



U.S. Department
of Transportation

**Federal Transit
Administration**

Administrator

December 1, 2021

1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Colleague:

This letter provides an update regarding the Federal Transit Administration's (FTA) implementation of the Grants for Buses and Bus Facilities Competitive Program (49 U.S.C. § 5339(b)) and the Low or No Emission Program (49 U.S.C. § 5339(c)). The Bipartisan Infrastructure Law (BIL), Pub. L. 117-58, signed by the President on November 15, 2021, amended the statutory provisions for these programs to include the requirement that any application for projects related to zero-emission vehicles include a Zero-Emission Transition Plan.

It is FTA's intent, through this letter, to provide information in advance of the Notice of Funding Opportunity (NOFO) for these programs so applicants may better prepare documentation to meet this requirement.

A Zero-Emission Transition Plan must, at a minimum:

1. Demonstrate a long-term fleet management plan with a strategy for how the applicant intends to use the current request for resources and future acquisitions.
2. Address the availability of current and future resources to meet costs for the transition and implementation.
3. Consider policy and legislation impacting relevant technologies.
4. Include an evaluation of existing and future facilities and their relationship to the technology transition.
5. Describe the partnership of the applicant with the utility or alternative fuel provider.
6. Examine the impact of the transition on the applicant's current workforce by identifying skill gaps, training needs, and retraining needs of the existing workers of the applicant to operate and maintain zero-emission vehicles and related infrastructure and avoid displacement of the existing workforce.

FTA acknowledges that applicants may already have this information available. However, applicants should consolidate this information into a single document for the purpose of applying for zero-emission vehicles under the Grants for Buses and Bus Facilities Competitive and Low or No Emission Programs.

The cost of developing a transition plan is eligible under the planning programs (49 U.S.C. § 5305) as well as under the urbanized area formula (49 U.S.C. § 5307) and rural area formula programs (49 U.S.C. § 5311). When developing their transition plan, transit agencies may want to consider the information contained in the Guidebook for Deploying Zero-Emission Transit Buses recently published by the Transit Cooperative Research Program (<http://nap.edu/25842>).

Transit agencies can consider the flexibilities and Federal funding share FTA provides. For example, FTA's guidance permits agencies to include vehicles that have met their minimum useful life in their contingency fleet if an agency is introducing zero-emission vehicles into its fleet, and those vehicles are not included in the calculation of spare ratio. In addition, the Federal share of the cost of leasing or purchasing a zero-emission transit bus is not to exceed 85 percent of the total transit bus cost, and the Federal share in the cost of leasing or acquiring low- or no-emission bus-related equipment and facilities is 90 percent of the net project cost.

FTA is committed to working with you to successfully deliver projects that support public transportation in America's communities. We look forward to our continued partnership in accomplishing this common goal.

If you have any questions, please contact your FTA Regional Office.

Sincerely,

A handwritten signature in blue ink, reading "Nuria I. Fernandez". The signature is written in a cursive style with a large, stylized "F" at the end.

Nuria I. Fernandez