

# Idaho Department of Environmental Quality



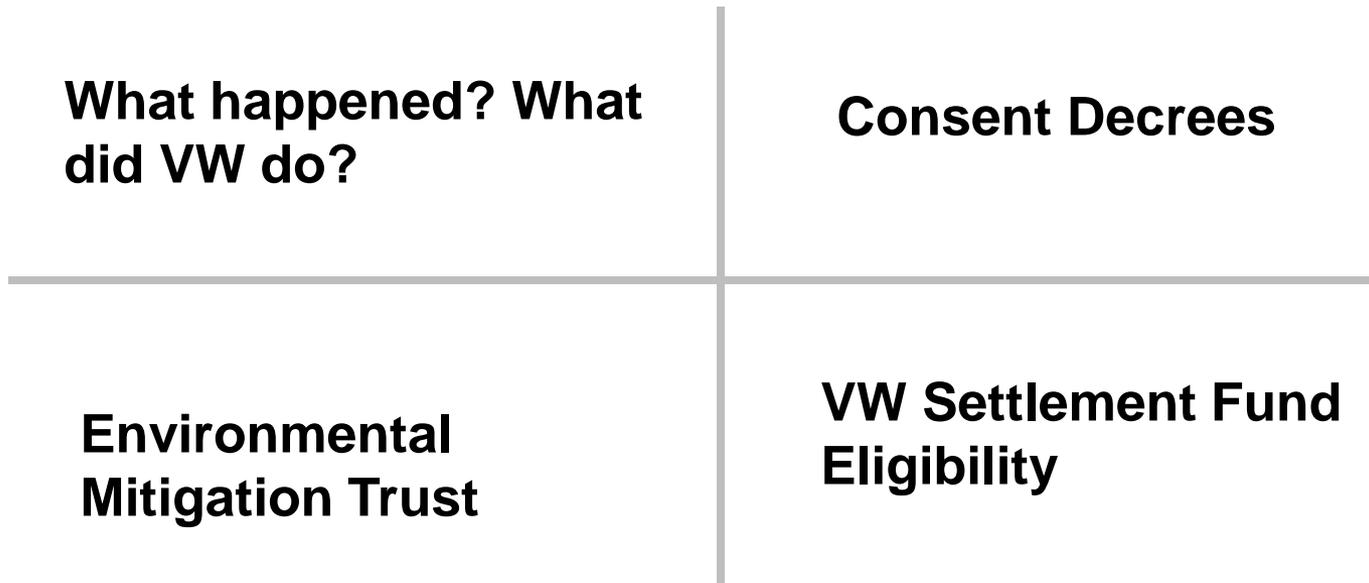
**VW Settlement Fund  
Public Meeting  
December 14, 2017**



# **VW Settlement Fund Public Meeting December 14, 2017**

- Welcome & Introductions
- Environmental Mitigation Trust Summary
- Idaho Beneficiary Mitigation Plan
- Next Steps
- Discussion / Feedback

# Environmental Mitigation Trust Summary



# What Happened / Consent Decrees

- Volkswagen circumvented emission control systems
  - Admitted to tampering with engines to defeat emissions testing
  - VW tailpipe emissions exceeded NOx standards by up to 40X over seven years
- Consent Decrees / Settlement: VW Pays \$14.9 Billion
  - \$10 Billion: repurchase / repair defective cars
  - \$2 Billion: Zero Emission Vehicle Infrastructure
  - \$2.9 Billion: States, Tribes, and Puerto Rico
    - Environmental Mitigation Trust to offset VW emissions air quality impact
  - \$17.3 Million: funding Idaho is eligible to request for mitigation action funding requests of the next 10 years.

Environmental Mitigation Trust – Idaho's Plan:  
Topic of the Day

# Environmental Mitigation Trust

- Consent Decrees
- Trustee appointed to administer \$2.9 billion
- Trust effective date October 2, 2017
- Governor Otter names DEQ as the State's Designated Beneficiary Filed November 22, 2017
- Designated Beneficiary develops a Beneficiary Mitigation Plan addressing:
  - Designated Beneficiary's Goals for Fund's Use
  - Identify Environmental Mitigation Actions which support Goals
  - How the Beneficiary will consider the impact of selected Mitigation actions on areas with disproportionate share of air pollution
  - Estimate range of emission reduction benefits from the selected Mitigation Actions

# VW Settlement Fund Eligibility

- Trust strictly controls expenditure eligibility
- Trustee must approve each emission reduction project
- Project proponents may be local government, private company, nonprofit, or state government

