

From: Paul Fiereck
To: [Regynski, Barb](#)
Cc: [Gary Goeller](#)
Subject: VW Settlement money
Date: Tuesday, February 14, 2017 3:11:03 PM
Attachments: [VW Settlement Information.docx](#)
[SD VW settlement.doc](#)

Barb,

Attached is a letter with information on how a Propane bus could be one of the options for the use of this money.

Also, is an information sheet of General School Bus Facts and how the cleaner Propane Powered School Bus can accomplish this.

The initial cost of a Propane Powered School bus is approximately \$8,000.00 more than a Diesel-Powered School Bus. Total Cost of Ownership shows us that a Propane Powered School Bus can save between \$2,500.00 and \$4,000.00 per year per bus compared to Diesel powered School Buses.

If you have questions, please let me know.

Thank You,

Paul Fiereck

Sales Representative

North Central Bus & Equipment

Serving Minnesota & South Dakota

320-267-5224 Cell

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2629 Clearwater RD

St. Cloud, MN 56301

Volkswagen Settlement Information

GENERAL SCHOOL BUS FACTS

School buses are safe.

- School buses are the safest mode of transportation for getting children to and from school.
- School buses represent 25 percent of the miles traveled by students, but account for less than 4 percent of the injuries.
 - (Source: Transportation Research Board, "The Relative Risks of School Travel: A National Perspective and Guidance for Local Community Risk Assessment," TRB Special Report 269, Accessed 9/20/11)

School buses decrease traffic and emissions.

- School buses keep cars off the road, decreasing both traffic congestion and fuel emissions.
 - (Source: American School Bus Council)
- Every school bus takes about 36 cars off the road, resulting in less traffic congestion and a reduced carbon footprint.

CLEAN TECHNOLOGY SCHOOL BUS BENEFITS

Clean technology reduces harmful pollutants.

- The Blue Bird Vision propane school bus offering is currently certified to 0.20 NO_x level, it will be certified to a CARB-optional 0.05 NO_x level at the next engine model year early 2017. This is better than the federal 0.20 NO_x level and will be **the cleanest engine offered in a school bus** application.
- Switching school buses from pre-emission regulated diesel to improved clean technology decreases particulate and gaseous air pollutant and toxic emissions during transit, pick-up and drop-off, and idling.
 - (Source: Am J Respir Crit Care Med. 2015 Jun 15;191(12):1413-21. doi: 10.1164/rccm.201410-1924OC. Adopting Clean Fuels and Technologies on School Buses. Pollution and Health Impacts in Children. Adar SD1, D'Souza J1, Sheppard L2,3, Kaufman JD2,4,5, Hallstrand TS4, Davey ME6, Sullivan JR2, Jahnke J7, Koenig J2, Larson TV2,8, Liu LJ2,6.)

Clean technology improves air around school children.

- Decreasing pollutants and emissions significantly reduces children's exposure to harmful emissions. Less pollutants means improvements in respiratory health, like improved lung function and decreased school absenteeism. This was especially observed in asthmatic children who are at a greater risk.
 - (Source: Am J Respir Crit Care Med. 2015 Jun 15;191(12):1413-21. doi: 10.1164/rccm.201410-1924OC. Adopting Clean Fuels and Technologies on School Buses. Pollution and Health Impacts in Children. Adar SD1, D'Souza J1, Sheppard L2,3, Kaufman JD2,4,5, Hallstrand TS4, Davey ME6, Sullivan JR2, Jahnke J7, Koenig J2, Larson TV2,8, Liu LJ2,6.)

