Maine's VW Settlement

Governor's Energy Office

DEPARTMENT OF ENVIRONMENTAL PROTECTION
STATE OF MAINE

MaineDOT

mainedot.gov/vw

The Background

- The U.S. District Court in Northern California approved a partial consent decree to settle allegations that Volkswagen (VW) had installed defeat devices on 2.0 and 3.0-liter diesel vehicles sold or leased in the United States.

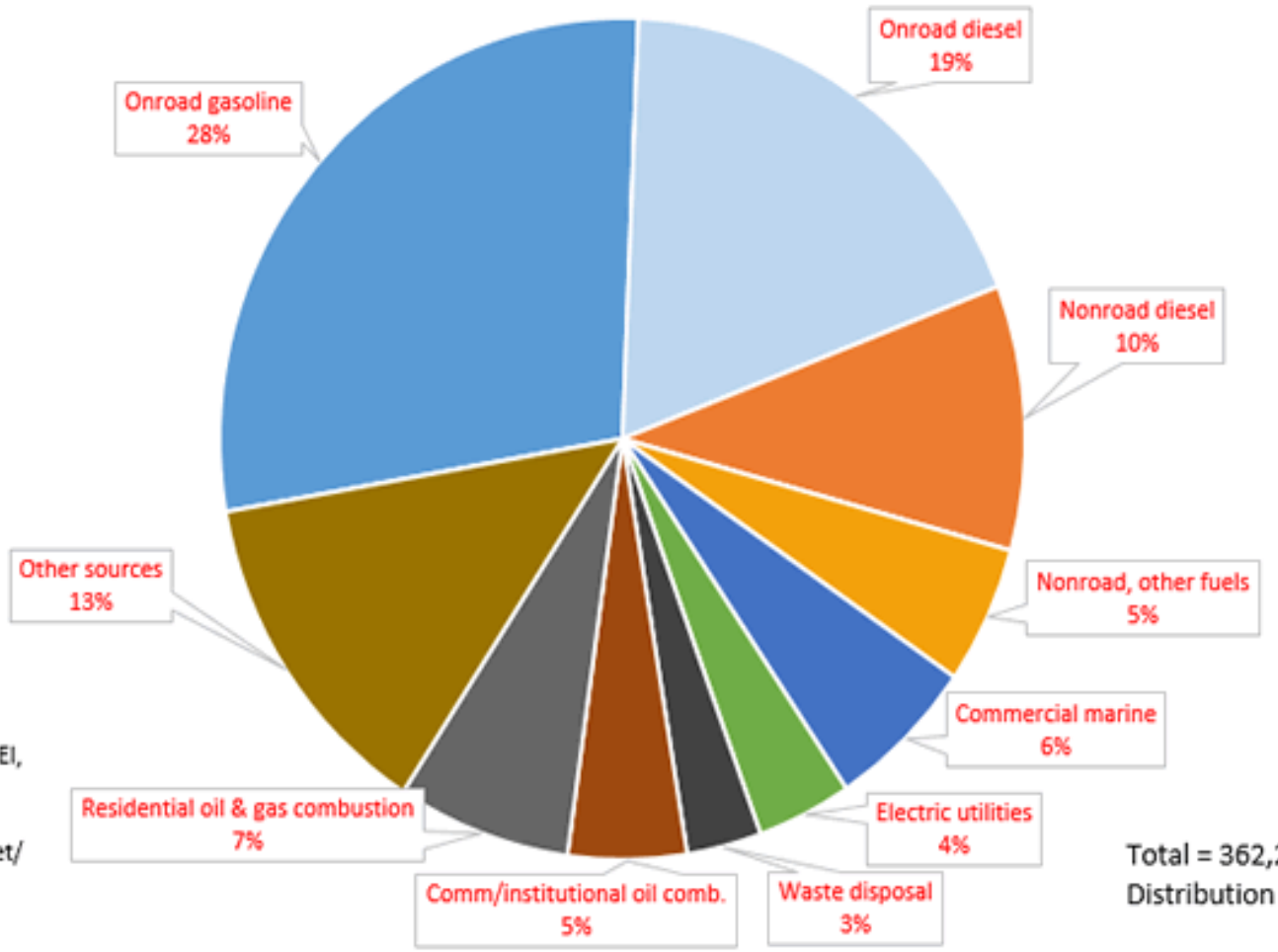
- Under normal driving conditions, these defeat devices switched off emission control equipment, allowing emissions of nitrous oxide (NOx), which adversely affects heart and lung health, to exceed up to 40 times established vehicle emission standards.

