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1/4/18

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Submitted via email: paula.wilson@deq.idaho.gov and
g.michael.brown@deq.idaho.gov

RE: Preliminary Draft Beneficial Mitigation Plan for VW Settlement

Dear Ms. Wilson and Mr. Brown:

Thank you for the opportunity to provide input on the development of IDEQ's Beneficial Mitigation Plan (BMP), a requirement of the Volkswagen (VW) Settlement Environmental Mitigation Trust Agreement.

Since 1973, the Idaho Conservation League has been Idaho's leading voice for clean water, clean air and public lands—values that are the foundation for Idaho's extraordinary quality of life. The Idaho Conservation League works to protect these values through public education, outreach, advocacy and policy development. As Idaho's largest state-based conservation organization, we represent over 25,000 supporters, many of whom have a deep personal interest in protecting Idaho's air quality.

Our detailed comments are provided following this letter. Please do not hesitate to contact me at 208-345-6933 ext. 23 or ahopkins@idahoconservation.org if you have any questions regarding our comments or if we can provide you with any additional information on this matter.

Sincerely,

Austin Hopkins
Conservation Associate

RE: Idaho Conservation League comments on Preliminary Draft Beneficial Mitigation Plan for VW Settlement

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Project Evaluation – Cost Effectiveness Criteria

Cost effectiveness is one of the three heaviest weighted categories in the project evaluation matrix (Table 1), worth up to 25 points. We encourage IDEQ to provide more detail to the methods and inputs used to determine the cost effectiveness of a project. Some issues to consider are:

Included costs – Because a vehicle requires both fuel and maintenance, IDEQ must include both the fuel costs as well as any differences in operations and maintenance costs between the original and proposed project.

Timeline – To capture all relevant costs IDEQ must consider the full-expected lifespan of the project.

Benchmark – Cost effectiveness implies that projects will be measured against some objective criteria. ICL suggests that because this is a competitive grant application process, the benchmark should be total pounds of NO_x reductions per the net cost of the project. The “net cost” accounts for changes in fuel as well as operations and maintenance.

Quantifying Emissions Reductions – Accurately quantifying the emissions reductions is essential to achieving the goal of the Idaho’s BMP. The Consent Decree specifically allows for conversion from diesel to electric power. ICL is concerned the proposed tool, the “EPA Diesel Emissions Quantifier”, is not able to accurately account for the difference between a diesel, or natural gas, powered vehicle and an electric powered vehicle. ICL suggests IDEQ either confirms the proposed tool can make accurate conversions that account for the emissions of our local electric grid, or IDEQ should consult with the electric utilities and others to identify the appropriate tool.

Project Evaluation – New Criteria for Environmental Justice

We encourage the IDEQ to include environmental justice concerns as standalone criteria within the project evaluation matrix. Sensitive and/or underrepresented populations often face a disproportionate burden on their public health with regards to environmental pollution. Proposed efforts that would offset burdens faced by these communities should be weighted more favorably through the allotment of additional points in the project evaluation matrix. We believe that environmental justice concerns are on par with criteria such as cost effectiveness and air quality priority areas; as such, these criteria should receive 25 points to be allocated based on the efficacy with which a proposed project addresses environmental justice issues.

In terms of evaluating the impacts to sensitive and/or underrepresented communities, we recommend the IDEQ advise applicants to use the EPA’s environmental justice online

tool, known as ejsscreen¹. Ejsscreen is a free, map-based database that facilitates the analysis of a number of demographic and environmental indicators. Demographic indicators include: minority population, low income population, linguistically isolated, less than high school education, under age 5, and over age 64. Germane environmental indicators include, but are not limited to: PM2.5, ozone, diesel PM, and traffic proximity. Further, ejsscreen presents this information using census block data, providing information useful in assessing a projects localized beneficial impact.

Project Evaluation – Population Impacted

In addition to specifically considering environmental justice communities, ICL recommends IDEQ expand the impacted population criteria in the project evaluation matrix. Air quality has a disparate impact on children, elderly, and those with respiratory ailments. ICL suggests IDEQ subdivide the population-impacted category to include both total numbers and provide additional points for addressing emissions for especially vulnerable populations.

Project Evaluation – Voluntary Funding Match

ICL supports providing additional points to projects that bring matching funds. The Consent Decree encourages cost sharing and ICL believes this can expand the pool of available funding for this important program. We encourage IDEQ to allow the matching funds to be contributed over a series of years instead of only in a lump sum. Allowing applicants to contribute over time aligns better with budgeting practices. However, we believe the jump in points from 5 to 15 is too large. Instead, we suggest 0, 5, and 10 points.

