

ZESBI Cancellation and Extension Policy



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General

This Cancellation and Extension Policy applies solely to Incentive Recipients who have signed the Zero-Emission School Bus and Infrastructure (ZESBI) Incentive Recipient Agreement (IRA). ZESBI allows Incentive Recipients to request project extensions during project implementation. Extension requests may be available for project delays experienced beyond the control of the Incentive Recipient and should be submitted in writing with supporting documentation. Requests will be evaluated individually by CALSTART, the California Air Resources Board (CARB), and the California Energy Commission (CEC), referred to in this document as ZESBI Team. Extension requests should be made at least seven (7) calendar days before a deadline and the duration of the extension will be determined by the nature and impact of the delay.

Requests from ZESBI staff should be responded to within 10 business days. If at any stage in the ZESBI application or funding process, an Incentive Recipient ceases to respond to the ZESBI Team regarding missed deadlines, for a period beyond 30 calendar days, funding may be cancelled and reallocated to another Applicant.

In some cases, cancelling an award may be necessary. Cancellations can be initiated by the Incentive Recipient and should be accompanied by a clear explanation for cancellation request. ZESBI Team may also initiate a cancellation due to non-compliance, lack of communication, or failure to meet deadlines. If an awarded application, zero-emission (ZE) school bus, or infrastructure equipment is cancelled, Incentive Recipients may be required to return any funds received, and any funds reserved in association of said award will be rescinded and may be allocated to another project.

Incentive Recipients agree to be bound by said determinations in accordance with the ZESBI IRA for participation in ZESBI. Any Incentive Recipient who fails to complete their project within 36 months (24 months for construction and commissioning, and at least 12 months for data collection) of executing the ZESBI IRA and does not receive an approved extension from the ZESBI Team, may be subject to cancellation.

Any attempt to abuse, circumvent, or disregard said determinations may lead to temporary or permanent forfeiture of eligibility for participation in ZESBI. These determinations will be

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made by the ZESBI Team. Incentive Recipients may submit an appeal to schoolbusteam@calstart.org, which is subject to approval or consideration by the ZESBI Team.

1 Requesting an Extension

1.1 Process for Requesting an Extension

At this time, requests for extension shall be made in writing with supporting documentation via email to schoolbusteam@calstart.org. In the future, extension requests are expected to occur through the ZESBI Application Portal. Once the extension request functionality has been built into the ZESBI Application Portal, the Incentive Recipient shall submit requests for extension from their profile in the ZESBI Application Portal using the Extension Request Form. CALSTART will notify all Incentive Recipients when the Extension Request Form becomes available on the ZESBI Application Portal. The request should clearly explain the nature of the delay, how that delay is outside of the Incentive Recipient's control and include appropriate supporting documentation explaining the reason for the delay (e.g., email correspondence from permitting agency, equipment procurement documents, etc.). Any requests without supporting documentation may be declined.

All requests for extensions should include a plan for completing the necessary task within the requested extension period.

ZESBI Team may determine additional documentation is necessary to evaluate an extension request. The Incentive Recipient will have five (5) business days from the date that a request is received from the ZESBI Team to provide said documentation. Additional time may be provided at the discretion of the ZESBI Team. Failure to comply with this request may result in denial of the extension request.

1.2 Timing

ZESBI Incentive Recipients are required to meet application requirements by their respective deadlines (see [CARB's Implementation Manual](#) and [CEC's Implementation Manual](#) for application requirements and timelines). Projects requesting an extension to complete application requirements should submit their request before the application deadline, as outlined in Section 1.1 Process for Requesting an Extension. Extension requests should be made at least seven (7) calendar days before a deadline and the duration of the extension will be determined by the nature and impact of the delay.

Incentive Recipients are required to notify the ZESBI Team of any delays as the Incentive Recipient becomes aware and submit an extension request as early as possible. Failure to do so may result in denial of the request.