- The 2016 and 2017 court settlements order VW to fund actions that reduce NOx emissions to improve air quality and provide health benefits. These actions will be carried out by “beneficiaries”, consisting of each state, Puerto Rico, Washington DC, and Native American tribes

VW Class Action Settlement

Component	Total Dollars
VW's Vehicle buy-back/repair	$10 billion
VW's National ZEV investment plan & education	$2 billion
Beneficiaries' Environmental mitigation trust	$2.7 billion
Total	**$14.7 billion**

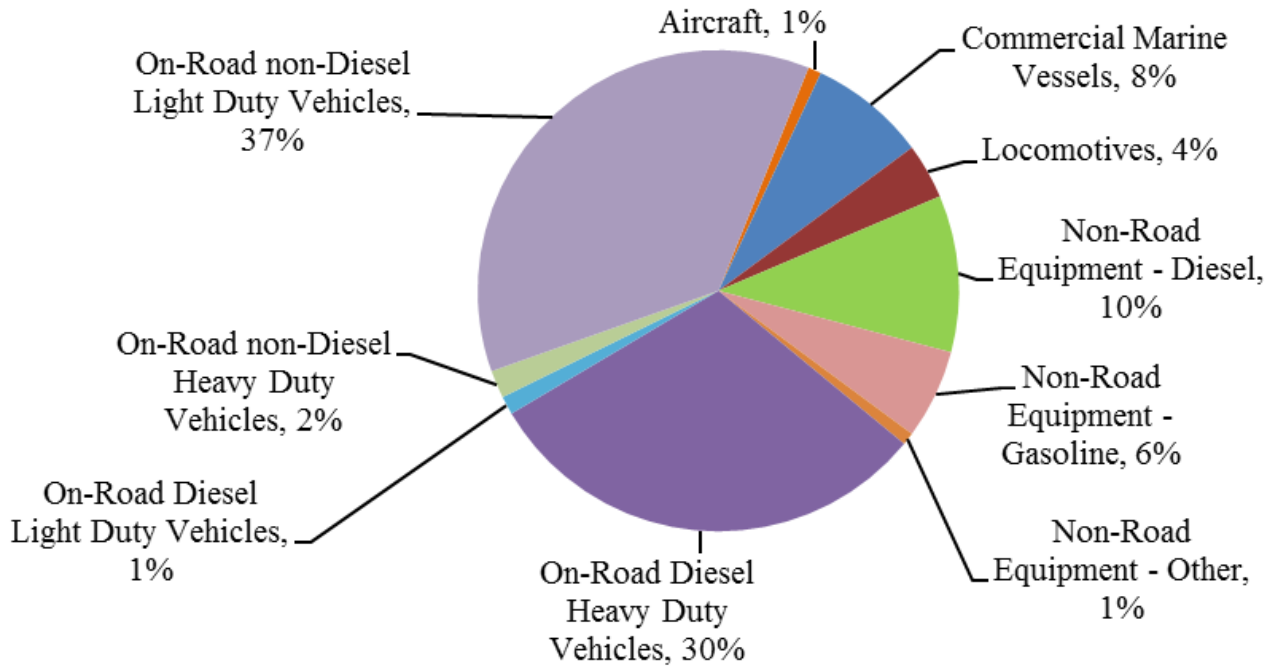
NOx Emissions in New England, 2011



Data source: EPA's 2011 NEI, Ver. 1, via "Sector Summaries" report from: www.epa.gov/ttn/chief/net/2011inventory.html

Total = 362,209 tons.
Distribution based on annual

Distribution of NOx emissions across the transportation sectors in Maine based on the 2014 U.S. EPA National Emissions Inventory.

