



2020 Diesel Emissions Reduction Act (DERA) Scrappage and Payment Request Guidance

Tuesday, August 31, 2021 | 3:00 pm ET

For audio, use computer speakers, or call:
202-991-0477 + Conference ID
495 700 478#

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Overview: This guide summarizes the scrappage and payment process detailed in the Program Guide

Rebate selectees must:

1. Scrap old buses;
2. Take delivery of new buses; and
3. Submit all payment request materials to their EPA contacts within 8 months of the date on their selection letters (December 7, 2021)

- Note: If you need additional time due to COVID-19 (e.g., bus delivery delays), please reach out to your EPA rebate contact and they will work with you



www.epa.gov/dera/rebates

School Bus Replacements -

New buses must meet all of the following criteria:

1. Be powered by a 2017 or newer model year engine, or operate solely on electricity
2. Operate in the same manner and over similar routes as the original school bus
3. Be purchased, not leased or leased-to-own
4. Meet Federal safety standards
5. Not be funded with VW Environmental Mitigation Trust Funds from your state or other federal funds

School Bus Replacements - *Funding Amount*

1. For the 2020 DERA School Bus Rebate Program, the fuel type of the replacement bus determines the rebate amount.
 - For example, the rebate amount for replacing an old diesel bus with a new propane bus is \$25,000.
 - EPA cannot provide more funding than you had applied and been selected for. See your signed selection letter from March/April for your funding total.

Fuel Type of Replacement Bus	Rebate Amount
Diesel or gasoline	\$20,000
Propane	\$25,000
Natural Gas (CNG/LNG)	\$30,000
Battery or Hydrogen Electric	\$65,000

School Bus Replacements - *The selectee must agree to:*

1. Register the replacement school bus as required by state law (if applicable);
2. Maintain insurance as required by law
3. Not make modifications to the emission control system on the new bus
4. Maintain ownership of the replacement school bus for three years after the receipt of the rebate payment
5. Be available for follow-up inspection of the school bus and related documents for three years after receipt of the rebate, if requested by EPA or its designee

****Rebates may have to be returned if these conditions are not met***

School Bus Replacements - *Scrappage*

- Each bus being replaced must be scrapped or rendered permanently disabled prior to submitting the Payment Request Form
- Scrap the old buses by
 1. Drilling a three inch diameter hole through the wall of the engine block; AND
 2. Cutting the chassis rail in half
- Scrappage may be completed by the selectee or by a salvage yard or similar entity
- Equipment and vehicle components that are not part of the engine or chassis may be salvaged. The engine and chassis may be sold for scrap metal.

School Bus Replacements - *Proof of scrappage - photos*

- Photos must be submitted as color jpg files - do not submit pdf scans of photos
- Submit only the requested photos for each bus - do not send extras
- Name the jpg files with the specified names (listed with the sample photos below)
 - Append the last 4 digits of the VIN to the file name (e.g., sideprofile1234.jpeg) in order to identify the particular bus depicted in the photo

	Photo Description	File Name (insert last 4 digits of VIN for “####”)
1	Side profile of the bus	SideProfile####.jpg
2	Vehicle Identification Number (VIN) label	VIN####.jpg
3	Engine plate showing the EPA engine family name	EngineTag####.jpg
4	Chassis rail cut in half	Chassis####.jpg
5	Engine block, prior to 3” hole being drilled	EngineBlockPrior### #.jpg
6	Engine block, after 3” hole has been drilled	EngineBlockAfter### #.jpg

