

**From:** Paul Fiereck  
**To:** [Regynski, Barb](#)  
**Cc:** [Gary Goeller](#); [Ostebee, Craig](#)  
**Subject:** Re: [EXT] VW settlement info  
**Date:** Thursday, October 12, 2017 1:55:51 PM

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Barb,

You can share the info. We provided info to the state of Minnesota also.

Thanks for checking.

Paul Fiereck  
North Central Bus & Equipment  
320-267-5224

On Oct 12, 2017, at 13:10, Regynski, Barb <[Barb.Regynski@state.sd.us](mailto:Barb.Regynski@state.sd.us)> wrote:

Hi Paul –

I am not sure yet what we will be doing with the comments, but if we decide to publish them all, would you want this included? I thought I had better check since the slides are marked private and confidential.

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**From:** Paul Fiereck [<mailto:paulf@northcentralinc.com>]  
**Sent:** Wednesday, October 11, 2017 4:21 PM  
**To:** Regynski, Barb  
**Cc:** Gary Goeller; Ostebee, Craig  
**Subject:** [EXT] VW settlement info

Good afternoon Barb,

Blue Bird and North Central would like to share this info on how Autogas (Propane) powered school buses would help South Dakota.

If you have questions please contact me.

Thanks

**Paul Fiereck**

Sales Representative  
North Central Bus & Equipment  
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# **VW Settlement Information for South Dakota Department of Environment and Natural Resources**



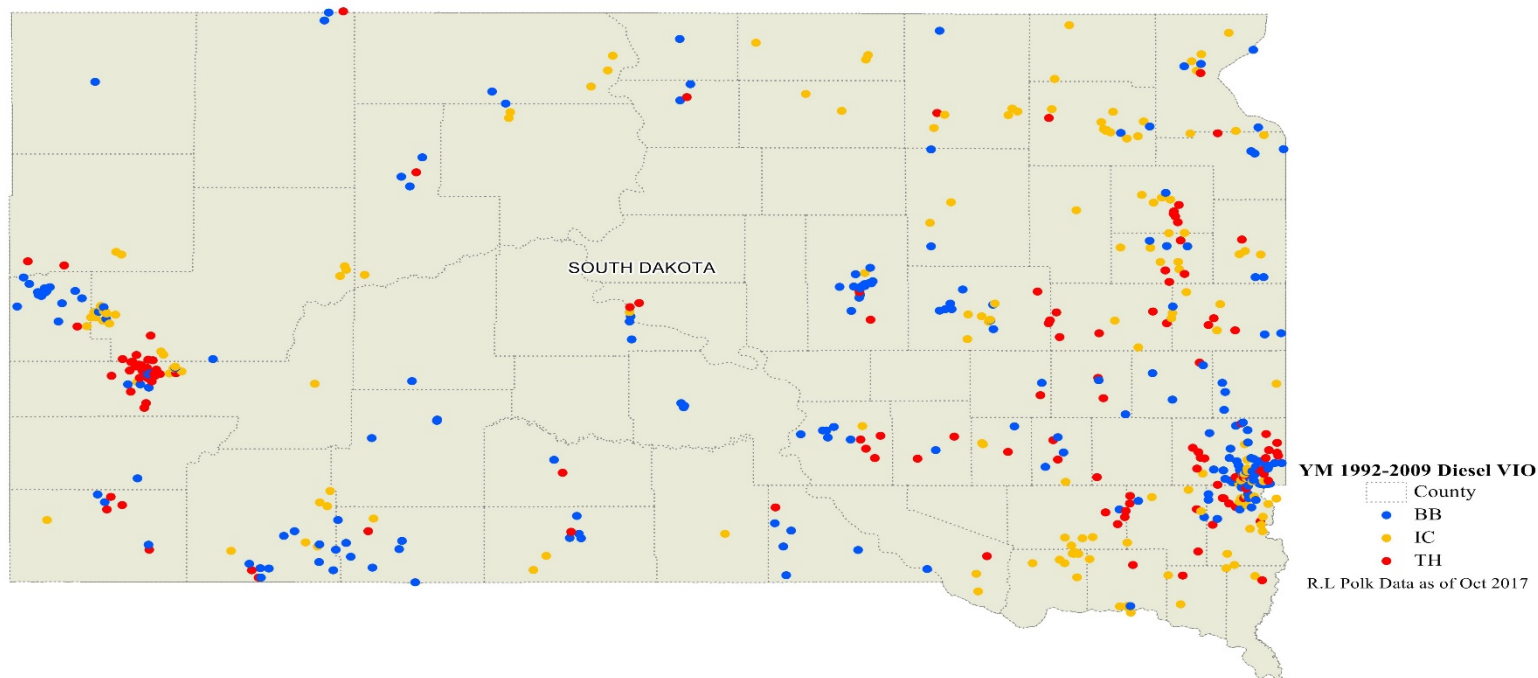
A heritage of looking ahead.