# VW Settlement Fund: Eligibility

1. Class 8 local freight trucks and port drayage trucks
2. Class 4-8 school buses, shuttle buses or transit buses
3. Pre-Tier 4 diesel switcher locomotives
4. Ferries and tugs
5. Ocean going vessel shore power
6. Class 4-7 local freight trucks
7. Airport Ground Support Equipment
8. Forklifts and port cargo handling equipment
9. Light Duty Zero Emission Vehicle Supply Equipment
10. Matching funds for projects eligible under the Diesel Emission Reduction Act (DERA)

# Class 4-8 Diesel Trucks

## Class Four: 14,001 to 16,000 lbs.



City Delivery



Conventional Van



Landscape Utility



Large Walk In

## Class Five: 16,001 to 19,500 lbs.



Bucket



City Delivery



Large Walk In

## Class Six: 19,501 to 26,000 lbs.



Beverage



Rack



School Bus



Single Axle Van



Stake Body

## Class Seven: 26,001 to 33,000 lbs.



City Transit Bus



Furniture



High Profile Semi



Home Fuel



Medium Semi Tractor



Refuse



Tow

## Class Eight: 33,001 lbs. & over



Cement Mixer



Dump



Fire Truck



Fuel



Heavy Semi Tractor



Refrigerated Van



Semi Sleeper



Tour Bus

<http://www.epa.ohio.gov/oeef/EnvironmentalEducation.aspx>

# Vehicle Categories

- Port Drayage



- Airport Ground Support & Forklifts

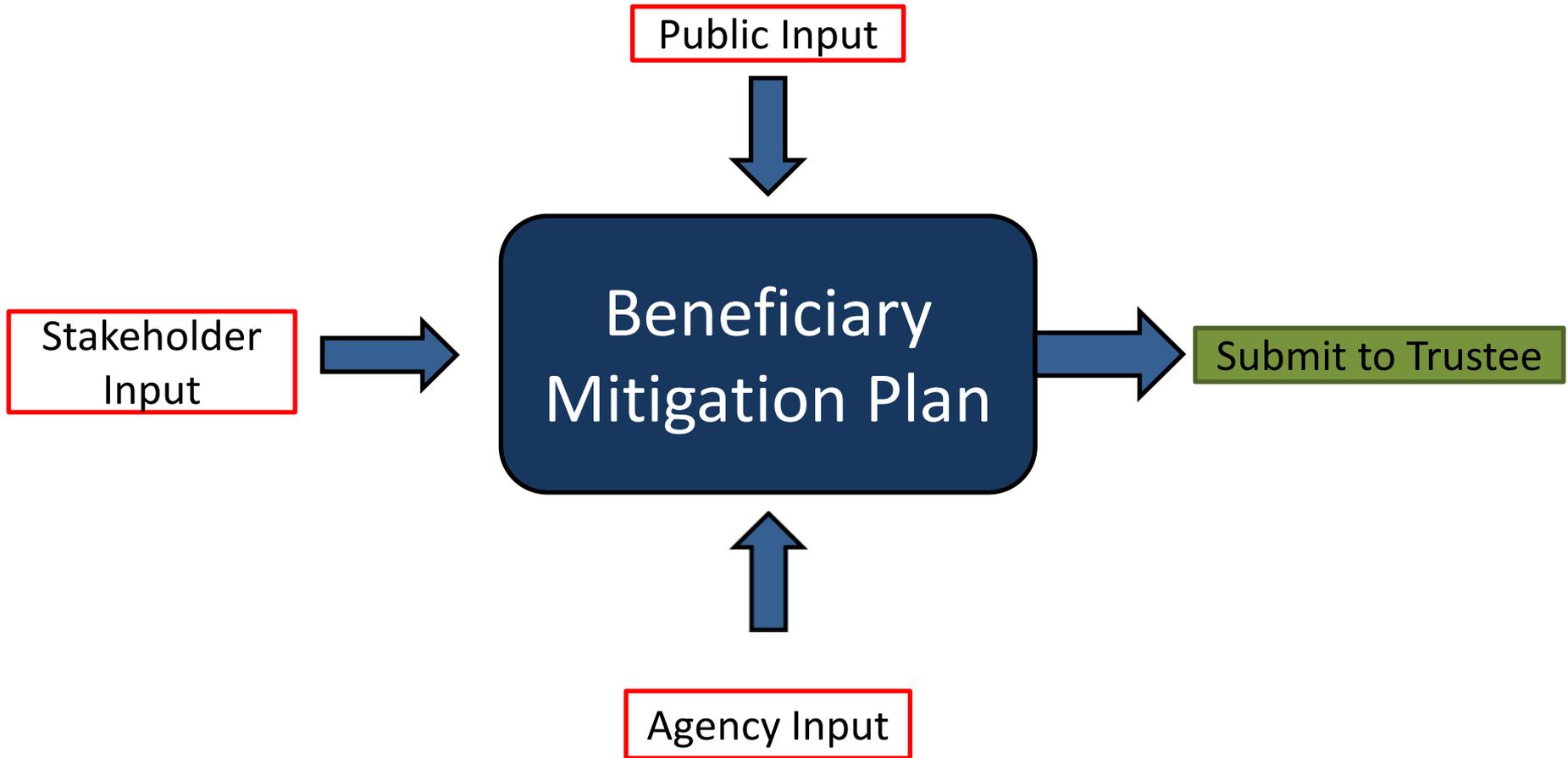


- Locomotive Transfer/Freight Switcher

# Mitigation Trust

Questions?

