used for purposes other than specified in the conditions of this program, the recipient may be required to return up to the full amount of the rebate to NDEE. The amount required to be returned is at the discretion of NDEE and will be determined on a case-by-case basis.
- I understand that I will not be eligible for any projects in which costs were incurred before the project period began and after the project period ends.
- I have the legal authority to sign this agreement.
- I acknowledge that failure to provide all applicable information and supporting documentation may result in the rejection of my application.

Printed Name of Authorized Representative

Title

Signature

Date