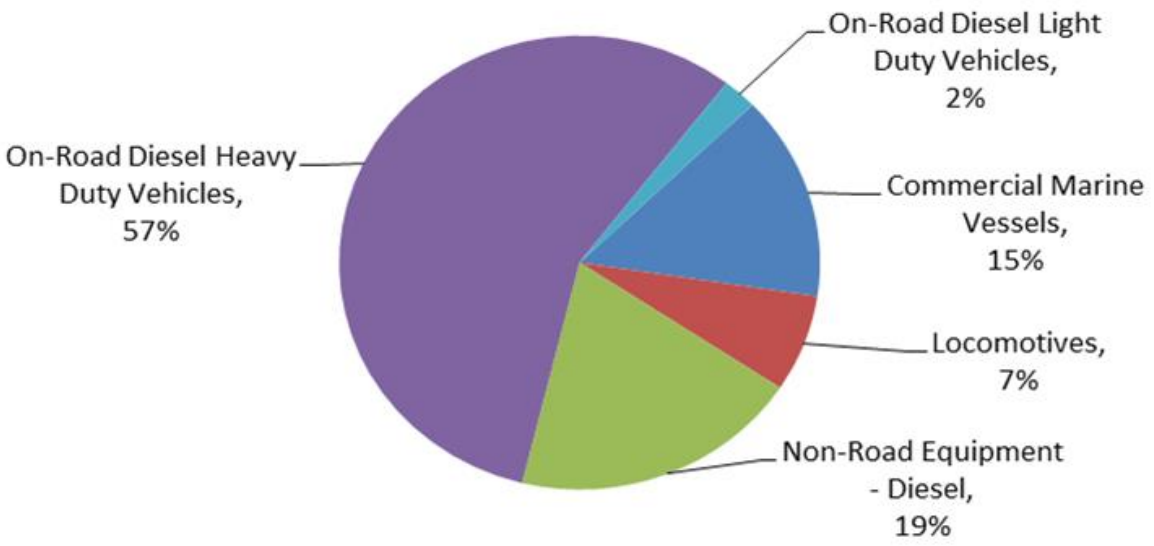


Annual Tons	Aircraft	Commercial Marine Vessels	Locomotives	Non-Road Equipment - Diesel	Non-Road Equipment - Gasoline	Non-Road Equipment - Other	On-Road Diesel Heavy Duty Vehicles	On-Road Diesel Light Duty Vehicles	On-Road non-Diesel Heavy Duty Vehicles	On-Road non-Diesel Light Duty Vehicles
	307	2,706	1,283	3,624	2,074	287	10,500	426	643	12,579

