

VOLKSWAGEN SETTLEMENT: A FINANCIAL OPPORTUNITY FOR PUBLIC WORKS FLEETS

**Public Works Council
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Program Manager**



**North Central Texas
Council of Governments**

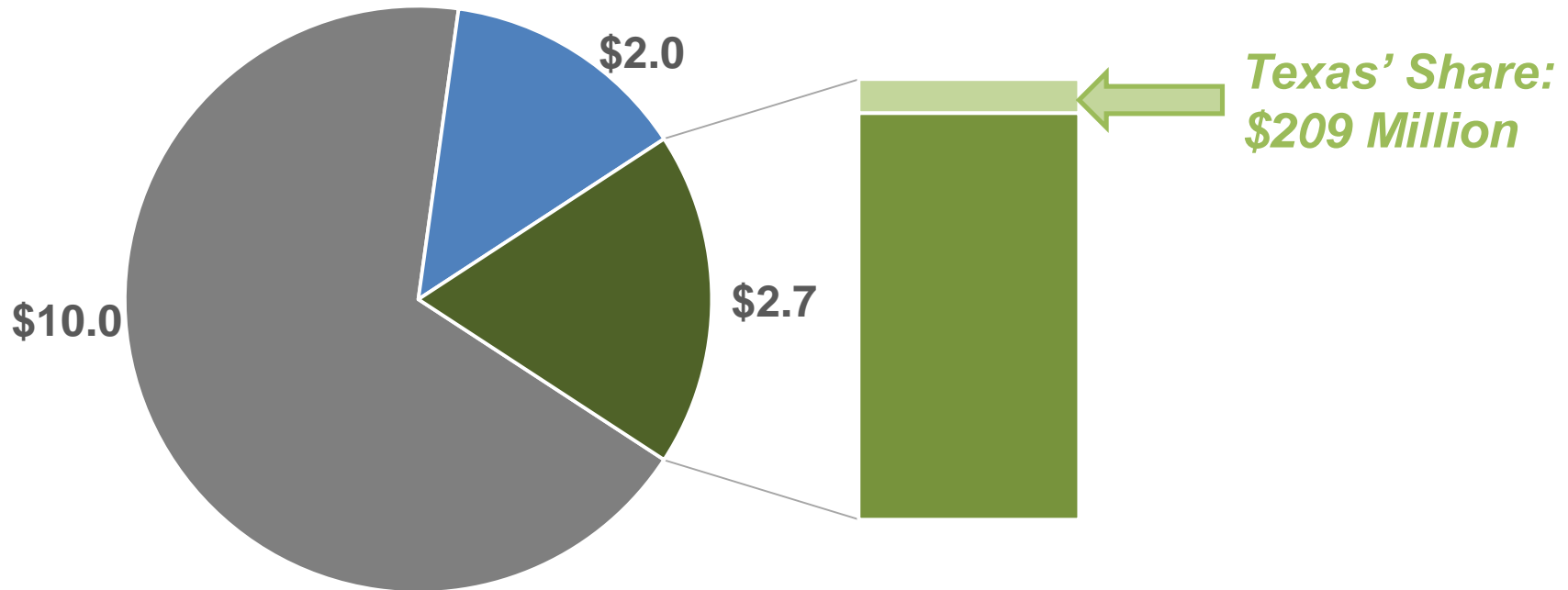
VOLKSWAGEN SETTLEMENT BREAKDOWN

Total Settlement to Date: \$14.7 Billion

Zero Emission Vehicle (ZEV) Investment - Managed by Electrify America, LLC

Environmental Mitigation Trust (EMT) - Distributed to States

Settlement Breakdown (\$ in Billions)



- Vehicle Buyback and Modification
- ZEV Investment
- Environmental Mitigation Trust

MITIGATION TRUST PROCESS



Trustee Selected

Wilmington Trust, N.A. Appointed March 15, 2017



Trust Agreement Finalized

Trust Considered Effective



Potential Government Beneficiaries Must File Certification Form to Become Beneficiary and Identify Lead Agency

