

**Table2-1 : Sourcing Finance – Covering the costs.**

Challenges	Best Practice Solutions
<p><b>Knowledge of Funding Sources and Interaction with Funders:</b></p> <ul style="list-style-type: none"> <li>• Knowing and connecting possible funding sources</li> <li>• Convincing funders</li> <li>• Timeliness</li> <li>• Making sure that interactions between different sources of funding do not interfere with each other</li> <li>• Weaving purchase of new buses into routine fleet investment</li> </ul> <p><b>Politics:</b></p> <ul style="list-style-type: none"> <li>• Changes in/uncertainty regarding the political situation/agenda.</li> <li>• Competition from other zero emission buses (BEBs).</li> </ul>	<ul style="list-style-type: none"> <li>• Research funding sources well and ensure their criteria (goals/timelines/limits) align with your project; read the terms and conditions of grant funding thoroughly and seek legal support to do so</li> <li>• Sources generally include a component of investment from the PTO or the PTA allocated to normal purchases; useful additional sources are government (all levels) low/zero emission and energy programmes</li> <li>• Connect with funders informally or find good intermediaries or experts</li> <li>• Present a thorough business case to show that you are serious about your project (see Table 2-3)</li> <li>• Service funders well; never assume reliable, lasting commitment</li> <li>• Consider working with another site to jointly seek funds, or co-locate with industrial ‘anchor demand’ for H<sub>2</sub> supply to increase volume and therefore lower price</li> <li>• Consider employing experts to seek and prepare funding proposals</li> <li>• Be aware there may be issues that arise: <ul style="list-style-type: none"> <li>➢ from providing subsidies to private organisations (e.g. PTOs)</li> <li>➢ about the ownership of assets purchased with funder input and</li> <li>➢ in trying to coordinate with the investment cycle of PTOs</li> </ul> </li> <li>• Try to separate funding sources into separate sub-projects but also try to avoid feeding funds from different sources into the one item (e.g. source 1 = FCBs, source 2 = HRS, rather than sources 1 and 2 = FCBs, sources 3 and 4 = HRS)</li> <li>• Consider LCC to estimate the avoided external costs via savings of emissions of GHG, NO<sub>x</sub> and particulate matter and strengthen your case; there is information available to help quantify external costs (see Table 2-3)</li> </ul>