Source: www.epa.gov/air-emissions-inventories/2014-national-emissions-inventory-nei-data

NOx contribution from the transportation sector for only diesel engines, vehicles and equipment.

2014 Mobile NOx Emissions, Diesel Only



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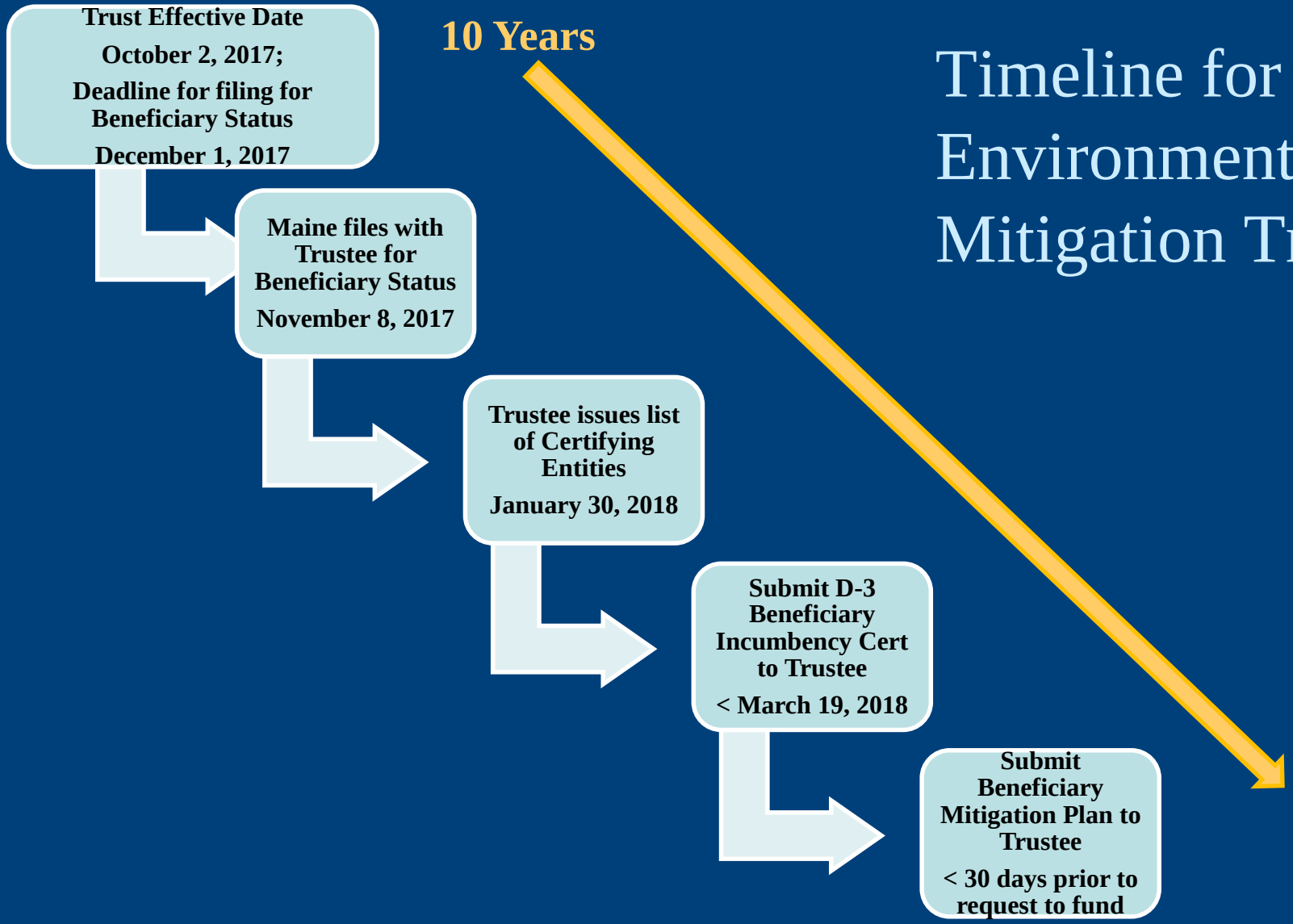
Source: www.epa.gov/air-emissions-inventories/2014-national-emissions-inventory-nei-data

