



## **Filing Receipt**

**Filing Date - 2024-08-19 12:38:58 PM**

**Control Number - 54614**

**Item Number - 92**

**To: All Parties of Record**

**From:** Jessica Keithan  
Founder/Executive Director  
Texas Electric School Bus Project  
3620 W. 11th St, Suite B  
Houston, TX 77008  
[jessica@texaselectricschoolbusproject.org](mailto:jessica@texaselectricschoolbusproject.org)

Zach Woogen  
Interim Executive Director  
Vehicle-Grid Integration Council  
10265 Rockingham Dr., Suite #100-4061  
Sacramento, CA 95827  
[vgicregulatory@vgicouncil.org](mailto:vgicregulatory@vgicouncil.org)

**Re: PUC DOCKET NO. 54614; SOAH DOCKET NO. 473-24-04312**

*Advocating for PowerConnect and Texas School Districts: A Response to commission staff's exceptions to the proposal for decision*

**Date:** August 19, 2024

Dear Commissioners,

The Texas Electric School Bus Project and Vehicle-Grid Integration Council (VGIC) jointly submit this response to express our strong support for the PowerConnect Pilot Program proposed by El Paso Electric (EPE). The Texas Electric School Bus Project's mission is to facilitate the speedy and equitable transition to a zero-emissions school bus fleet in Texas and beyond. VGIC is a national membership-based advocacy group committed to advancing the role of flexible electric vehicle charging and discharging to achieve a more reliable, affordable, and efficient electric grid. EPE's PowerConnect Pilot Program not only aligns with these missions and Texas's broader economic goals but also significantly contributes to the health and well-being of Texas students.

**Response to Exceptions:**

1. **Subsidies - PURA § 42.0103(d):** Various commenters have referred to "subsidies" as an issue, but we would like to point out that funding school bus electrification is very much a form of investment. It is an investment because the funding will deliver a host of benefits to a wide range of stakeholders. Return on this electrification investment will benefit school budgets. They will save up to 75% on fuel and maintenance costs. Driver retention will improve given that electric school buses (ESBs) are easier to drive and less noisy. With the right coordination, school bus charging will augment utilization of the power grid. Whether speaking about a manufacturing plant or an electric distribution grid, flowing more kWh over the same base of invested capital is efficient and creates savings. The electric savings mean that the cost-of-service goes down, which in turn

lowers consumer rates.<sup>1</sup> Importantly, this savings occurs even if the ratepayer does not live near or use the ESBs themselves. Electricity is, by nature, a domestic and localized product. Fueling dollars will flow to the people that work at the state's power plants and transmission infrastructure. Additionally, these programs can lead to broader societal benefits—reduced greenhouse gas emissions, improved community air quality, and enhanced student health and cognitive function.

2. **Make-Ready Infrastructure - PURA § 42.0102(6):** The strategic development of make-ready infrastructure at school facilities and other public sites underlines Texas' commitment to public health, fiscal responsibility, and energy innovation. By investing in foundational EV infrastructure, the state can leverage federal funding and incentives, and make state funding dollars go further. The data shows that Texans like electric vehicles and efforts to improve infrastructure will help ensure that Texas remains a leader in the competitive EV market and the ongoing leader in energy innovation. While we understand concerns regarding the scope of subsidies for non-public EV charging stations, it is crucial to recognize that public school bus depots, though not commercial, serve a *critical public function*. Charging of public-school busses and transit buses by public entities such as public-school districts and public transit authorities constitutes commercial use by the public because these forms of transit are accessible by the public and the public pays for use of these forms of transit through a combination of direct user fees and taxes. Our nation's fleet of yellow school buses, over 500,000 strong, makes up the largest transit system in our country and moves 1.3 million students per day in Texas alone. Texas also leads the nation in the size of our school bus fleet with over 50,000 school buses. Additionally, electrifying school buses is a more efficient way to reduce tailpipe emissions because each Type C bus is equivalent to 25 light-duty vehicles.
3. **Cost Recovery:** Concerns regarding the deferral of cost recovery are acknowledged. However, by *investing* now we anticipate significant economic returns through decreased operational costs for school bus fleets and enhanced public health, which can save on healthcare expenses related to pollution-induced conditions in children and adults. Such pilots can demonstrate the viability and benefits of EV adoption in school transportation, providing a model for sustainable investment in public infrastructure. Furthermore, the insights gained from this initiative will aid in developing cost-effective strategies for large-scale EV integration, which has been projected to show significant cost savings over traditional energy systems. In addition, school bus installations can be configured with vehicle-to-grid bidirectional charging capabilities so that they can discharge into EPE's network during peak periods. EPE can coordinate the buses to discharge energy to reduce system costs. These savings would accrue to all customers served by EPE.
4. **Effect on Non-Participating Customers:** It is crucial that the implementation of this program does not unfairly impact non-participating customers. To address this, we advocate for a transparent, holistic assessment of how the costs and benefits of the PowerConnect Pilot Program are distributed. Part of this assessment should include

---

<sup>1</sup> See, for example, *Electric Vehicles Are Driving Rate Down for All Customers*. Sarah Shenstone-Harris et al. January 2024. <https://www.synapse-energy.com/sites/default/files/Electric%20Vehicles%20Are%20Driving%20Rates%20Down%20for%20All%20Customer%20Update%20jan%202024.pdf>

assessing the potential grid benefits of ESBs as distributed energy resources in areas that are prone to grid instability. Establishing a separate EV rate class, as suggested, could ensure that the costs borne by participants and benefits accrued are aligned more closely with usage and benefits, thus safeguarding against unjust cost allocation.

In summary, the Texas Electric School Bus Project and VGIC strongly advocate for the approval of the PowerConnect Pilot Program for its dual benefits of economic efficiency and public health improvement. This program, and the future development of programs like it, are pivotal elements in our broader strategy to provide Texas's youth with a cleaner, healthier future while also maintaining rigorous fiscal responsibility and economic opportunity. We believe that this initiative will play a crucial role in facilitating the deployment of EV charging infrastructure across the state, supporting the growth of electric school bus fleets, and advancing Texas's commitment to a sustainable and profitable future.

Thank you for your consideration. We look forward to a favorable decision that will benefit both our economy and the health of our communities.

Sincerely,

Jessica Keithan  
Founder/Executive Director  
Texas Electric School Bus Project

Zach Woogen  
Interim Executive Director  
Vehicle-Grid Integration Council