# Diesel Fuel School Buses in SD



Estimated 1992 - 2009  
diesel buses in operation in SD

**531**



**531 unit opportunity to reduced NOx**

# School Buses are Cost Effective



	<u>Total</u>
Est. Pre-2009 Buses Operating in SD (# units)	531
Est. Number of Children Transported Daily	24,220
Est Cost of 2018 Model Year Diesel Bus (\$)	83,500
Est Cost of 2018 Model Year Propane Bus (\$)	\$92,500
Clean School Bus Incentive (% of bus cost)	25%
Total SD VW Mitigation Trust Allocation (\$)	8,125,000
School Bus, One-Quarter Funding Allocation Scenario	\$2,031,250
Propane Bus Incentive (\$), Based on 25% of Total Bus Cost	\$23,125
Number of Estimated Bus Replacements-Propane Scenario	88



Assumptions: 88 school buses replaced, 2007 average model year replaced with 2018 model year Vision propane bus, 15 year service life, 12,600 miles per year.

Total Nox Reduction (lbs)  
Petroleum Reduction (gallons)

**POTENTIAL IMPACT**

47,222

2,376,000

Standard Argonne AFLEET Emissions Outputs				
Fuel	Purchase Price	NOx Reduced	\$/lb	Cost Effectiveness vs. Propane
Propane	\$ 92,500	537.0	\$ 172	
Diesel	\$ 83,500	330.5	\$ 253	-32%
Electric	\$ 300,000	593.4	\$ 506	-66%

**Propane buses are the most cost effective \$/lb**

# School Buses are Cost Effective



## Blue Bird Vision Propane

### The Most Cost-Effective Solution to Reduce NOx Emissions from School Buses

School buses transport 25 million children across the U.S. to and from school each year. Because of the stop-and-go driving conditions, diesel buses emit increased exhaust emissions filled with tiny soot particles and toxic gases. Using the Volkswagen Environmental Mitigation Trust (EMT) to fund propane buses enables states to meaningfully reduce this harmful exposure, which benefits our nation's children.



#### PROPANE

Purchase price: \$85,000  
NOx reduced: 537 lbs.

Cost per pound of  
NOx reduced: \$177



#### DIESEL

Purchase price: \$90,000  
NOx reduced: 331 lbs.

Cost per pound of  
NOx reduced: \$272



#### ELECTRIC

Purchase price: \$300,000  
NOx reduced: 593 lbs.

Cost per pound of  
NOx reduced: \$506



\*Vehicle purchase price may vary by state. Calculations assume the full cost to deploy the cleanest commercially available Type C buses for each fuel type based on emission calculations from the 2016 ANL AFLEET Tool.

# 35%

more cost-effective  
than diesel school buses

# 65%

more cost-effective  
than electric school buses



## 750+

School transportation  
fleets in operation

## 10,000+

School buses in  
service across  
North America

## The Union of Economic and Environmental Sustainability

The Blue Bird Vision Propane offers an unmatched ROI for school transportation fleets. States can feel confident that the investments made with the Volkswagen EMT funds will lay the foundation for schools to continue deploying low-emission buses.



#### Low-Emission Engine

The ROUSH CleanTech engine is certified to the optional low NOx level 0.05 g/bhp-hr, making it 75% cleaner than the EPA's current emissions standard.



#### Best Total Cost of Ownership

By switching from diesel to propane, fleets can lower their fuel costs up to 50% and enjoy increased up-time with reduced maintenance.



#### Uncompromised Safety

The Blue Bird Vision Propane is noticeably quieter than a diesel bus, enabling the driver to remain focused on both the children and the road ahead.



#### Clean American Energy

Propane autogas burns far cleaner than diesel. And, because it is domestically sourced, fleets are protected from the fuel price fluctuations that frequently occur with diesel.

**"With today's tight school budgets, using a transportation fuel like propane autogas that saves taxpayers' money, keeps the environment clean, and keeps jobs within our national borders is a win-win for everyone."**

— William Schofield, Superintendent  
Hall County Schools, Gainesville, Georgia

For more information on how to successfully develop a clean school bus program in your state, contact:

**Chelsea Jenkins**  
Executive Director of Government Affairs  
chelsea.jenkins@roush.com  
734.812.1965.

## Blue Bird Vision buses are the most cost effective to reduce NOx

# School Bus Replacement – A Proven Solution



## ❖ Blue Bird Alternative Fuel School Buses in the United States

OVER  
**10,000**  
SCHOOL  
BUSES



OVER  
**750**  
SCHOOL  
DISTRICTS

**ROUSH**  
CLEANTECH



**BLUE BIRD**



**Blue Bird Buses – A proven solution**



# Why Propane?



## COST SAVINGS



DISTRICTS REPORT  
SAVINGS OF UP TO

**.37¢**  
PER MILE

## COLD STARTS



STARTS IN  
TEMPERATURES  
AS LOW AS

**-40°F**



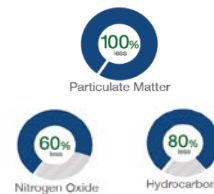
## NOISE REDUCTION



UP TO

**40%**  
QUIETER

## LOWEST EMISSIONS



**INCREDIBLY  
REDUCED  
EMISSIONS**

## Benefits of Propane





- ❖ Customers report average costs of:
  - \$0.77 per mile on diesel buses
  - \$0.43 per mile on propane buses
- ❖ That's an average savings of \$0.34 per mile, which means.....
- ❖ If you drive 12,000 miles per year and operate for 15 years...
  - 1 bus saves \$4,080 in 1 year
  - 1 bus saves \$61,200 in its lifetime
  - 510 buses could save \$31,212,000 over 15 years.

**Potential Savings Greater than \$31 Million Dollars**



# THANK YOU