

Subject: Compressed Natural Gas Buses (CNG) vs. Battery Electric Buses (BEB)

Related Department(s): DES

FY 2027 Proposed Capital Budget

CIP Work Session

The following information is provided in response to a request made by Ms. Coffey at the work session on June 9, 2026, regarding the following question:

What is the ratio of BEB to CNG cost for the FY 2027 Proposed CIP?

Battery Electric Buses (BEBs) are expected to cost \$1.4 million in FY 2027 dollars vs. \$872K for an equivalent Compressed Natural Gas (CNG) bus. This yields a ratio of 1.6 to 1.0 in the Proposed CIP. The cost ratio has been added to the slide on the cost to transition the ART Fleet to Zero-Emission Buses (ZEB) (attached).

ART Fleet Transition to Zero-Emission Buses (ZEB): Key Assumptions

BEB - Battery Electric Bus / CNG - Compressed Natural Gas

<i>Note: Costs shown are uninflated</i>	FY27 Proposed CIP	FY25 Adopted CIP
Cost of Buses	\$1.4M	\$1.2M
Ratio BEB to CNG – Vehicles	1.0 to 1.0	1.3 to 1.0
Ratio BEB to CNG - Cost	1.6 to 1.0	1.7 to 1.0
Fleet size at end of CIP period	85	113 (included 20 add'l due to ratio)
Land purchase	Not in CIP period	\$25M in FY27 (54K square feet)
Construction *	\$25.4M	\$25.5M
Mid-life battery replacement **	\$110K per bus after 7 years	\$265K per bus after 7 years
TOTAL COST ***	\$68M	\$134M

* Includes pavement reinforcements at bus stops and charging infrastructure. The cost of charging equipment has shot up, effectively offsetting the savings of not having to build out parking on new land.

** Prices have come down as several transit agencies are not doing mid-life battery replacements, choosing instead to let the battery capacity degrade to ~60% over the 12-year life of the bus (manufacturers have lowered prices).

*** Reflects all costs to transition (inflated), including incremental cost of BEBs vs. CNGs (\$528K in this CIP vs. \$500K in FY25 CIP) and 28 additional buses in FY25 Adopted CIP owing to BEB:CNG ratio and 8 FY27 CNGs being replaced.