- For more than a decade, elevated air pollution levels inside pre-emission regulated diesel school buses have been recognized as possibly affecting the health of the 25 million U.S. children who commute to school in these school buses each day.
 - *(Environ Sci Process Impacts. 2013 Oct;15(11):2030-7. doi: 10.1039/c3em00377a. The impact of an anti-idling campaign on outdoor air quality at four urban schools. Ryan PH1, Reponen T, Simmons M, Yermakov M, Sharkey K, Garland-Porter D, Eghbalnia C, Grinshpun SA.)*
- When inhaled by younger children whose lungs are still maturing and are particularly susceptible to these pollutants, the effects of pre-emissions regulated diesel bus discharges can be harmful. This effect has been studied and documented for the last 15 years, including by scientists commissioned by California Air Resources Board.
 - These studies have led the state of California to start replacing pre-emission regulated diesel buses with a variety of alternative-fueled school buses, including propane.

PROPANE SCHOOL BUS BENEFITS

School buses powered by propane lower emissions.

- Buses fueled by propane autogas emit fewer greenhouse gases and total hydrocarbon emissions. And, they virtually eliminate particulate matter when compared with pre-emission regulated diesel-powered buses.
- Vehicles fueled by propane autogas emit:
 - 60% reduction in nitrogen oxide emissions
 - 80% fewer smog-producing hydrocarbons
 - 100% reduction in particulate matter

Propane-fueled school buses make economic sense.

- Propane buses provide school districts with a fueling method to achieve clean-operating school buses without sacrificing their maintenance budgets. Propane does not require expensive after-treatment exhaust systems required by diesel school buses.
- Blue Bird's Ford/ROUSH CleanTech propane school bus offers the best total cost of ownership of any school bus on the road today. Over the total bus ownership, school districts experience significant savings with propane buses compared to their diesel counterparts.
- Propane autogas cost significantly less per gallon versus gasoline and diesel.

PROPANE FACTS

- Propane autogas is a nontoxic, non-carcinogenic and non-corrosive fuel.

- Propane autogas is the leading alternative fuel in the United States and the third most commonly used vehicle fuel, following gasoline and diesel.
- More than 90 percent of the United States propane autogas supply is produced domestically, with an additional 7 percent from Canada.
- For more than 30 years, the cost of propane autogas has been, on average, 40 to 50 percent less than the cost of diesel.
- Propane autogas vehicle fuel tanks are 20 times more puncture-resistant than gasoline or diesel tanks. They are constructed from carbon steel in compliance with the American Society of Mechanical Engineers.
- Propane buses offer maintenance savings — about 20 percent less oil required per year, with no exhaust gas recirculation, diesel particulate filter, regeneration or diesel exhaust fluid necessary.

NORTH CENTRAL BUS AND EQUIPMENT FACTS

- North Central Bus & Equipment (NCBE) is a wholly owned subsidiary of St. Cloud Industrial Products (SCIPI). The company is a 100% employee owned company employing over 160 people in Central Minnesota.
- NCBE is the Bluebird Bus dealer for most of Minnesota and all of South Dakota. NCBE has sold over 120 alternative fuel school buses and vans to school districts, government entities and private contractors since 2013.
- There are over 9,500 Blue Bird buses fueled by propane in operation today in more than 600 school districts across the country.
- ROUSH CleanTech designs, engineers, manufactures and installs all the state of the art propane autogas fuel systems for Ford all Blue Bird school buses.

For More Information:

Propane Education & Research Council: www.propane.com

American Gas Association: www.aga.org



2629 Clearwater Road, Saint Cloud MN 56301
732 30th Avenue SE, Minneapolis MN 55414

February 14, 2017

Barb Regynski
South Dakota Department of Environment & Natural Resources

Re: Using Volkswagen Settlement Funds to fund propane-fueled school buses

Dear Barb Regynski,

On October 25, 2016, the U.S. Department of Justice entered into a partial settlement with Volkswagen that will result in South Dakota receiving \$7,500,000.00, which must be used to implement projects that reduce smog-forming nitrogen oxide (“NOx”) emissions (the “Volkswagen Settlement Funds”).¹ This represents a tremendous opportunity to support local businesses and school districts in accelerating the clean-up of older, pre-emission diesel buses in South Dakota, especially in communities that have been disproportionately burdened by these vehicles.