Photo #1: Side profile of bus being scrapped

Rename the photo file name to replace #### with the last 4 digits of the VIN

File name template:
SideProfile####.jpg



Photo #2: VIN of the bus being scrapped



File name template:
VIN####.jpg

Gross Vehicle
Weight Rating

VIN

Photo #3: Engine tag with engine serial number and EPA engine family name



12-character EPA engine family name

File name template:
EngineTag####.jpg

Photo #4: Chassis rail cut in half



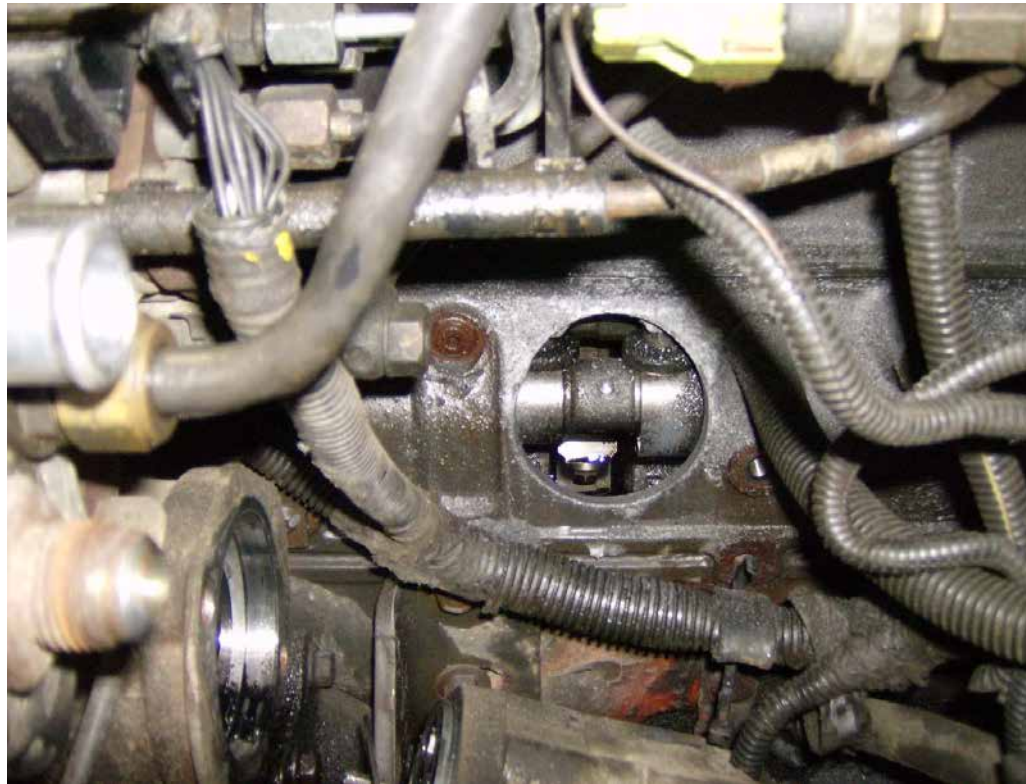
File name template:
Chassis####.jpg

Photo #5: Engine block prior to hole being drilled



File name template:
EngineBlockPrior####.jpg

Photo #6: Engine block after hole has been drilled

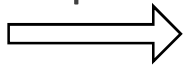


Hole drilled using a 3” hole saw. Other selectees have successfully used a torch to create the 3” hole.

File name template:
EngineBlockAfter####.jpg

School Bus Replacements – *Proof of scrappage letter*

- Letter must be sent with scrappage photos
- Letter must include the information in this template



[MUST BE PRINTED ON THE APPLICANT’S OR SALVAGE YARD’S LETTERHEAD]
[DATE]

The following bus(es) was/were disposed of according to Section 10 of the 2020 DERA School Bus Rebate Program Guide. The program requires that the bus being replaced must be scrapped and permanently disabled by 1) drilling a three inch by three-inch hole completely through the engine block; and 2) cutting the chassis rail in half.

I confirm that the EPA scrappage requirements have been met. **[NAME OF ENTITY THAT SCRAPPED THE BUS]** performed the bus scrappage on **[DATE]**. The phone number of the organization is **[PHONE NUMBER]**.

[BUS 1 VIN] [ENGINE MODEL YEAR]
[BUS 2 VIN] [ENGINE MODEL YEAR]

[SIGNATURE OF AUTHORIZED REPRESENTATIVE OF SELECTEE OR SALVAGE YARD REPRESENTATIVE]



**DERA School Bus Rebate
Payment Request Form**

OMB Number: 2060-0686
Expiration Date: 4/30/2022

Selectee Information Funding Year: 2020 Target Fleet: School Bus Project Type: Vehicle Replacement

Organization Name:			
Organization Street Address (No PO Boxes):			
City:	County:	State:	Zip:
Employer/Taxpayer No. (EIN/TIN):		DUNS Number:	

New Replacement Vehicle(s):

	17-Character Vehicle Identification Number (VIN)	Engine Model Year	Gross Vehicle Weight Rating (lbs)	New Engine Manufacturer	12-Character EPA Engine Family Name	New Vehicle Fuel Type	Cost of New Vehicle	Rebate Amount
1						▼		\$ 0
2						▼		\$ 0
3						▼		\$ 0
4						▼		\$ 0
5						▼		\$ 0
6						▼		\$ 0
7						▼		\$ 0
8						▼		\$ 0
9						▼		\$ 0
10						▼		\$ 0
Total Funds Requested:								\$ 0

Payment Request Form

- Attachment B sent in March with your official selection letter
- Similar to your application form, but this form lists the replacement buses

Requesting Payment

Selectees must submit the following documentation via email to their EPA rebate contact (listed on selection letter) by December 7, 2021:

- ✓ 1. Payment Request Form
- ✓ 2. Scrappage photos (6 per bus)
- ✓ 3. Scrappage letter (1 for all buses)
- ✓ 4. Bill of lading (proof of delivery) for the new buses
 - a. Document must list date of delivery and VINs
- ✓ 5. Invoice for the new buses
 - a. Document must list VINs

We encourage selectees to submit all payments materials at the same time.

Payment

- After receiving a complete package of payment materials, EPA will review these items.
- After successful review, EPA will issue an electronic payment to the bank account tied to the selectee's sam.gov registration
 - *Applicants must have an active account in order to receive funding
- Typically, payment takes less than 1 month from the time of receipt of a complete package of payment materials

Resources

- Review the Program Guide:
<https://nepis.epa.gov/Exe/ZyPDF.cgi?Dockkey=P101030H.pdf>
- Please reach out to your assigned rebate contact (noted in your selection letter) if you have any questions
- We anticipate opening the 2021 School Bus Rebate Program by **October**. We will update our website at that time.
 - <https://www.epa.gov/dera/rebates>

Thank you for your participation!