Timeline for Environmental Mitigation Trust



Maine's Process

Governor's Office approval to proceed

Designate lead agency

Draft and post Beneficiary Mitigation Plan for public comment

Develop grant process, selection criteria, reporting requirements

Requests for Proposals

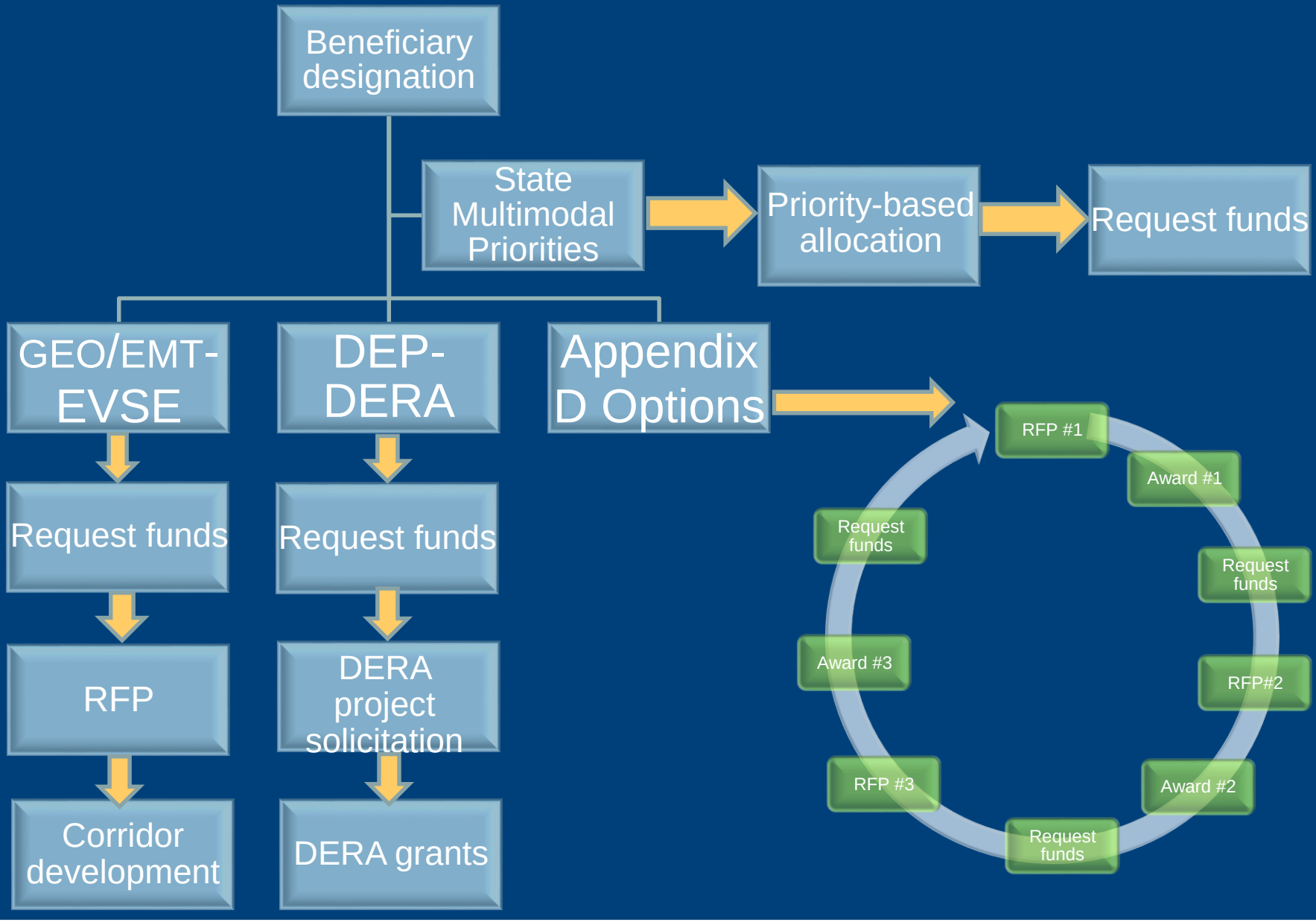
Award projects

Year 1: ≤ $7M
Year 2: ≤ $14M

Public Meetings:
November 8, Bangor
November 14, Portland
BMP public comment period:
June 2017 – January 2018

Maine's Proposed Distribution
VW Environmental Mitigation Settlement

Program	% of Total	Total Dollars	Responsible Entity
State Multimodal Priorities	40%	$8.4 million	MaineDOT
Municipal & Private Appendix D	25%	$5.3 million	MaineDOT
Diesel Emission Reduction Act (DERA) Option	20%	$4.2 million	DEP Mobile Sources
Light Duty Electric Vehicle Supply Equipment	15%	$3.1 million	Efficiency Maine Trust
Total	**100%**	**$21 million**	


Beneficiary designation
State Multimodal Priorities
Priority-based allocation
Request funds
GEO/EMT-EVSE
DEP-DERA
Appendix D Options
Request funds
Request funds
RFP
DERA project solicitation
Corridor development
DERA grants
RFP #1
Award #1
Request funds
Request funds
Award #3
RFP#2
RFP #3
Award #2
Request funds

State Multimodal Priorities

Replacement of:

- Transit busses
- Port cargo handling equipment
- Ferry re-powers

What actions are eligible under Appendix D-2?

Replacement of:

- Class 8 local freight or port drayage equipment;
- Class 4-8 school, shuttle, or transit buses;
- Pre-tier 4 freight switchers;
- Tier 1 or 2 unregulated ferry or tug engines;
- Class 4-7 local freight trucks;
- Airport ground support equipment;
- Forklifts and port cargo handling equipment;

Funding for:

- Shore power for ocean going vessels;
- Light duty electric vehicle supply equipment; or
- Non-federal voluntary match for the Diesel Emission Reduction Act (DERA) program.

FHWA Vehicle Classifications 101

Light-Duty			*Medium Heavy-Duty*			*Heavy-Duty*	
Class 1	**Class 2**	**Class 3**	**Class 4**	**Class 5**	**Class 6**	**Class 7**	**Class 8**
Less than 6,000 lb	6,000 to 10,000 lb	10,000 to 14,000 lb	14,000 to 16,000 lb	16,000 to 19,500 lb	19,500 to 26,000 lb	26,000 to 33,000 lb	Greater than 33,000 lb
  	  	 	        

What actions are eligible under DERA?

Replacement of:

- Marine engines
- On-highway trucks & buses
- Off-road equipment (e.g. construction, forestry, agricultural)
- Locomotives
- No-idling technologies

