



# **IMPLEMENTING THE VW SETTLEMENT AGREEMENT: MITIGATION PLANNING AND TECHNOLOGY UPDATE**

**NATIONAL ASSOCIATION OF CLEAN AIR AGENCIES  
SPRING MEMBERSHIP MEETING**

**MAY 22, 2018**

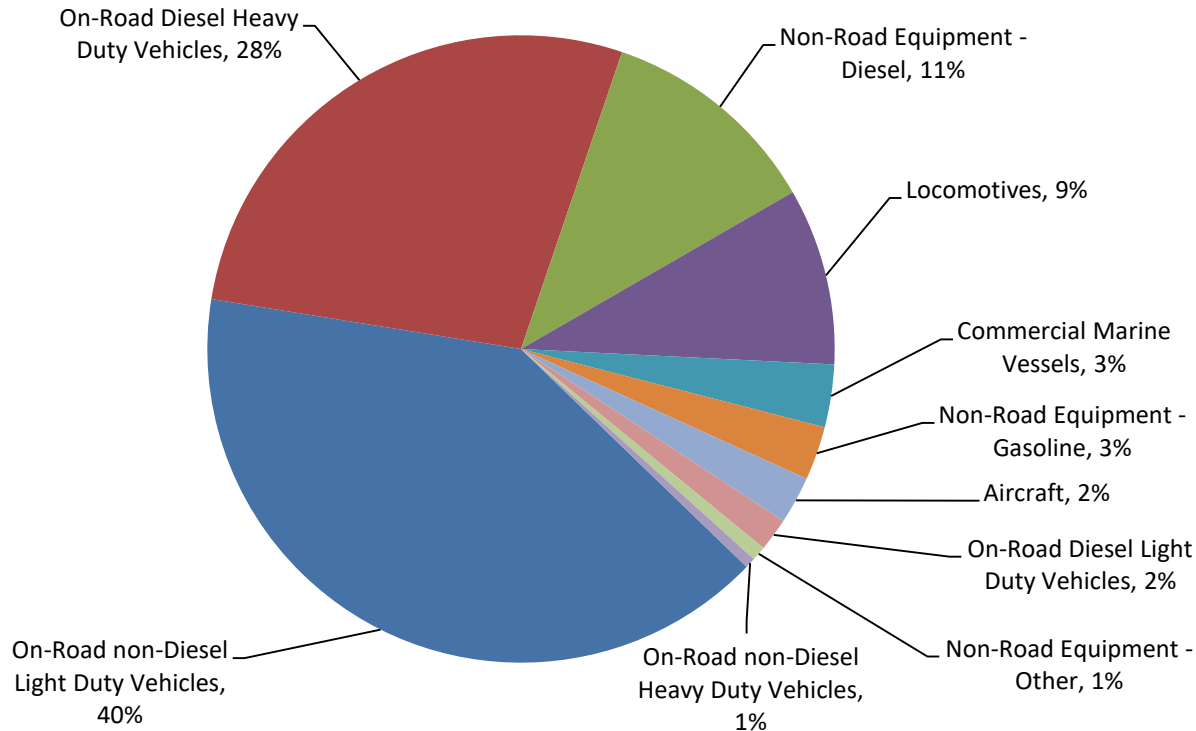
# Virginia Trust Agreement Overview

- Approximately 16,200 offending 2.0 and 3.0 VW vehicles in Virginia.
- Virginia's Trust allocation is ~\$93.6 million.
- State Trust Agreement was approved by the court on Oct. 2, 2017.
- Virginia was approved by the Trustee (Wilmington Trust) as a Beneficiary on January 28, 2018.
- The Department of Environmental Quality (DEQ) is the Lead Agency and will administer these funds through a state mitigation plan.
- Former Secretary of Natural Resources formed a working group to develop a proposed state mitigation plan.