As the Sales Person of the Blue Bird dealership in South Dakota,² I write to recommend that the South Dakota Department of Environment & Natural Resources, as part of its potential role as Beneficiary, implement programs that increase the use of propane school buses because they offer a cost-effective strategy to reduce NOx emissions and improve public health. North Central Bus & Equipment would like to support your efforts, with the assistance of our partnership with ROUSH CleanTech, which has helped deploy over 9,500 propane-fueled buses in more than 650 school districts nationwide.

Propane school buses can be a smart investment for South Dakota. Our propane school bus customers, developed through our 25 years of alternative fuel experience, have seen tremendous benefits, including fuel cost reductions of 60 percent per gallon and operations and maintenance savings of \$0.37 per mile, as compared to diesel.³ Propane school buses can thus support the South Dakota Department of Environment & Natural Resources, efforts to achieve cost-effective NOx emissions reductions.

¹ United States, In Re: Volkswagen “Clean Diesel” Marketing, Sales Practices, and Products Liability Litigation. Order Granting the United States’ Motion to Enter Proposed Amended Consent Decree, MDL No. 2372 CRB (JSC). <http://www.cand.uscourts.gov/crb/vwmdl>, October 25, 2016.

² Blue Bird has been providing alternative fuel solutions since 1991 and, as the number one manufacturer of alternative fuel school buses, Blue Bird has produced ten times more alternative fueled buses than all of our competitors combined.

³ “Propane Testimonials.” Blue Bird. <http://www.blue-bird.com/blue-bird/propane-testimonials.aspx>.



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Propane-fueled school buses exist today that are much cleaner than even the cleanest diesel school buses. In fact, starting with model year 2017, we will offer the propane-fueled Vision Type C school bus, in partnership with ROUSH CleanTech and Ford Motor Company. This bus will be certified at 0.05 grams NO_x per brake horsepower-hour (g/bhp-hr), which is 75 percent cleaner than today's cleanest diesel buses.⁴ What's more, these new propane school buses will be 99 percent cleaner than the oldest, dirtiest buses still operating in many of our state's school districts.⁵

Propane buses also significantly reduce children's exposure to emissions that are associated with increased asthma emergencies, bronchitis, and school absenteeism, especially among asthmatic children.⁶ Propane school buses effectively eliminate diesel particulate matter emissions that are associated with cancer and thousands of premature deaths nationwide every year. These vehicles are also a safe transportation solution because propane is non-toxic, non-carcinogenic and non-corrosive, and because their vehicle fuel tanks are 20 times more puncture-resistant than gasoline or diesel tanks.⁷

North Central Bus & Equipment would like to work with you and your team to ensure the most cost-effective and environmentally beneficial use of South Dakota's Volkswagen Settlement Funds. Towards that end, we request that South Dakota Department of Environment & Natural Resources implement programs that increase the use of propane school buses.

Thank you for considering our request. We look forward to continued dialogue with you and your team, and to a future collaboration that will help South Dakota meet its air quality goals.

Sincerely,

North Central Bus & Equipment
Sales Representative
320-251-7252 ext. 224/paulf@northcentralinc.com

⁴ For model year 2010 and newer diesel engines, EPA established a NO_x emission standard of 0.2 g NO_x / bhp-hr. Please refer to EPA's [summary table](#) of diesel engine exhaust emission standards for further detail.

⁵ For model year 1998 to 2003 diesel engines, EPA established a NO_x emission standard of 4.0 g NO_x / bhp-hr. Please refer to EPA's [summary table](#) of diesel engine exhaust emission standards for further detail.

⁶ Adar, S. et al. "Adopting Clean Fuels and Technologies on School Buses. Pollution and Health Impacts in Children." ATS Journals, Volume 191, Issue 12. <http://www.atsjournals.org/doi/abs/10.1164/rccm.201410-1924OC#.WA-HlNUrJhE>, June 15, 2015.

⁷ "Propane Autogas – Safe and Reliable." Blue Bird. <https://www.blue-bird.com/blue-bird/Propane-is-safe.aspx>.