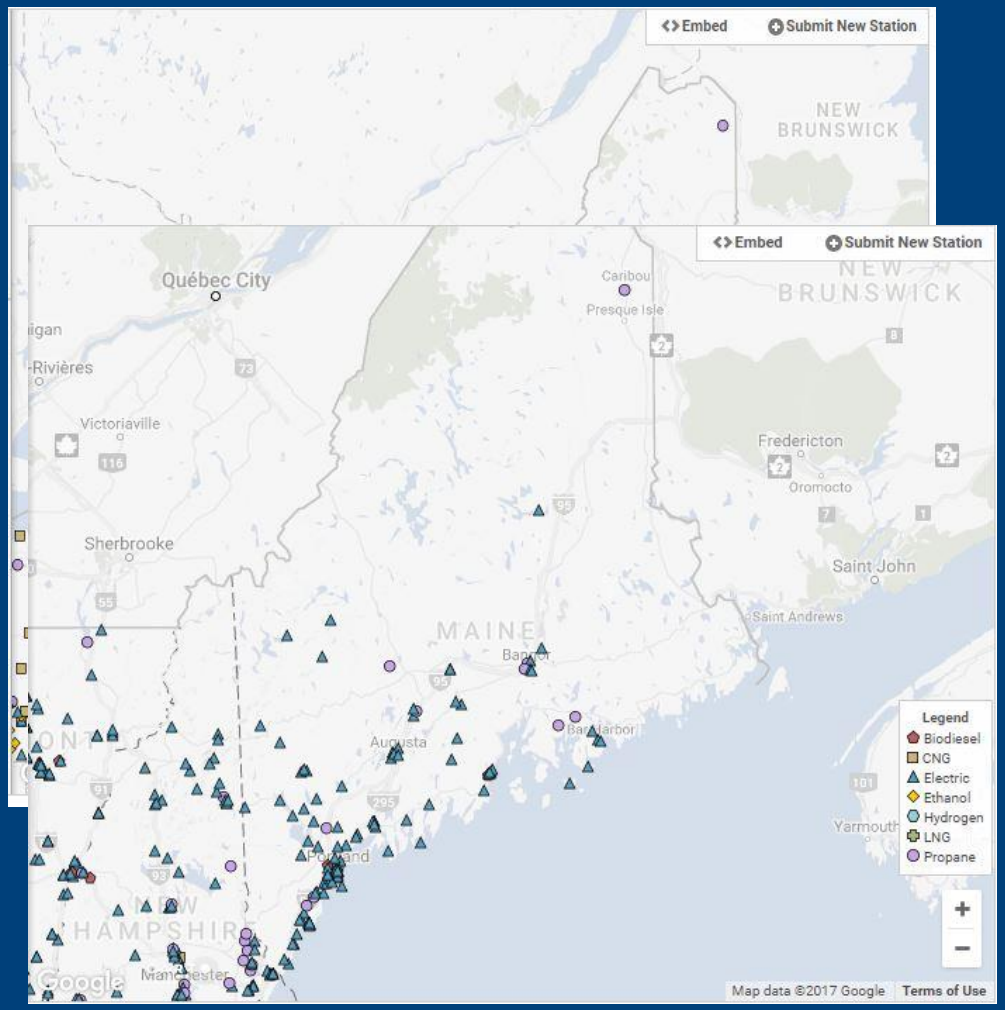
MaineDOT Responsibilities

- Incumbent Certification
- Authorized Individuals
- Bi-annual reporting
- Applicability of confidential business information laws
- Public accessibility to information
- Tracking the money

Project Considerations

- ✓ Relationship to Maine's Beneficiary Mitigation Plan
- ✓ NOx reduction (tons NOx per VW dollar spent)
- ✓ Geographic location
- ✓ Maximize public health benefits
- ✓ Areas receiving localized air pollution
- ✓ Available match/leverage funding
- ✓ Demonstrated relevant project delivery experience
- ✓ Capacity

Northeast EVSE Network



- Political commitments
- FHWA corridor designations
- Vehicle range
- Existing infrastructure
- Safety/facilities