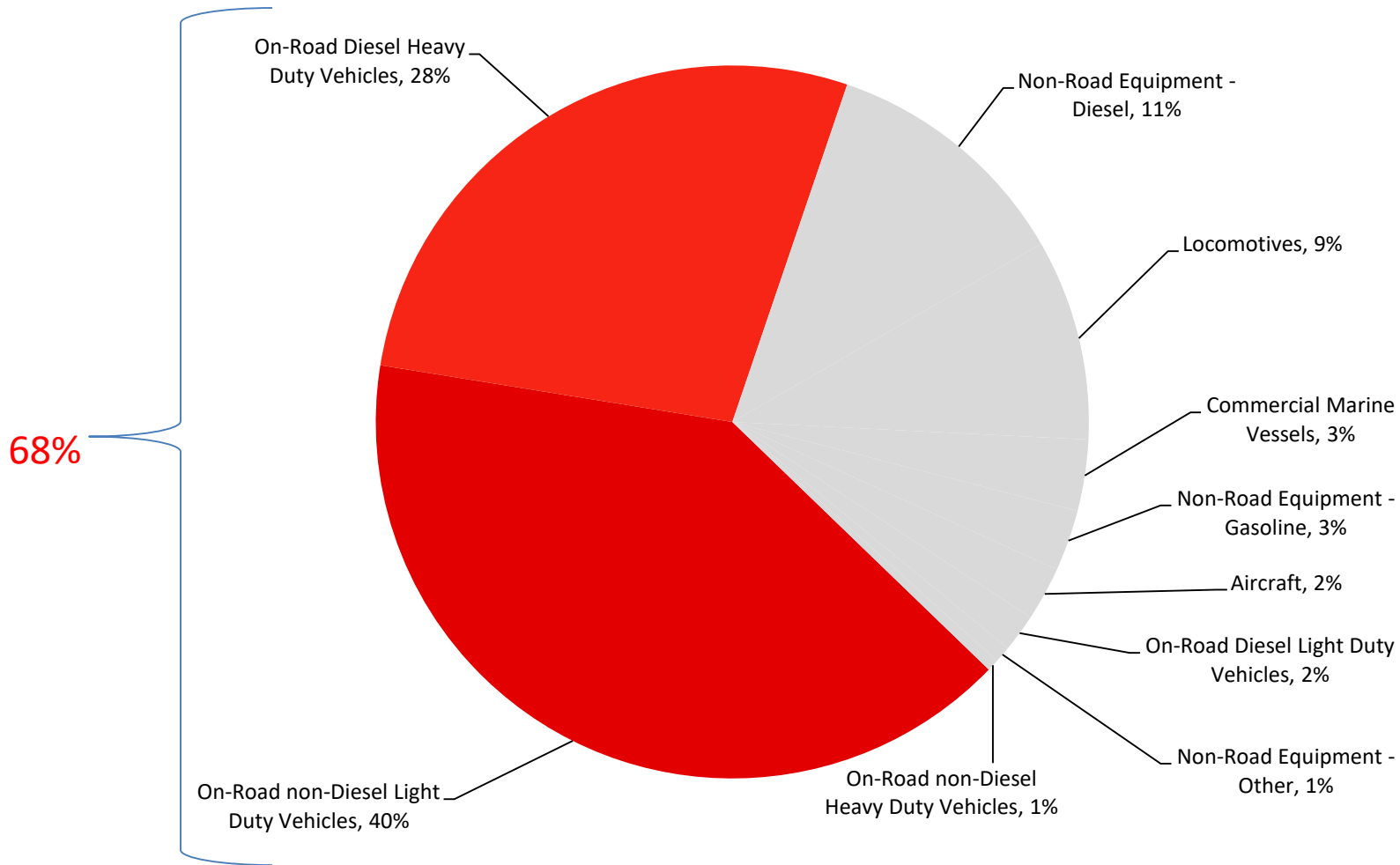
# Developing State Mitigation Plan

- Proposed state mitigation plan developed by an interagency workgroup using a data-driven approach to target high emission sectors:

