BRIEF

Dominion launches electric school bus initiative, aims for 100% electric fleet in Virginia territory by 2030



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Dive Brief:

- Dominion Energy on Thursday <u>unveiled an electric transportation</u> <u>initiative</u> aimed at replacing all diesel school busses in its Virginia service territory with electric busses capable of operating as a grid asset.
- The utility wants to have 50 buses operating by the end of 2020 and 1,000 in 2025. Doubling that, the third phase of the program calls for reaching 100% electric buses by 2030.
- Dominion says zero-emissions buses will improve air quality and reduce carbon emissions, while school districts would also see lower costs. The utility would pick up the price difference in cost between EV and diesel models.

Dive Insight:

Dominion's bus replacement program looks like an easy win for school districts, but the utility says benefits will extend further by helping manage the electric grid and incorporating renewable energy.

"Once phase 2 is fully implemented, the buses' batteries could provide enough energy to power more than 10,000 homes," Dominion said in a statement. The buses will serve as a grid resource by storing wind and solar energy, and then injecting energy onto the grid during peak demand when the buses are not needed for transportation.

Dominion said it plans to offset the additional costs of the electric buses, including charging infrastructure. Operating and maintenance costs are lower with electric school buses, and the utility said this can provide a 60% annual cost reduction for districts.

"We're committed to lowering our carbon emissions, but we can't do it alone," Dominion Chairman, President and CEO Thomas Farrell II said in a statement. "Transportation is

the number one source of carbon emissions in the US ... We think that electric school buses will provide a wide range of benefits for the customers and communities we serve, including cleaner air, cost savings for school districts, and enhanced grid reliability."

The utility will need authorization from the state to move ahead with the program, and it has already brought on board Gov. Ralph Northam, D, who said the state is "leading the way in promoting electric vehicle technology and improving our environment."

Dominion sad it has planned a "tele-town hall meeting" for Wednesday to provide school districts with more information about the program.

"Bus manufacturers will be able to submit bids through an RFP process and school districts can express their interest in participating in this groundbreaking program to receive the buses as soon as next year," Dominion said.

The initial rollout is expected to cost \$13.5 million, which Dominion said <u>would not be passed on to customers.</u>

School buses and other large fleets are being considered for their potential to act as grid resources. Earlier this month, California regulators <u>approved a \$1.7 million San Diego</u> <u>Gas & Electric pilot</u> that will connect 10 electric school buses with the state's energy market.