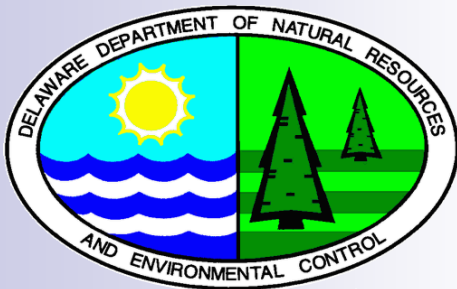


DNREC Division of Air Quality

Volkswagen Environmental Mitigation Plan

March 23, 2017



Blue Skies Delaware; Clean Air for Life

Agenda

- Introduction
- Settlement Overview
- Requirements
- EPA Mobile NOx Emission Sources
- Qualified Mitigation Actions
- Delaware Timeline
- Next Steps
- Comments and Questions



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Settlement Overview

- Volkswagen violated the Clean Air Act for 580,000 vehicles (2009 -2016)
 - The emissions control systems perform differently during normal operation and use than during emission testing.
 - The vehicles emit levels of nitrogen oxides (NOx) significantly in excess of EPA's compliance levels.



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Settlement Overview

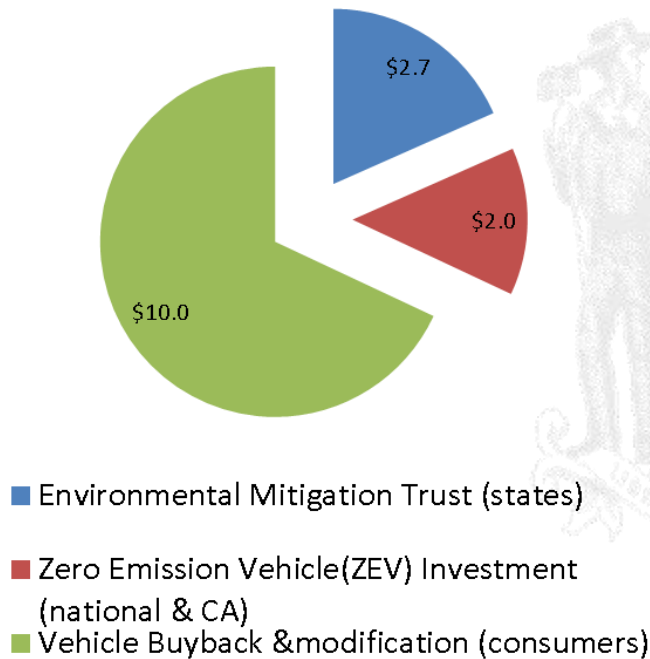
- Volkswagen agreed to spend up to \$14.7 billion to settle allegations of cheating emissions.
- Settlement funds will be used to buyback and/or modify vehicles, and to support national- and state-level projects to reduce NOx emissions



Settlement Overview

National Settlement

Settlement Breakdown (\$Billion)



Delaware Settlement

- Of the \$2.7B Trust, Delaware is entitled to apply for \$9M of the Environmental Mitigation Trust.



Requirements

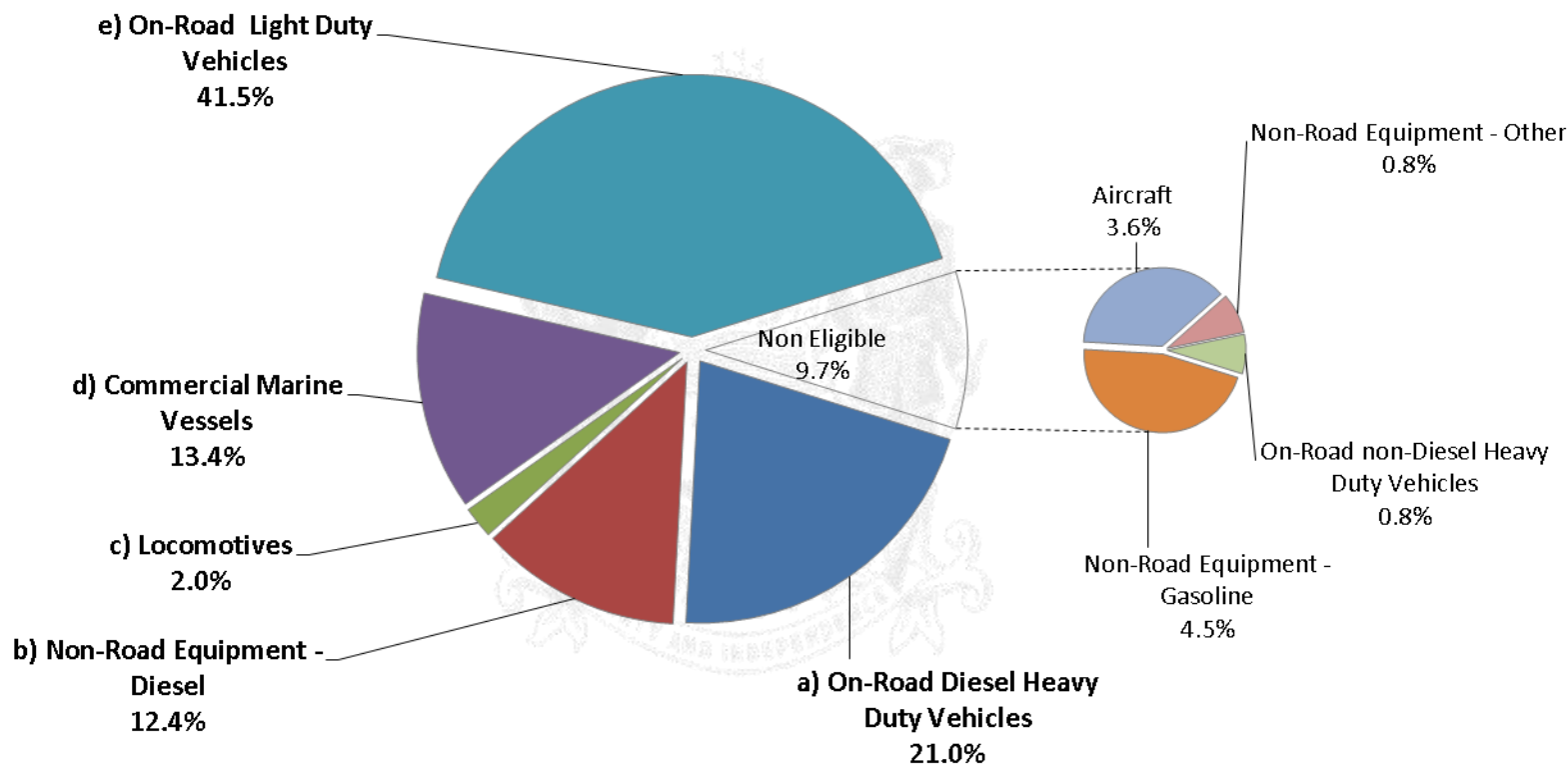
- Environmental Mitigation Plan must include:
 - Overall goal for use of funds
 - Categories of eligible mitigation actions
 - Consideration to disproportionately impacted populations (NO_x is the primary emission of concern)
 - Description of emissions benefits that would result from implementation of the plan