**Virginia Mobile NO<sub>x</sub> Emissions: All Sectors (2014)**



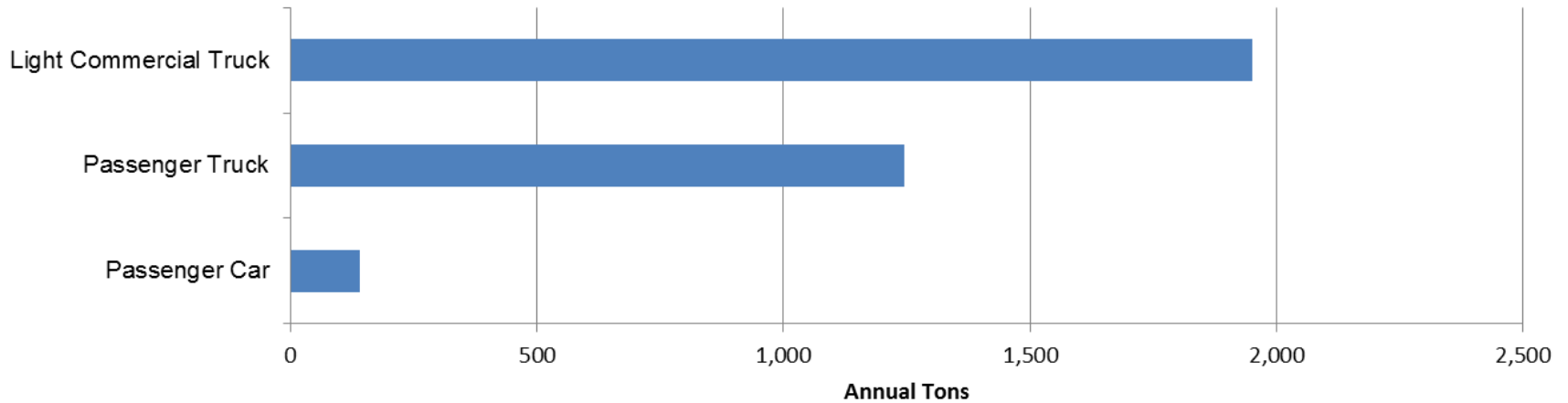
# High NOx Emission Sectors



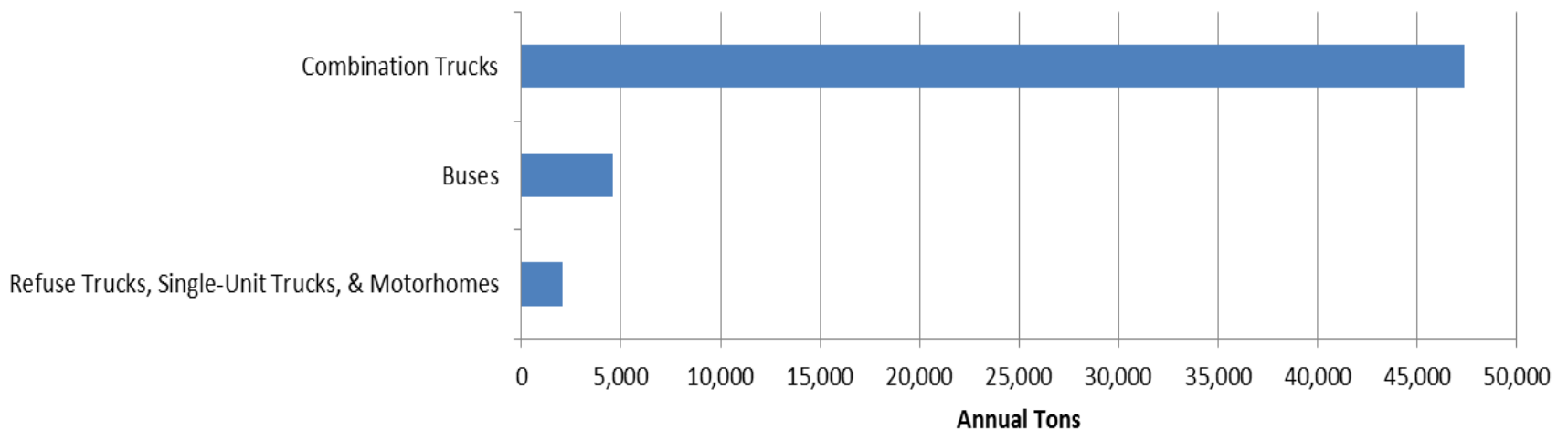
Annual Tons	On-Road Non Diesel Light Duty Vehicles	On-Road Diesel Heavy Duty Vehicles	Non-Road Equipment - Diesel	Locomotives	Commercial Marine Vessels	Non-Road Equipment - Gasoline	Aircraft	On-Road Diesel Light Duty Vehicles	Non-Road Equipment - Other	On-Road Non Diesel Heavy Duty Vehicles
	78,761	54,056	22,357	17,808	6,305	5,420	4,779	3,336	1,450	1,048