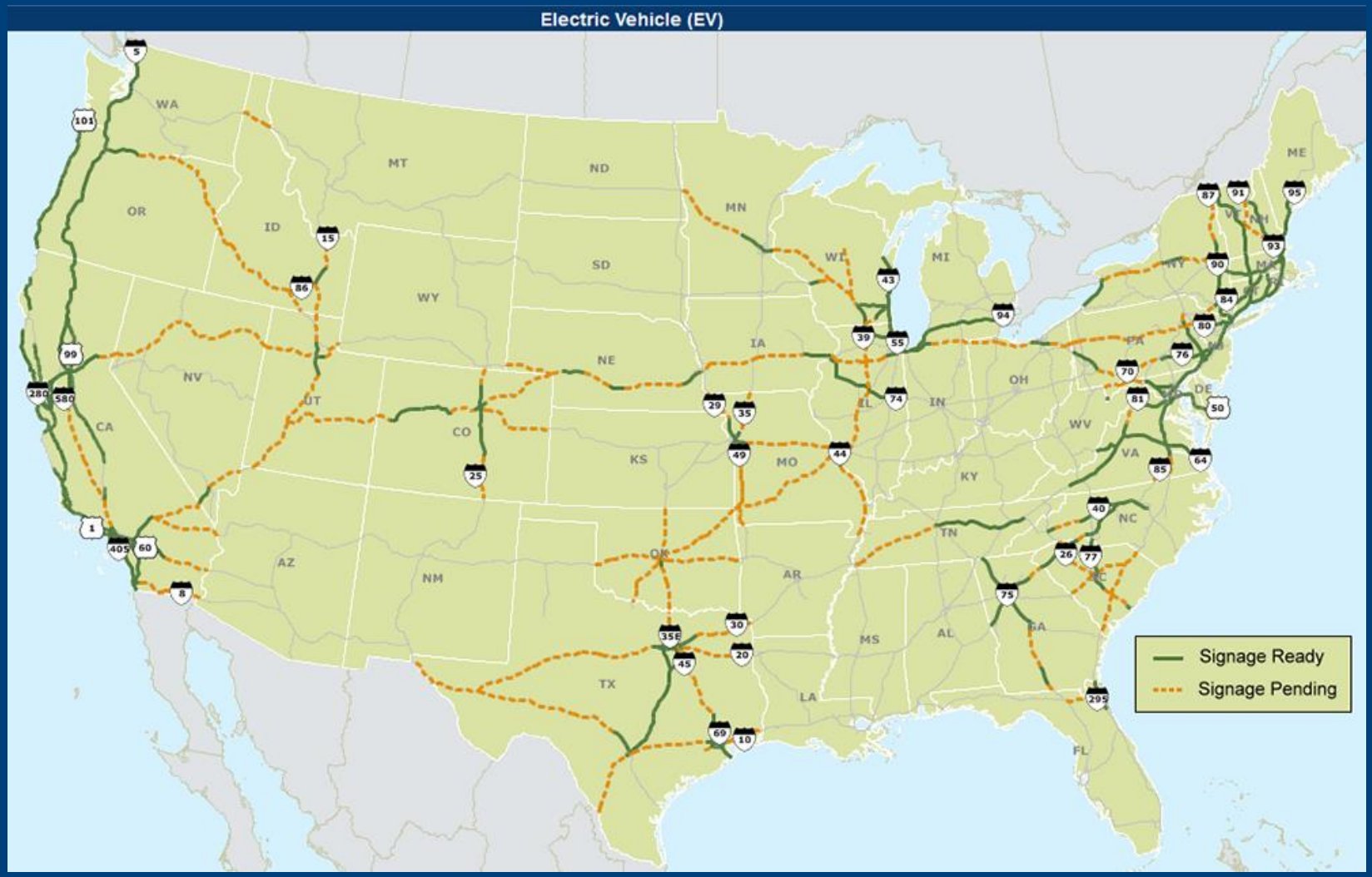
http://www.afdc.energy.gov

NEG-ECP DCFC Locations

As of 1/29/2018

FHWA Alternative Fuel Corridors

as of January 18, 2018



FHWA Criteria for Electric Vehicle Signage-Ready Corridors

- < 50 miles between charging stations
- National highway system *
- Station within 5 miles of highway
- DC Fast Charging only
- Universal charging (no Tesla)

*Exceptions granted

MaineDOT Proposed Electric Vehicle Infrastructure Corridors

Estimated distances between universal, public charging infrastructure:
VIA I-95 Kittery to Portland (73 mi): Kittery Welcome Center --> Kennebunk Travel Center (25 mi) --> Biddeford (8 mi) --> Portland (15 mi)
--> Freeport (25 mi)

VIA I-295: Freeport --> Augusta/West Gardiner (30 mi)