Up to 60 Days from Trust Effective Date



Trustee Files List of Designated Beneficiaries

Up to 120 Days from Trust Effective Date



Beneficiaries Must Create Mitigation Plan

Summary of How the Beneficiary Intends to Use Allotted Funds



Mitigation Trust Administered by Trustee

Trustee Required to Transmit Determination of Beneficiary's Funding Request within 60 Days Upon Receipt

PREVIOUS RTC RECOMMENDATION

State of Texas File As Beneficiary
\$209M



Designate TCEQ as Lead Agency



Allow Input from Regions and Other Interested Parties
to Develop the Mitigation Plan



Determine Project Priorities and Distribute Funds
through Regional Councils of Governments
(by TCEQ Directly if Region not Interested)



AACOG
\$27.4M



CAPCOG
\$32.9M



H-GAC
\$58.9M



NCTCOG
\$63M



RGCOG
\$5.9M



Others
\$20.9M

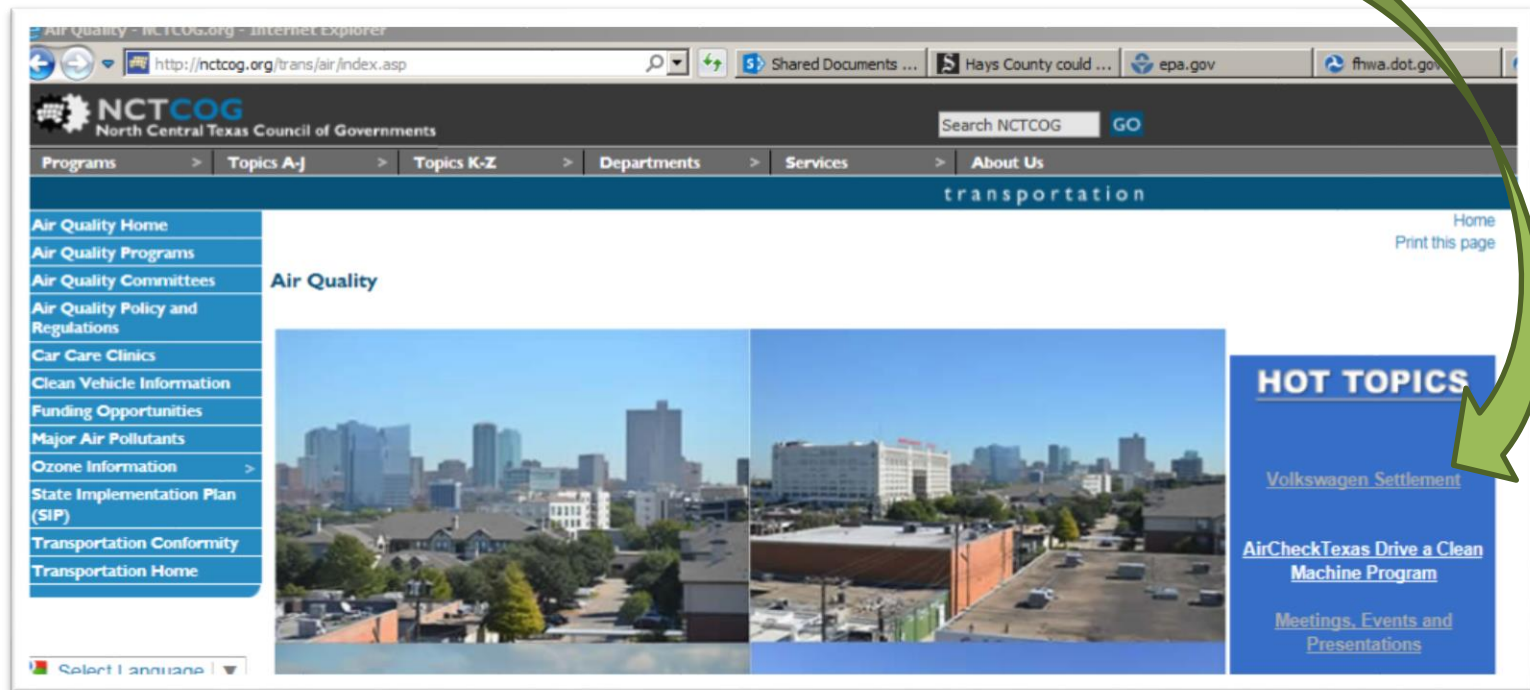
AACOG = Alamo Area Council of Governments
CAPCOG = Capitol Area Council of Governments
RGCOG = Rio Grande Council of Governments
TCEQ = Texas Commission on Environmental Quality

