Highland MCPS Statement

We value our partnership with MCPS and are committed to helping MCPS achieve their fleet electrification goals. To date, Highland has deployed 130 electric buses. This includes 44 2023-2024 school year electric buses that are already deployed. Another 76 buses will be deployed this school year. We have also installed infrastructure across five MCPS depots to deploy another 120 electric buses in the 2024-2025 school year.

The September 21, 2023, article <u>The State of Electric School Bus Adoption in the US</u> by the World Research Institute states "Supply chain issues during the COVID-19 pandemic have exacerbated delivery delays for all school bus types," and "that an average of 16 months passes between the awarding of funds to the delivery of the electric school bus." These delays have been widely reported for some time now:

https://stnonline.com/special-reports/the-squeeze-felt-around-the-world/.

Highland is the largest purchaser of electric school buses in the United States and we purchase our buses from all major manufacturers. Consistent with the findings reported by WRI and STN, and the experiences of our school district, dealer, and contractor partners, Highland has also experienced late bus deliveries. This includes the remaining order of 2023-2024 electric buses at MCPS. These supply chain disruptions also prevent schools, dealers, and contractors from receiving replacement parts for vehicles in need of repair in a timely manner. The supply chain challenges that are impacting school bus manufacturing are across the board and not limited to particular manufacturers, vehicle fuel types, or models. Highland is working with all of its partners to mitigate the impact of any delays, including by evaluating replacement schedules, stocking replacement parts, and increasing order lead time.

We are currently in discussion with MCPS about their 2024-2025 school year bus electric bus requirements and are not in a position to comment further on that at this time though we do stand ready to deliver 120 electric buses per our contract. We are committed to being a strong long-term partner for MCPS and the broader community.