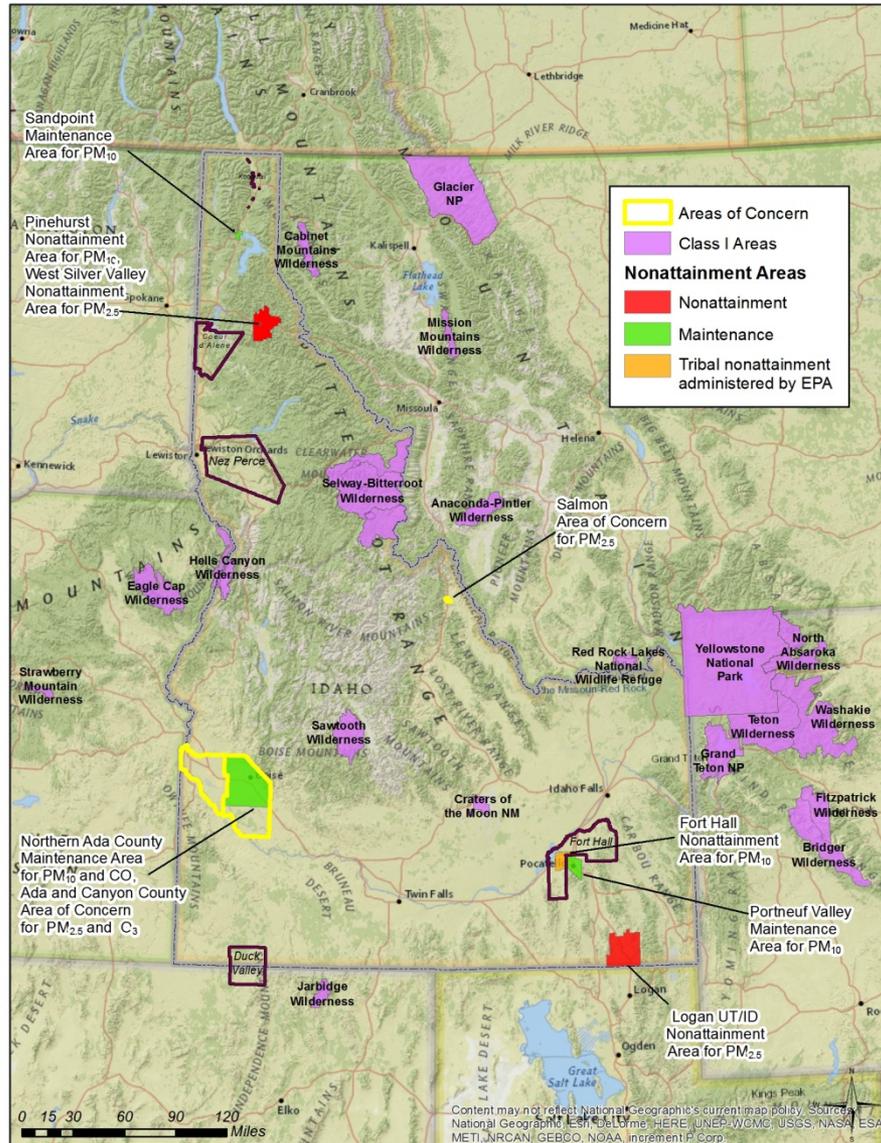
# Idaho's Plan



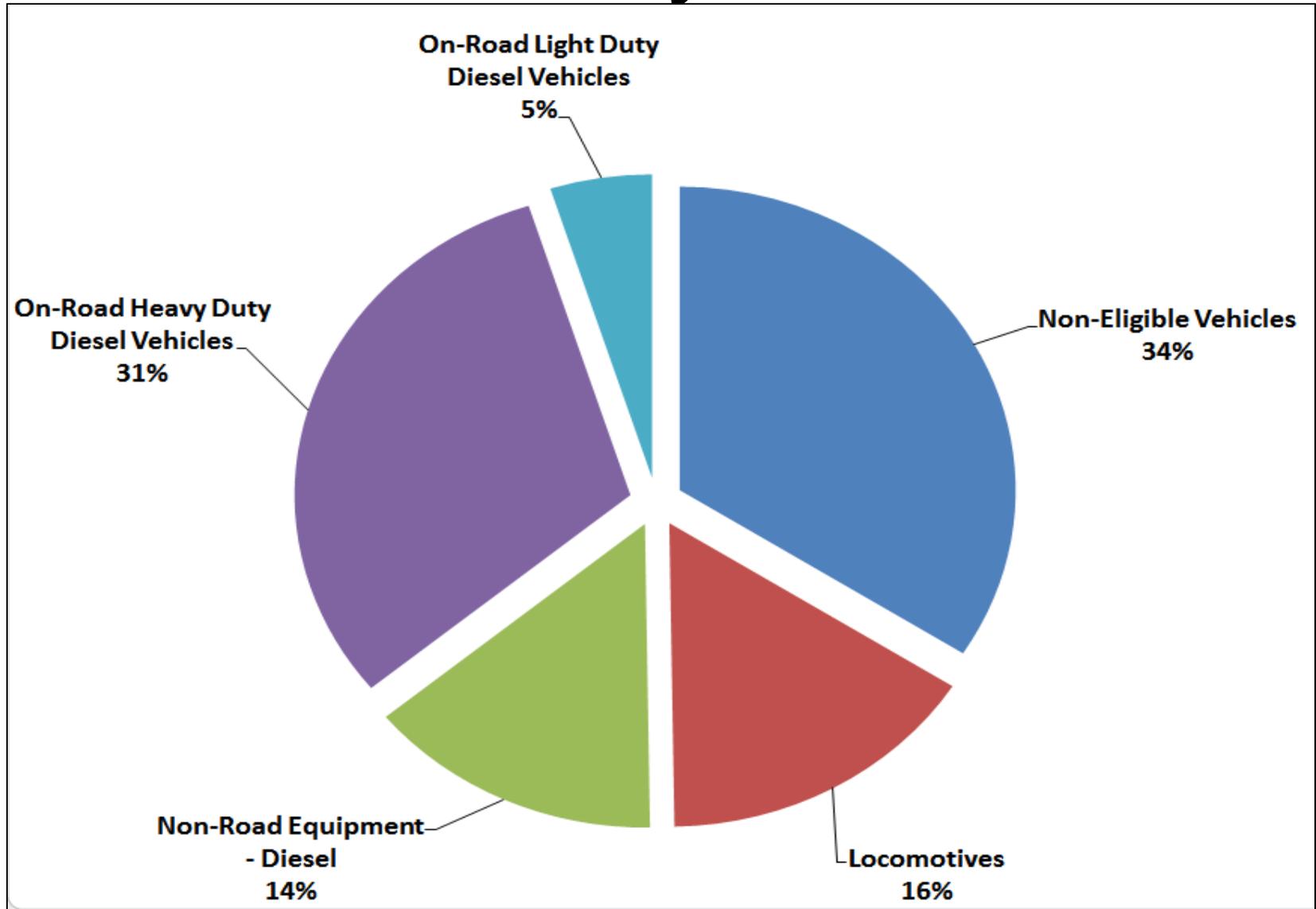
# Idaho's Preliminary Plan

- **Air Quality in Idaho**
- **Idaho's Goals & Objectives**
- **Mitigation Actions which support Goals & Objectives**
- **Public Input :**
  - **Informal Project Submission**
  - **Public Meeting / Comment**

