Volkswagen Settlement Program

Brian Phillips, Mobile Sources Compliance Branch Supervisor
NC DEQ, Division of Air Quality

February 16, 2022
Current Program Status

• Program managers currently completing site visits for completed Phase 1 projects and approving claim reimbursement requests.

• The final Phase 2 Mitigation Plan was submitted to the Volkswagen Mitigation Trustee on December 28, 2021.

• Timeline for Phase 2 Request for Proposals is now available on our webpage.
NC VW Phase 1 Awards

<table>
<thead>
<tr>
<th>Program</th>
<th>Number of Vehicles/ Stations Funded</th>
<th>Program Total Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>School Bus</td>
<td>111</td>
<td>$12,289,900</td>
</tr>
<tr>
<td>Transit Bus</td>
<td>16</td>
<td>$6,136,377</td>
</tr>
<tr>
<td>On-Road</td>
<td>45</td>
<td>$4,240,409</td>
</tr>
<tr>
<td>DC Fast Infrastructure</td>
<td>27 sites</td>
<td>$2,682,360</td>
</tr>
<tr>
<td>Level 2 Infrastructure</td>
<td>78 sites</td>
<td>$1,098,534</td>
</tr>
<tr>
<td>Total</td>
<td>172 vehicles, 27 DC Fast and 78 Level 2 stations</td>
<td>$26,447,580</td>
</tr>
</tbody>
</table>

Percent Awarded

- Transit Bus: 23%
- DC Fast: 10%
- Level 2: 4%
- On-Road: 16%
- School Bus: 47%

Total: 172 vehicles, 27 DC Fast and 78 Level 2 stations; $26,447,580
Completed Phase 1 Projects

VW Phase 1 Success Stories
Phase 1 VW $ Awarded and NOx Emissions Reductions
## VW Settlement Phase 2 Program Allocations

<table>
<thead>
<tr>
<th>NC Grant Programs (2021-2024)</th>
<th>Subprogram</th>
<th>Eligible Action Category</th>
<th>Eligible Fuels</th>
<th>2021-2024 Funding (Phase 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Targeted Percent*</td>
</tr>
<tr>
<td>Diesel Bus &amp; Vehicle Replacement Program</td>
<td>School Bus Replacement Program</td>
<td>School buses</td>
<td>All (electric, diesel, propane, natural gas)</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td>Transit Bus Replacement Program</td>
<td>Transit buses</td>
<td></td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>Clean Heavy-Duty Equipment &amp; Vehicle Program</td>
<td>Class 4-8 equipment and vehicles such as local freight trucks, ferries, forklifts, and switcher locomotives</td>
<td>Priority will be given to electric replacements</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>DERA Program</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ZEV infrastructure</td>
<td>DC Fast Program</td>
<td>Public Access – Priority Corridors</td>
<td></td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>Level 2 Program</td>
<td>Public Access – Existing Site Upgrades</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Public Access</td>
<td>Not Applicable</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Workplace</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multi-Unit Dwellings</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>State Government</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative Costs</td>
<td></td>
<td></td>
<td></td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

**Total:** $67,992,166
Phase 2 Request for Proposals Timeline

• Group 1
  • Transit Bus Program – February 1, 2022
  • DC Fast Infrastructure Program – February 14, 2022
  • Level 2 State Agency Infrastructure Program – February 28, 2022

• Group 2
  • School Bus Program – March 2022
  • Level 2 Program – Publicly accessible – March 2022
Phase 2 Request for Proposals Timeline

• Group 3
  o Clean Heavy-Duty Equipment & Vehicle Replacement Program – April 2022
  o DC Fast Program – Existing site capacity increases – April 2022
  o Level 2 Program – Multi-Unit Dwellings – May 2022
  o Level 2 Program – Workplace (non-state government) – May 2022
Informational Meetings

• Informational meetings will be scheduled throughout all three RFP release groups for the following:
  • DAQ Grants Management System
  • Program Request for Proposals
  • Historically Under-Resourced County Outreach Program
Subscribe to our VW Email List!

If you are not currently on our mailing list and would like to receive email updates about the Volkswagen Settlement Program, please send an email with the word “Subscribe” in the subject line to daq.NC_VWGrants@ncdenr.gov.
Phase 2 Mitigation Plan

• Phase 2 Priorities:
  • School Bus Program electrification with goal of awarding at least 50% of funds for all-electric school buses
  • Heavy-duty vehicle electrification
  • Continue to invest in full 15% for EV charging infrastructure
  • Provide outreach to Historically Under-Resourced Counties
  • Continue to fund projects in rural counties
  • Continue to focus on public sector, where needs are far greater than the resources available
Eligible Phase 2 Applicants

Eligible projects include:

• Projects submitted by local, state, and tribal government organizations

• Projects submitted by public or private nonprofit organizations

• Projects submitted by public-private partnerships where the lead applicant represents a public sector or public/private nonprofit entity

• Both public and private applicants will be eligible for the light-duty ZEV infrastructure programs
Historically Under-Resourced County Outreach Program

DEQ is developing an outreach program to help counties that historically do not have the resources to effectively identify eligible vehicles for grant programs and submit quality applications. Outreach program counties may change after analysis and evaluation of 2020 census data in the final Phase 2 Mitigation Plan.

Applications from these counties may also receive scoring bonuses.
Historically Under-Resourced County Outreach Program Map
General VW Contacts

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VW Program Contacts

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Transit Bus Program - Melanie Henderson, Environmental Engineer
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Email: melanie.henderson@ncdenr.gov

Clean Heavy-Duty Diesel Program – Jill Vitas, Environmental Engineer
Phone: 919-707-8424
Email: jill.vitas@ncdenr.gov

DC Fast Program - Dave Willis, Environmental Program Consultant
Phone: 919-733-1482
Email: dave.willis@ncdenr.gov

Level 2 Program – Steven Rice, Environmental Specialist
Phone: 919-715-7220
Email: steven.rice@ncdenr.gov
Thank you!

The NC VW Team

https://deq.nc.gov/VWsettlement
or
ncair.org …and click on “Volkswagen Settlement”
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