



H.F. XX Utility Customer Transportation Subsidies (Rep. Stephenson) February 18<sup>th</sup>, 2021

Dear Members of the House Climate and Energy Committee

The Minnesota Propane Association appreciates the opportunity to comment of House File XX-Utility Customer Transportation Subsidies.

The Minnesota Propane Association is proud to report that there are approximately 800 school busses operating on propane Autogas in Minnesota today.

House File XX raises concerns about the future of Minnesota's school bus transportation system.

Based on Minnesota's electrical generation, approximately 70% more NOx will be reduced using propane vs. electric vehicles.

I want to remind you of the goals of the VW settlement.

- Achieve significant emissions reductions.
- Balance cost effectiveness
- 60/40 metro/greater MN split
- Environmental justice
- Health benefits

Propane busses were the most sought-after funding in Phase I. 400% greater than funding available.

Cost per pound of NOx reduced with propane is \$91. The same reduction cost \$268 per pound with electric.

Approximately 4 propane busses can be purchased for the same cost as one electric bus. This allows many more propane busses to be put on the road, statewide. This would accomplish emissions reductions much faster by being able to put many more busses on the road affordably.

Reducing costs to school districts makes funds available to use in the classroom.

Minnesota is a very diverse state. Bus routes are in stop and go traffic, long routes in rural areas. School is in session during our coldest months which will limit the range of electric vehicles even more as energy is needed for climate control instead of for propulsion. Maximum range under ideal conditions is approximately 100 miles.

Many schools, like mine, run multiple routes in the morning and afternoon to reduce fleet size. This will not be possible in districts that implement this policy and have lack of range on cold days. These multiple routes also do not allow enough time between shifts to recharge busses.

Funding should be made available equitable for any qualifying vehicle. School bus operators and school districts should have the right to choose. As proven in Phase 1, propane busses are the preferred choice.

Thank you for your time and consideration.

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