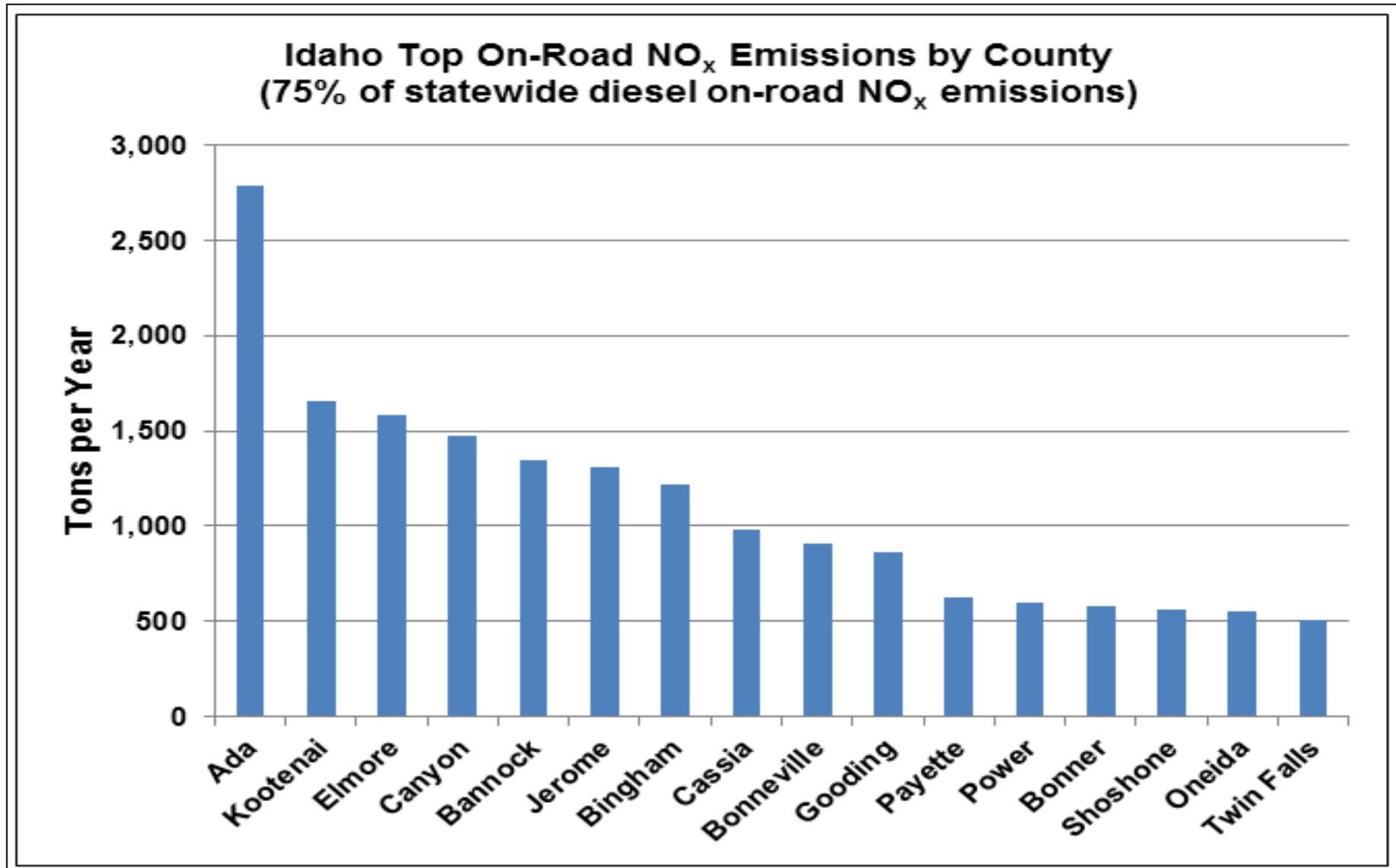
# Air Quality in Idaho



# Air Quality in Idaho

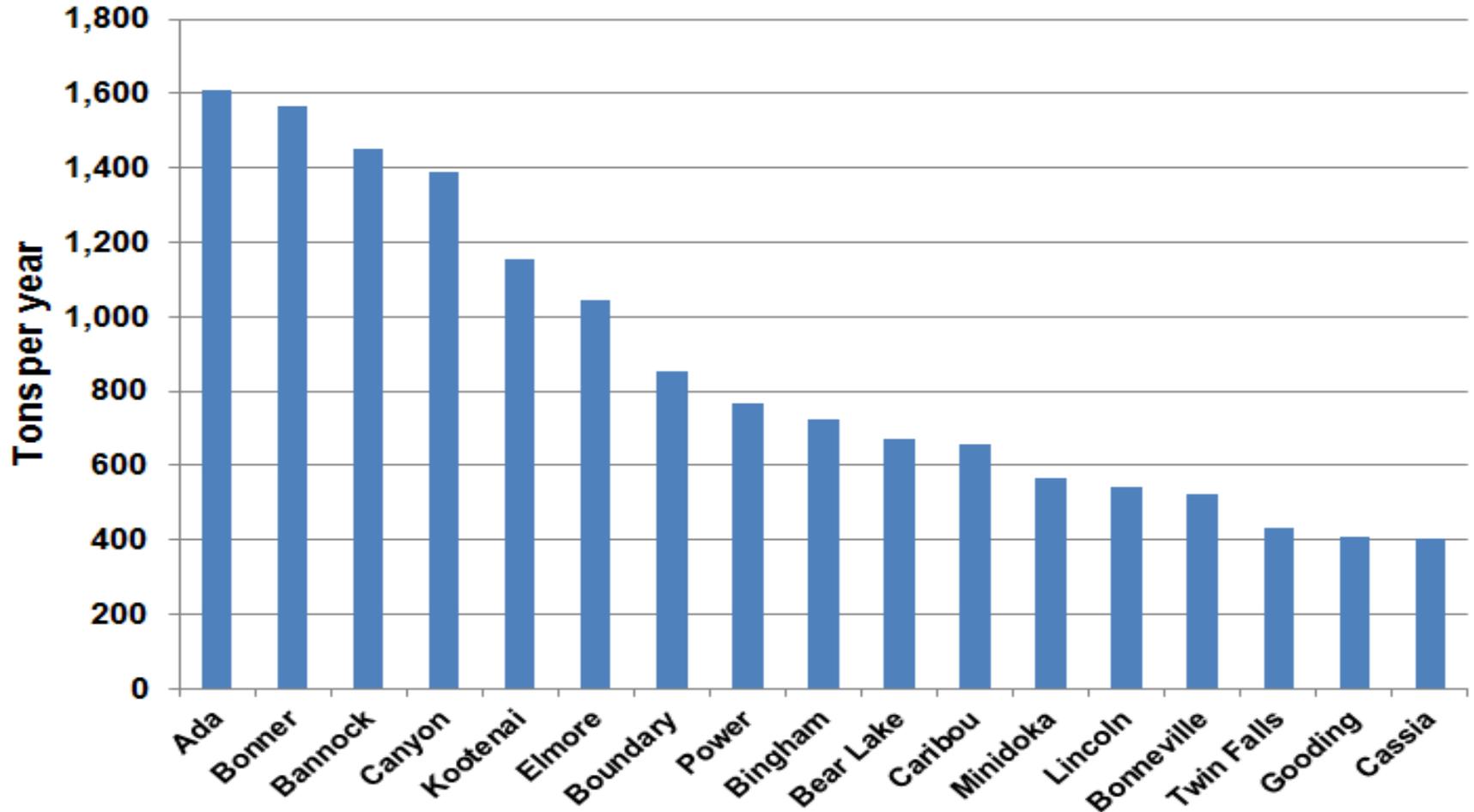


# Air Quality in Idaho



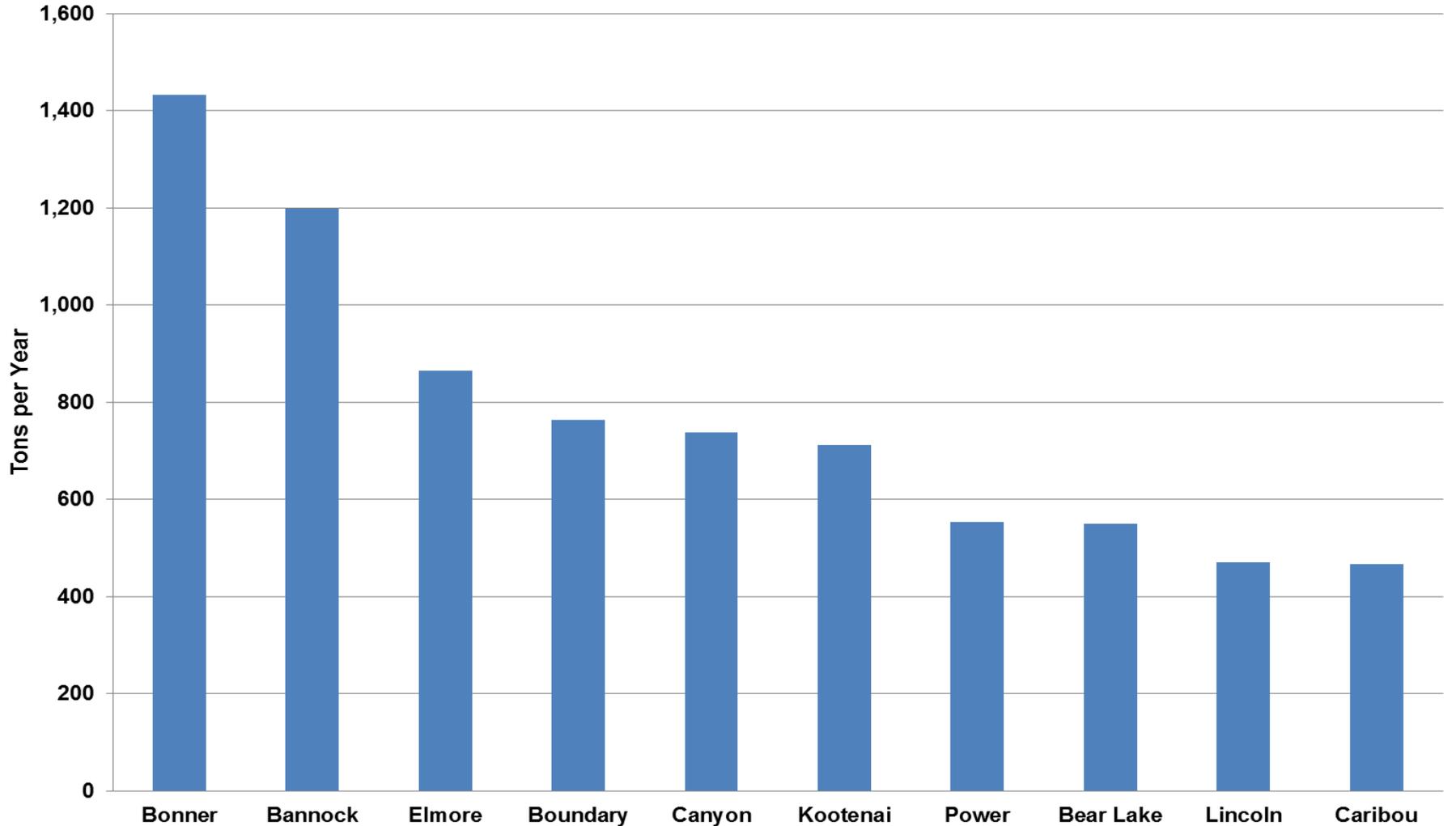
# Air Quality in Idaho

Idaho Top Non-Road NO<sub>x</sub> Emissions by County  
(75% of statewide diesel non-road NO<sub>x</sub> emissions)



# Air Quality in Idaho

Idaho Top Locomotive NO<sub>x</sub> Emissions by County  
(75% of statewide diesel locomotive NO<sub>x</sub> emissions)



# Idaho's Plan's Goals & Objectives

- Significant & Sustained diesel emission reduction in:
  - Priority air-quality areas
  - Areas receiving a disproportionate amount of diesel vehicle air pollution
- Maximize diesel emission reduction per dollar spent
- Promote widespread acceptance of electric and hybrid vehicles

# Idaho's Plan

## Preliminary Allocations

- Trucks & Buses: 35%
  - Class 4-8 truck and bus replacement or repower with new diesel, alternate fuel, or all-electric.
- Locomotive, Airport Ground Support, Forklifts: 20%
  - Locomotive and equipment replacement or repower with new diesel, alternate fuel, or all-electric.
- DERA Option: 15%
  - Projects that are allowed under the EPA's Diesel Emission Reduction Act program: some overlap with Trust Actions and some are in addition to Trust Actions.