Project Evaluation – Applicant Experience

We understand the reasoning behind the IDEQ's consideration of applicant experience when evaluating project proposals. However, we hope that the IDEQ will distinguish between inexperienced applicants proposing new projects and experienced applicants who are proposing technologically innovative projects. Our concern is that a well-established applicant experienced in similar projects – yet proposing to utilize or implement some new or innovative technology – might be penalized for their forward thinking approach. During the public meeting on 14 December 2017, the IDEQ suggested that the most practical approach to achieving this is to have the applicant stress their relevant experience as part of their proposal. We don't disagree with this approach, however we hope that the IDEQ somehow communicates this obligation with potential applicants prior to their submittal of project proposals.

¹ Available online at: <https://www.epa.gov/ejsscreen>

Project Evaluation – Other

ICL does not support including an undefined “other” category in the project evaluation matrix. Instead of using an arbitrary and undefined term, ICL suggests allowing for additional points for projects designed to specifically achieve the BMP goals. The current criteria measuring emissions reductions and cost effectiveness achieve these goals. ICL suggests IDEQ include additional points for projects specifically designed to “promote widespread acceptance of electric and hybrid vehicles.” Points could be awarded for projects with features like public advertising or educational campaigns.

Electrification Advertisement

We support the electrification of transportation to the greatest extent possible. To truly maximize the benefit of electrification though it’s important to advertise this change to highlight the capability of EVs. For projects seeking to electrify vehicles, we suggest that the IDEQ require that the vehicle include signage denoting that it is an EV. This type of advertisement normalizes EVs on our roadways and will expedite their widespread adoption by the general public. Widespread adoption of EVs will not only further reduce NO_x emissions but will also serve to improve overall air quality through reduction of other transportation related air pollution.

Support of 15% Towards Charging Infrastructure

We wish to stress our support of utilizing 15% of the mitigation funds to develop light-duty electric vehicle (EV) charging infrastructure throughout Idaho. We hope to see these funds used to develop DC fast charging stations along major traffic arteries throughout the state. As stated during the public meeting, widespread development of EV infrastructure will reduce the “range fear” that many potential EV owners cite as a primary reason against EV ownership. Alleviating potential EV owners from this fear and promoting the adoption of EVs will lead to an even greater reduction in NO_x emissions.

Public Notification of Selected Projects

We request that the IDEQ devise a plan for notifying the public when projects are selected to receive funding. The IDEQ’s listserv currently notifies the public when certain municipalities receive grants or loans for drinking water infrastructure improvements. We believe this framework could be replicated for this program as a means to notify interested parties when final selections have been made.

Other Public Input Questions

IDEQ included a list of eleven questions for public input on the draft BMP. To the extent we have not addressed the issues raised by these questions above, ICL provides this additional information:

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1. Idaho should prioritize using trust funds on government owned vehicles and facilities. The trust is most accurately described as public money intended to correct the public harm VW caused. ICL suggests IDEQ can best adhere to the trust principles by focusing funding on government owned vehicles.
2. Idaho can maximize the air quality benefits by focusing funding on retrofitting the dirtiest and most used vehicles. Additionally, encouraging electrification will deliver the most benefits because it eliminates, not just reduces, mobile source emissions from the project location.
3. Idaho should seek to extend the benefits of the trust to the maximum extent. ICL supports encouraging projects to include matching funds; however, to address tight budgets at local agencies, we support this criteria being optional, not required.
4. Idaho should not allocate specific amounts to specific categories of projects. Allowing for competition among project types will ensure the most cost effective reductions.
5. Idaho should prioritize electrification. Our state imports 100% of our fossil fuel based transportation fuels. To maximize the air quality, economic, and security benefits of the program, IDEQ should prioritize locally generated electricity as a fuel source.
6. ICL suggests that IDEQ work directly with the Idaho National Lab and the Idaho universities to compile an accurate list of the engine retrofit options. ICL also suggests that any consideration of costs must include the costs of the retrofit as well as all differences in the fuel and maintenances costs over the lifespan of the vehicle.
7. ICL supports dedicating 15% of Idaho's allocation to light-duty zero emissions vehicle charging infrastructure.
8. Idaho should allow for the DERA option but require any projects using this option to compete on a level playing field with non-DERA projects.
9. The best method to determine the air quality impacts is to begin by identifying specific locations and communities with disproportionate impacts. The BMP includes county level data which is a good start. ICL suggests IDEQ also work with the Idaho Department of Health and Welfare to overlay the emissions data with data of vulnerable communities to identify site-specific locations. Another helpful tool is the EPA's EJSCREEN online environmental justice database. Information from both of these sources can be used to evaluate the vulnerable communities criterion in the project evaluation matrix.
10. ICL recommends Idaho conduct public outreach by partnering with community leaders, advertising in local media, and convening public meetings.
11. ICL recommends the Idaho DEQ include more information about how and when applicants can propose projects.