

**Railroad Commission of Texas ("RRC")**  
**Alternative Fuels Clean School Bus Replacement Program**

**Project Description**

The Texas Education Agency reports that more than 33 percent of the school buses in local fleets are more than ten years old. These older school buses emit harmful air pollution which directly impacts the health of school children traveling on these buses. This SEP is designed to reduce nitrogen oxides ("NO"), volatile organic compounds ("VOCs"), carbon monoxide ("CO"), and particulate matter ("PM") emissions by replacing older diesel buses with newer buses that meet more stringent emission standards. More than 60 school districts have contacted the RRC regarding the purchase of alternative fuel clean school buses.

RRC shall provide SEP Funds for up to 100% of the purchase price of a propane or natural gas powered school bus that is model year 2010 or newer ("Replacement Bus") to public school districts and public charter schools ("Schools") to replace a diesel school bus that is model year 2002 or older ("Older Bus").

RRC shall give preference to Schools replacing the oldest, most polluting buses that are currently in use. An Older Bus that is not currently in use on a weekly basis is not eligible. Since unnecessary school bus idling wastes fuel and pollutes the air, preference shall also be given to those Schools with a written policy to reduce school bus idling.

RRC shall require that the Older Bus be in regular use, driven on a route to and from school, and owned by the School for the past two years. RRC shall also require that the Older Bus is not already scheduled and budgeted for replacement. All Older Buses shall be fully decommissioned as specifically required in the SEP Vehicle Disposition Form. This form shall be included in the RRC's Quarterly Reports for each Older Bus replaced. All funds received for the scrap value of the Older Bus shall be deposited into the SEP account, become part of the SEP Funds, and be reported on the SEP Quarterly Report. SEP Funds shall only be used for the purchase of Replacement Buses.

RRC shall ensure that each Replacement Bus purchased has an engine that meets 2010 EPA Standards. Each Replacement Bus may be equipped with air conditioning, a camera system, GPS, and a 2-way radio. Additional equipment not included in the items previously listed on the Replacement Bus shall not be paid for with SEP Funds. RRC shall limit reimbursement awards of SEP Funds to five per School.

RRC shall require written certification from each SEP Funds recipient that the recipient intends to own and operate the Replacement Bus for the next five years. RRC shall provide this certification in RRC's Final Report.

RRC is not required to report emissions reductions to the SEP Program. RRC shall report the total number and type of Replacement Buses purchased in its SEP Final Report.

SEP Funds may be used for a percentage of the purchase price of the bus as long as the purchase is completed and all other requirements of this SEP are met. For instance, if non-SEP matching funds are used to complete the purchase of a Replacement Bus, the entire Replacement Bus must be reported to the SEP Program showing the amount of SEP Funds used for that purchase, the full amount of any scrap value received for the Older Bus, and the full decommissioning of the Older Bus.

RRC's project area is Statewide; therefore, RRC may use all SEP Funds for work anywhere in the state. RRC shall attempt, but is not required, to use SEP Funds in the TCEQ Air Control Regions from which the corresponding penalty originated.

**Environmental Benefit**

This SEP will directly benefit air quality by reducing harmful exhaust emissions which contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a new 2010 ultra low emission model, Schools may reduce their students' exposure to NO<sub>x</sub> by 98 percent; VOCs by 93 percent; CO by 83 percent; and PM by 99 percent. In addition, by encouraging less school bus idling, this SEP contributes to public awareness of environmental matters.

**Eligible Areas and Counties**

The project may receive contributions from the following:

Statewide

**Minimum Contribution Amount**

\$1,000