1.3 Delays Outside Incentive Recipient's Control

All extension requests should be based on a need created by project delays outside the Incentive Recipient's control. All extension requests should be accompanied by supporting documentation. Any requests without supporting documentation may be declined. Such project delays eligible for consideration of an extension shall include but not be limited to:

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Excusable Extension Reason	Example Supporting Documentation
Equipment Delivery	Notification of delay and shipping ETA from equipment distributor.
Vehicle Delivery	Notification of delay and shipping ETA from vehicle distributor.
Government Agency such as DMV timeline, permit approval by AHJ (Authority having Jurisdiction) and/or DSA (Division of the State Architect) - Includes CEQA process delays	Evidence of permit processing status/timelines; evidence of persistent follow-up with agencies or other authorities outside the Incentive Recipients' control. Proof of accuracy and completeness of information provided to permitting agencies.
Utility Design or Interconnection	Evidence of utility status/timelines.
Municipal Process - Includes delays with RFP/RFQ for equipment and general contractor selection	Self-certified letter detailing municipal process delays, with evidence of RFP/RFQ bid review and selection process status. (ex. Board meeting minutes, posted solicitation, etc.)
Contractor Delays	Email that shows why the contractor cannot perform the work/reason for delay and a timeline for when they will be able to complete the work.
Force Majeure	Copy of communication from governing authority, detailing state of emergency and limitations or Self certified letter detailing extreme weather and explanation of the delay, with upcoming schedule.
Public Health Orders or Critical Staff Illness	Copy of communication from governing authority, detailing limitations.
Labor Shortage	Email a detailed explanation of the delay and evidence of upcoming scheduled labor and timeframe.
Staff Turnover	Email documenting the date that the previous staff member stopped work and the date of the new staff member who started work. Should include a reasonable expectation of timeline for knowledge transfer, onboarding/training, and when the new staff member will be caught up to speed.

2 Cancellations

2.1 Incentive Recipient/Applicant Initiated Cancellation

In the event an Incentive Recipient requests to cancel their award, the Incentive Recipient must do so

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in writing to schoolbusteam@calstart.org. The request should include an explanation/reason and application number to be considered complete. If an application, ZE school bus or infrastructure award is cancelled, Incentive Recipients may be required to return any funds received, along with any funds reserved in association of said award.

In the event a cancellation request is received **prior to executing the ZESBI IRA**, the ZESBI Team shall confirm cancellation of the application, and any relevant documents submitted will not be reviewed at the time of submission.

2.2 ZESBI Initiated Cancellation

ZESBI Incentive Recipients are required to complete each step of the incentive project within the allotted application timeline and respond to all communications in a timely manner. If at any stage in the ZESBI application or funding process, an Incentive Recipient ceases to respond to the ZESBI Team regarding missed deadlines for a period beyond 30 calendar days, funding may be cancelled and reallocated to another Applicant.

Upon determination of award cancellation, the Incentive Recipient will be issued a Notice of Cancellation. Any funds reserved in association with said award may be forfeited and disbursed project funds may need to be reimbursed.

In some cases, cancelled awards may also be moved to the end of the waitlist.

2.3 ZE School Bus Cancellation

If the ZESBI ZE school bus award is cancelled for any reason, the associated ZESBI infrastructure award may be cancelled as well. As per the [CEC](#) and [CARB](#) ZESBI IMs, awarded chargers may reflect up to the total number of ZE school buses awarded. In cases where fewer chargers are requested than ZE school buses, the cancellation of a ZE school bus will not result in the automatic cancellation of the infrastructure award. If infrastructure has been installed but an Incentive Recipient has not received its ZE school bus(es) within 540 days of the purchase order and decides not to select another ZE school bus, the infrastructure funds may be subject to repayment or may not be paid out for costs incurred or planned.

3 Additional Considerations

Projects may request extensions based on the nature and impact of delays. Each request will be evaluated individually, and the extension duration will be determined at the discretion of the ZESBI Team. Projects experiencing multiple delays should submit extension requests for the most significant and time-consuming reason along with supporting documentation.

3.1 Appeals

Incentive Recipients may submit an appeal for a decision made by the ZESBI Team on an extension request. Grounds for an appeal may include but are not limited to:

1. Factual/procedural errors or missing information in the original review
2. New evidence that was not available during the original decision
3. Misapplication of rules, guidelines, or criteria

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Appeals must be submitted in writing to schoolbusteam@calstart.org and include the following information.

1. Incentive Recipient name/contact information
2. Reference to the decision being appealed
3. Date of decision notice
4. Grounds for appeal
5. New supporting evidence or documentation, if any
6. Desired outcome or resolution

Appeals should be submitted within 30 calendar days from the decision. Late appeals will not be considered unless exceptional circumstances are documented.

Compliance with all foregoing stipulations is material to participation in ZESBI. Failure to do so may result in temporary or permanent forfeiture of eligibility for participation in ZESBI in accordance with the Incentive Recipient Agreement's Terms and Conditions.