H-GAC = Houston-Galveston Area Council
RTC = Regional Transportation Council

NEXT STEPS

Work Toward Identifying Quantities and Types of Vehicles to be Replaced

www.nctcog.org/airquality



On Volkswagen Page:
“NCTCOG Survey: Fleet Project Wish List”

ELIGIBLE NO_x MITIGATION ACTIONS

Eligible Mitigation Actions 1-9

- 1. Replace/Repower Freight and Port Drayage Trucks (Class 8)**
Includes Dump Trucks, Waste Haulers, Concrete Mixers
- 2. Replace/Repower School, Shuttle, & Transit Buses (Class 4-8)**
- 3. Replace/Repower Freight Switchers**
- 4. Replace/Repower Ferries/Tugs**
- 5. Install Ocean Going Vessels Shorepower**
- 6. Replace/Repower Freight Trucks (Class 4-7)**
Includes Dump Trucks, Waste Haulers, Concrete Mixers
- 7. Replace/Repower Airport Ground Support Equipment**
- 8. Replace/Repower Forklifts and Port Cargo Handling Equipment**
- 9. Deploy Light-Duty ZEV Supply Equipment**

Eligible Mitigation Action 10

- 10. Diesel Emission Reduction Act (DERA) Option for State Clean Diesel Program**
Texas' State Clean Diesel Program Currently for School Buses

TEXAS EMISSIONS REDUCTION PLAN FUNDS

| Program | Eligible Activities | Funding Threshold |
|---|--|--|
| Alternative Fueling Facilities Program* (Expected Fall 2017) | Install Alternative Fuel Infrastructure | Up to 50% of Project Cost, Limited to a Maximum of \$600,000 |
| Light-Duty Purchase or Lease Incentive Program* (Expected Spring 2018) | Purchase or Lease New Electric Vehicles (EVs), Natural Gas, or Propane Vehicles | \$2,500 for EVs \$5,000 for Natural Gas or Propane Vehicles |
| Clean Fleet Program* (Expected Spring 2018) | Replace at Least 10 Diesel Vehicles with Alternative Fuel or Hybrid | Up to 80% of Total Vehicle Cost |
| Natural Gas Vehicle Grant Program* (Expected Spring 2018) | Replace/Repower Heavy- or Medium-Duty Vehicle with Natural Gas | Up to 90% of Incremental Cost of Natural Gas Vehicle |
| Diesel Emissions Reduction Incentive (Rebate Grants Fall 2017; ERIG Spring 2018) | Replace/Repower/ New Purchase/Retrofit Heavy-Duty Vehicles and Equipment | Up to 80% or \$15,000 per ton |

CLEAN DIESEL FUNDING (THROUGH NCTCOG)

Coming Soon.....

| Eligible Activities | Funding Threshold |
|--|--|
| <p><u>Replace On-Road Diesel Trucks</u> <i>16,000 GVWR and Up</i> <i>Model Year 1995-2006</i> <i>(Model Year 2007-2009 Electric Only)</i></p> | <p>45% Cost if New is Electric</p> <p>35% Cost if New is Powered by Engine Certified to CARB Optional Low-NO_x Standards</p> |
| <p><u>Replace Non-Road Diesel Equipment</u> <i>Must Operate >500 Hours/Year</i> <i>Eligible Model Years Vary</i></p> | <p>(Both Natural Gas and Propane Engines Currently Available)</p> <p>25% Cost of Others</p> |

CARB = California Air Resources Board

NO_x = Nitrogen Oxides

FOR MORE INFORMATION

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