



March 31, 2023

Description

The CIB is offering up to \$100,000 in financing per electric school bus (“ZEB”) purchased pursuant to the ASTSBC’s Go Electric School Bus Program. The financing is innovative in that repayment is based on ZEB operating costs (electricity usage and maintenance costs) being at or below expectations. The CIB shares in the risk of those costs being higher than an agreed forecast.

A more detailed description of the program can be found at: [CIB ZEB Initiative](#)

A. Eligible Applicants

The CIB financing is open to school districts, private school bus operators, independent schools and First Nations schools participating in the Go Electric School Bus Program.

B. Eligible Costs

Successful applicants will be provided with up to \$100,000 in financing for the costs to purchase an electric school bus. The amount of financing will depend on the class of bus being purchased (A, C or D) and the expected annual usage (in kilometers).

C. Zero Emission Transit Fund

The CIB’s financing was designed to work with Infrastructure Canada’s Zero Emission Transit Fund, and applicants can use both programs to accelerate their transition to zero emission bus fleets.

D. Program Requirements

In addition to any requirements imposed by the ASTSBC, Ministry of Education and Ministry of Energy, Mines and Low Carbon Innovation, the CIB financing includes the following requirements:

- Ahead of financing being available, the bus owner has signed a Member Funding Agreement with the ASTSBC
 - A summary of the Member Funding Agreement can be found here: [MFA Summary](#)
 - A full version of the MFA can be provided upon request
- The bus owner agrees to:
 - comply with reporting requirements
 - operate the ZEB a minimum number of kilometers per year
 - operate and maintain the ZEB in accordance with recommendations of the ASTSBC and the bus manufacturer as well as prudent industry practice
 - Propose and comply with a remedial plan if cost savings are not being achieved
- Full requirements of the CIB financing are included in the Member Funding Agreement

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E. Financing Process

The CIB and ASTSBC have developed a simplified process for accessing CIB financing which is described below and shown here: [Program Process](#)

1) Questionnaire

The questionnaire must be completed (in electronic form) by the applicant and submitted to the ASTSBC. The questionnaire can be found here: [ZEB Program CIB Loan Questionnaire](#)

Part I

- **Content:** Addresses general applicant information, anticipated ZEB purchases and timelines and anticipated ZEB usage. Based on information that should be available to the applicant.
- **Timing:** Must be completed to begin process.

Part II

- **Content:** Addresses how data (milage, electricity usage and maintenance costs) will be collected and reported, detail on any facility or electrical infrastructure upgrades required, detail on charging infrastructure implementation and strategy. May require input from facilities assessment and/or parties who will be installing charging infrastructure.
- **Timing:** Must be completed ahead of financial close

2) Documentation Review

The ASTSBC and CIB will provide copies of the Member Funding Agreement and related agreements to the applicant for their review. The ASTSBC and CIB will be available to address any questions on the agreements, reporting requirements, or cost savings and payment calculations to facilitate the applicants review.

3) Conditions Precedent¹

The applicant will provide standard documents which address: the applicant's approved capital plan to purchase the ZEBs, the applicant's authorization to sign and enter into the agreement, other sources of funds being used for the purchase, and invoices demonstrating purchase of the ZEBs.

4) Financial Close

The applicant and ASTSBC sign the Member Funding Agreement and any supplements. Once signed, and all condition precedent documents have been delivered, the financing will be available to the applicant.

5) Drawdown Notice

When the applicant requires the financing (typically close to the date of delivery of the ZEBs), the applicant issues a drawdown notice to the ASTSBC.

¹ Additional documents may be required for private schools.