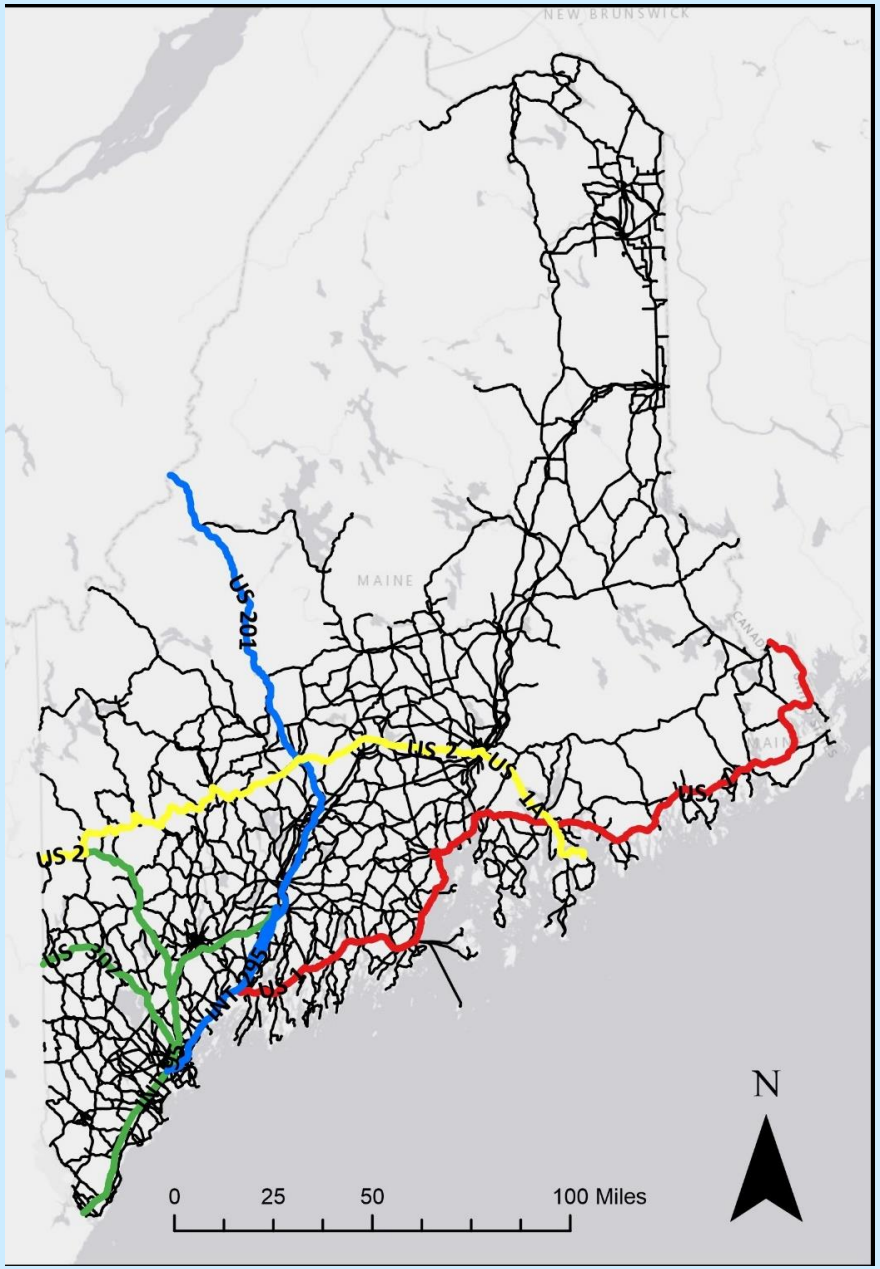
VIA I-95: Gray --> Auburn/Lewiston (19 mi)

VIA I-95/201 Augusta to Jackman (124 mi): Augusta --> Waterville (20 mi) --> Skowhegan (17 mi) --> The Forks (46 mi) --> Jackman (26 mi) --> Quebec (15 mi)

VIA Rt 26/US-2 Gray to Gorham, NH (72 mi): Gray --> Norway (27 mi) --> Bethel (23 mi) --> Gorham, NH (22 mi)

VIA US-2 Bangor to Gorham, NH (122 mi): Bangor --> Newport (28 mi) --> Skowhegan (24 mi) --> Farmington (28 mi) --> Bethel (53 mi) --> Gorham, NH (22 mi)

VIA US-1A/Rt 3
(43 mi): Ellsworth (28 mi) --> Acadia National Park (15 mi)
(128 mi): Ellsworth--> Cherryfield (29 mi) --> Machias (28 mi) --> Eastport (44 mi) --> Calais (27 mi)



Coastal Route
Maine-New Hampshire Route
Maine-Quebec Route
New Hampshire-Acadia

Resources

- DERA-Environmental Mitigation Trust Comparison
- Issue Summary
- Maine Beneficiary Mitigation Plan
- Links to Court documents
- This presentation
- ….

mainedot.gov/vw

Questions?

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