- Electric Vehicle Supply Equipment: 15%
  - Level 1, Level 2, or DC Fast Charging Equipment
- Administrative: Up to 15%

# Project Selection Criteria

Criteria	Low	Medium	High	Total points possible
Air Quality priority areas	Projects not located in any of the priority areas 5 points	Projects located in maintenance and other priority areas 15 points	Projects located within current NAA 25 points	25
NO <sub>x</sub> emission priority counties	Below 750 tons per year 5 points	Between 750 and 1,500 tons per year 15 points	Greater than 1,500 tons per year 25 points	25
Cost Effectiveness	Least cost effective 5 points	Middle cost effective 15 points	Most cost effective 25 points	25
Population impacted	Fewest number of people 5 points	Middle number of people 10 points	Highest number of people 20 points	20
Voluntary funding match	No match 0 points	Up to 30% 5 points	>30% 15 points	15
Implementation time	>3 years 2 points	1-3 years 5 points	<1 year 10 points	10
Applicant experience	<1 year 2 points	1-5 years 5 points	>5 years 10 points	10
Other	Points will be determined for each individual project			5

# Website Comments / Informal Projects Submissions Received: 40

Comments: 22 / 49%	Projects: 18 / 45%	EMA Funding %
<ul style="list-style-type: none"> <li>•Bus Sales (4)</li> <li>•Alternate Fuel Providers (1)</li> <li>•Locomotive Switch (1)</li> <li>•Port Drayage / Forklift (2)</li> <li>•DERP Vendor (3)</li> <li>•15% ZEV (7)</li> <li>•Ferries / Tugs (1)</li> <li>•Competitive Funding (2)</li> <li>•Vehicle Medidock (1)</li> </ul>	<ul style="list-style-type: none"> <li>•BSU Shuttle \$500K</li> <li>•Treasure Valley Transit \$1.4M</li> <li>•Canon County Hwy District \$550K</li> <li>•Valley Regional Transit: \$1.6M</li> <li>•Republic Trash Service: \$5.4M</li> <li>•Eggers Transportation: \$500K</li> <li>•Glenns Ferry School District: \$425K</li> <li>•Preston School District : \$100K</li> <li>•Proterra EV Public Transit: \$8.1M</li> <li>•West Side School District : \$230K</li> <li>•Idaho Migrant Head Start: \$900K</li> <li>•Kellogg School District : \$680K</li> <li>•Salmon School District : \$360K</li> <li>•Idaho Power: Forklift/Port Drayage: \$750K</li> <li>•Madison School District: \$300K</li> <li>•ISU College of Technology: \$157K</li> <li>•Westtown Disposal Inc. \$430K</li> <li>•<u>Ada County Highway District:</u> \$720K</li> <li style="text-align: right;"><b>Grand Total: \$23.1M</b></li> </ul>	<ul style="list-style-type: none"> <li>Trucks &amp; Buses: 97%</li> <li>Forklift/Drayage: 3%</li> </ul>