# High NOx Emission Sectors(cont'd)

## VA Light-Duty Vehicle Diesel NOx Emissions (2014)

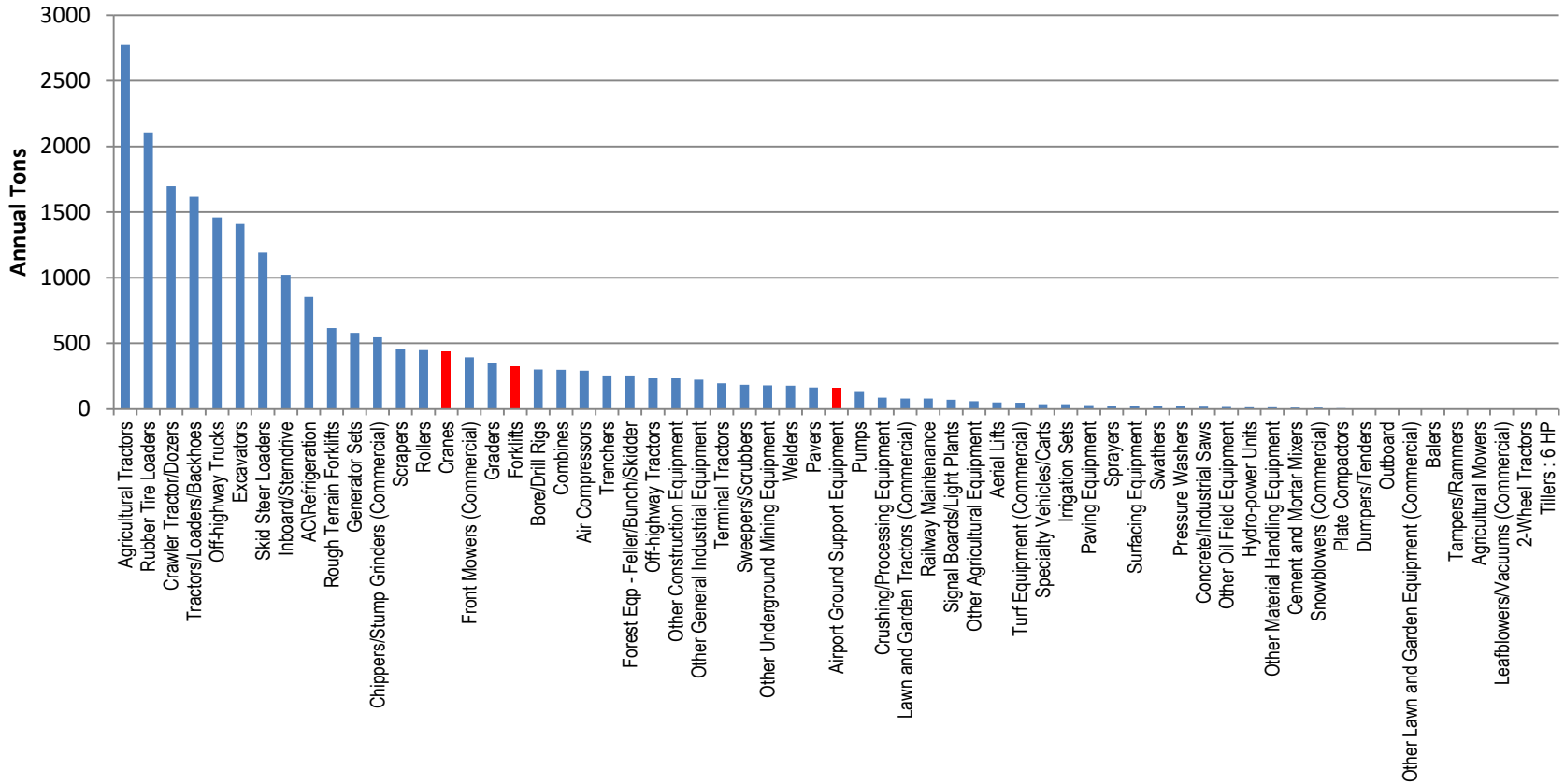


## VA Heavy-Duty Vehicle Diesel NOx Emissions (2014)

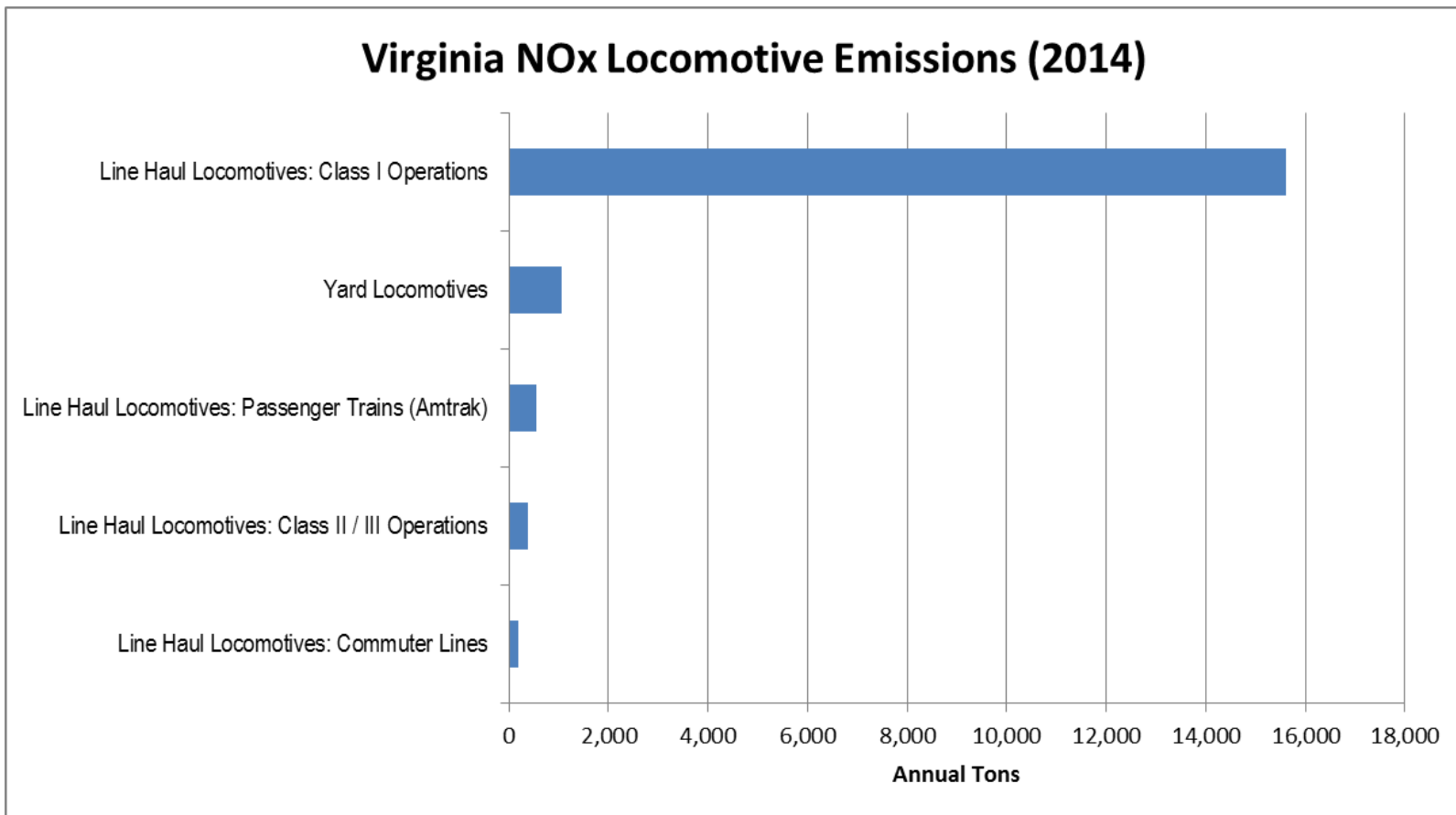


# High NOx Emission Sectors (cont'd)

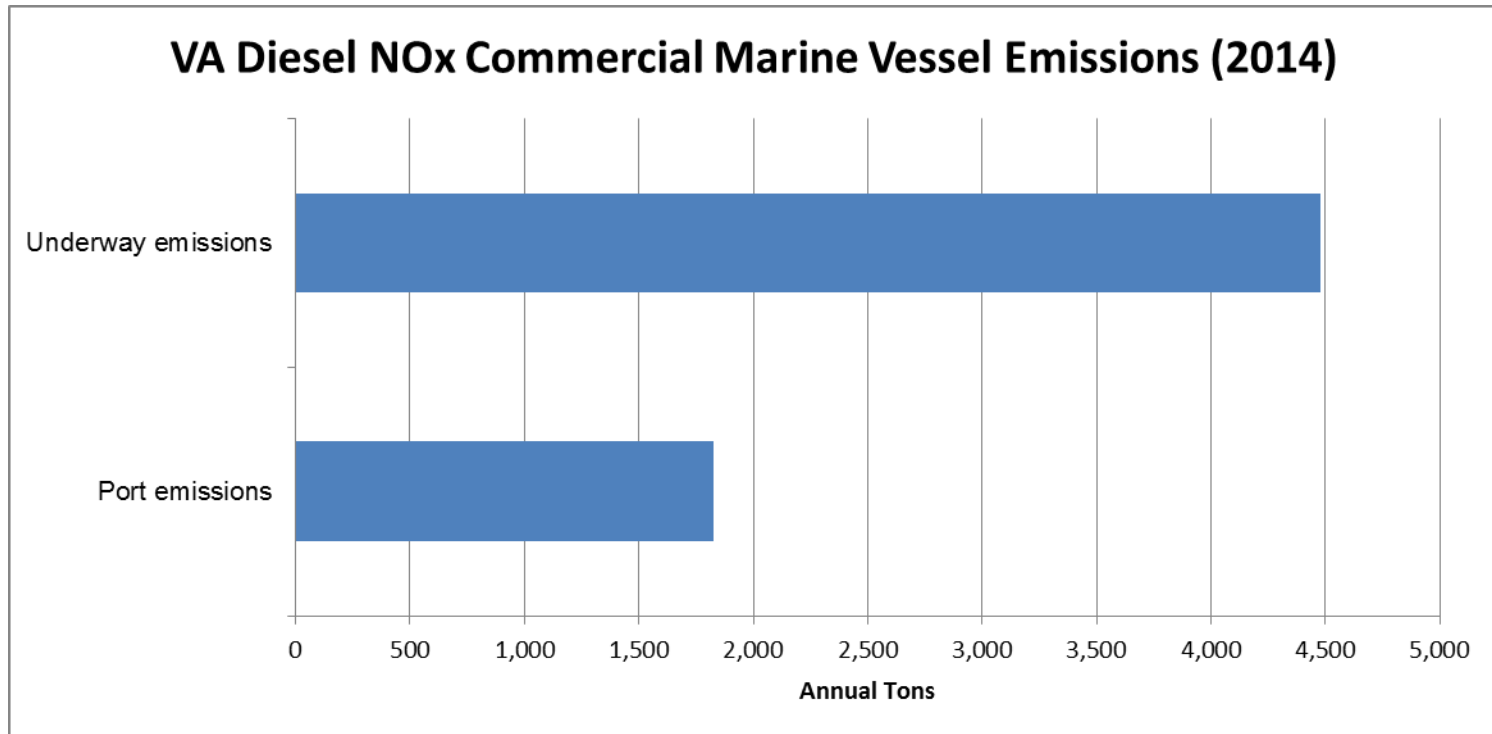
## Virginia Diesel NOx Nonroad Equipment Emissions (2014)



# High NOx Emission Sectors (cont'd)



# High NOx Emission Sectors (cont'd)





# Proposed State Mitigation Plan

- Primary goal of proposed state mitigation plan is to improve air quality:
  - Funding projects expected to achieve greatest NO<sub>x</sub> reductions
  - Expediting the deployment and widespread adoption of zero emission vehicles
- Proposed mitigation plan allows for the selection of all 10 eligible mitigation projects including using up to 15% (maximum allowed under the Trust) on electric vehicle charging infrastructure.
