



## CASE STUDY | PROPANE OPPORTUNITY

# Bridging the Grid Gap: Propane Fuels Electric Transit Bus Fleets

*Grid connection delays of three to five years are opening a major, long-term propane market in public transit*

## A Market Hiding in Plain Sight

Transit agencies across the country are rapidly electrifying their fleets. In June 2023, the U.S. Department of Transportation's Federal Transit Administration committed nearly \$1.7 billion to fund 130 transit electrification projects spanning 46 states and territories. Electric buses are being ordered, delivered, and put into service but the utility grid is not keeping pace.

Grid tie-in delays of three to five years are now the norm, not the exception. Transit agencies cannot simply wait. Their buses need to charge every night. The solution that is gaining traction across the country is propane-powered off-grid EV charging. For propane suppliers paying attention, this represents a durable, high-volume revenue stream built on infrastructure that will be in operation for years.

## The Propane Volumes Are Hard to Ignore

Class 7 and 8 electric transit buses, the 30-foot-plus vehicles that serve urban and suburban routes, carry battery packs of 200 kWh or more. Charging each bus from 20% to 90% overnight draws roughly 150 kWh. A depot running just twelve buses nightly consumes 1.8 MWh per day, or more than 730 MWh annually. That annual load requires close to 100,000 gallons of propane.

Larger agencies operating 100 or more buses are looking at propane requirements in the millions of gallons per year per customer. These are not one-time equipment sales; they are ongoing fuel supply relationships with stable, institutional buyers who operate 365 days a year.

### Case in Point: Los Angeles Transit Agency

A major Los Angeles transit agency recently deployed 48 electric transit buses while awaiting a permanent grid connection. To keep its fleet operational, the agency installed four propane-powered off-grid EV chargers. Each off-grid EV charger system delivers up to 250 kW of power and can simultaneously charge six buses, providing the flexibility and throughput a busy transit depot demands.

The numbers speak for themselves: 2,500 MWh of off-grid electricity produced every year, fueled by 350,000 gallons of propane. One agency. One city. Multiply that across the 130 federally funded transit projects now underway, most facing the same grid delay challenge, and the national propane opportunity comes into sharp focus.

Metric	Value	Unit
Number of Electric Transit Buses	48	
Nightly Recharge per Vehicle	144	kWh
Total Charging Power	1	MW
Nightly Energy Produced	8	MWh
Annual Energy Produced	2,500	MWh
<b>Annual Propane Use</b>	<b>350,000</b>	<b>Gallons</b>

### The Window Is Open Now

Transit agencies are actively seeking energy partners who can support their off-grid charging infrastructure. Propane suppliers who engage early will secure long-term supply agreements with creditworthy, government-backed customers. Those who wait risk watching competitors capture these accounts.

The transit sector is just the beginning. Electric school buses, delivery vans, terminal tractors, and drayage trucks are all encountering the same grid connection bottleneck. Propane-powered off-grid charging is the common solution, and propane distributors are uniquely positioned to serve all of these markets.

**The EV transition is happening with or without the grid. Propane makes it possible and that is a business opportunity worth acting on today.**