# Electric Vehicle Supply Equipment Program (EVSE)

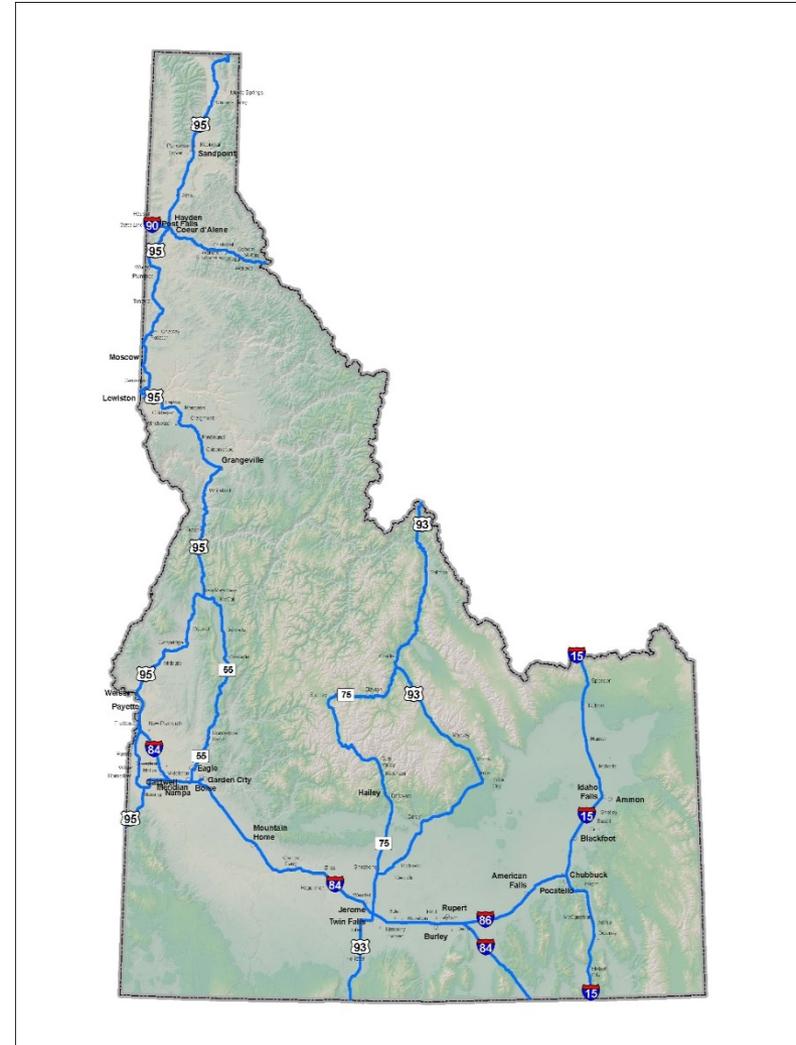
- Fund cost share with owners of host site locations to install DC fast chargers and level 2 chargers
- Prioritize locations utilizing ITD's alternative fuel corridor map
- **Do Not** duplicate efforts made by other entities
- Coordinate with neighboring states so our routes match up with theirs at the border

# EVSE Program Process

- OEMR establishes an expert panel to assist in reviewing EVSE host site applications
- Potential EVSE host site owners submit applications for OEMR and expert panel review and recommendations
- IDEQ, ITD, and OEMR jointly review recommendations and make a determination of which sites to move forward for an in-depth analysis
- IDEQ, ITD, and OEMR determine which sites to offer cost share funding

# Preliminary Host Site Considerations for EVSE Program Participation

- Within 0.5 mi of major highway
- All directional access
- 24-hour access
- Well-lit
- ADA accessible
- Cell phone coverage
- Point-of-Sale Ability
- Proximity to shopping or dining
- Work with utility to determine capacity of existing Electrical Service and potential for future expansion



# Next Steps

Website, Media Announcements, Informal Project / Comment Submissions

Preliminary Draft Plan (BMP)

Public Input

Comment Period on Final Draft BMP

Finalize BMP and Trust Submission

Summer 2018: Project Solicitation & Selection

By May 1, 2018

Summer 2018:  
Funds Awarded

We are here...



# Discussion / Feedback

- Questions / Comments?
- Which EMAs should Idaho focus on?
- Suggestions for additional public outreach?
- Should Idaho fund Governmental and Non-Governmental entities?
- What are your concerns?

# Interagency Team Contacts

- DEQ
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Thank you



# Discussion / Feedback

## Volkswagen Settlement for State Mitigation Trust Timeline