- DEQ conducted a public comment period on the proposed plan in fall 2016.
- DEQ issued a request for information (RFI) in 2017 seeking project ideas and additional input to inform the final plan:
  - Received 39 proposed project ideas totaling \$596,488,339. Received project ideas for all eligible mitigation actions with the exception of Shorepower for Ocean-going Vessels.
- DEQ continues to receive comments. State mitigation plan has not been finalized.

# RFP for Statewide EV Charging Station Network

- In accordance with the State Trust Agreement, public comment, and Virginia's clean air and energy goals, DEQ issued a request for proposals (RFP) in October 2017 seeking proposals from qualified sources to establish a statewide public electric vehicle charging network that:
  - Facilitates travel to, through and within Virginia, enabling the flow of EV travel throughout the region,
  - Accelerates adoption and use of EVs to help Virginia realize its air quality and climate goals,
  - Is safe, conveniently accessible, cost-competitive and reliable for drivers to recharge mass-produced EVs with industry standard charging equipment, and
  - Leverages other EV Charging Station deployment efforts in the state and surrounding states.
- 15% of funds from the Trust (~\$14M) will be used to pay up to 80% of all costs necessary for the acquisition and installation of EVSE for public use.
- Contract negotiations underway.

# Next Steps

- Finalizing the state mitigation plan:
  - Coordination with the New Secretary of Natural Resources and his staff to determine priorities
  - Consideration of public comments and RFI responses
- Awarding EV RFP contract spring/summer 2018 .
- Submit final state mitigation plan to the Trustee (WT).
- Develop timeline and competitive process(s) for distributing Trust funds for other specific eligible mitigation projects.

Questions?