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EPA Mobile NOx Emission Sources

EPA Mobile NOx Sources for Delaware (2014)



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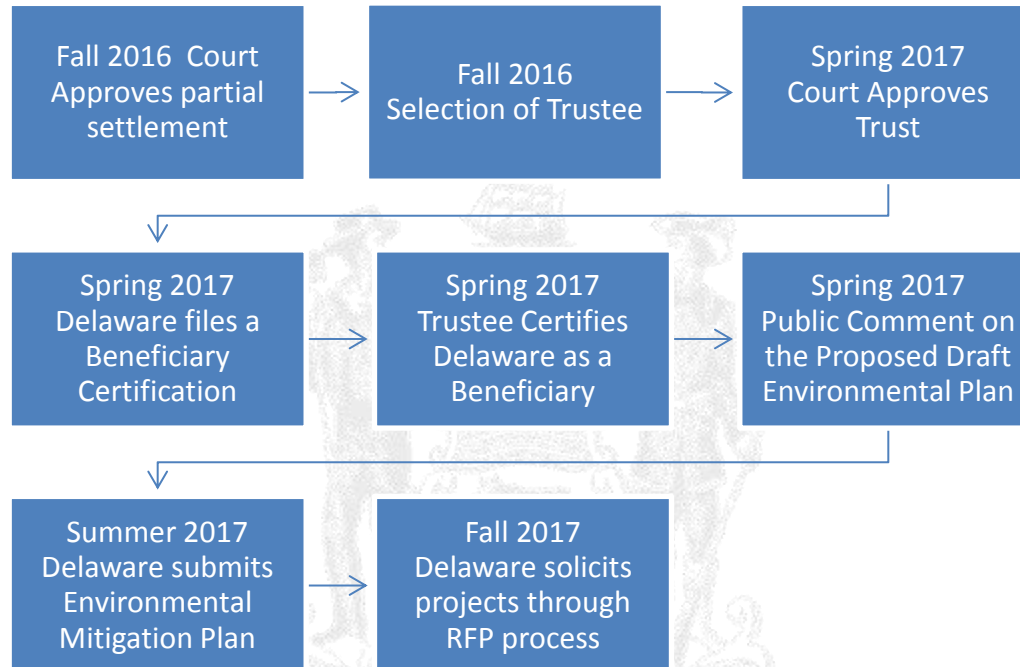
Qualified Mitigation Actions

Qualified Mitigation Action	Action	Model year	Funding		Scrappage Required
			Non-Government	Government	
Class 4-8 School Bus, Shuttle Bus or Transit Bus	Repower/Replace	2006 - older	40% / 25% / 75%	100%	Yes
Class 4-7 Local Freight Trucks (Medium)	Repower/Replace	2002 - 2006	40% / 25% / 75%	100%	Yes
Class 8 Local Freight Trucks & Class 8 Port Drayage Trucks	Repower/Replace	1997-2006 & 1992-2006	40% / 25% / 75%	100%	Yes
Freight Switchers	Repower/Replace	Pre-Tier 1	40% / 25% / 75%	100%	Yes
Ferries/Tugs	Repower	Unreg, Tier 1, Tier 2	40% / 75%	100%	Yes
Ocean going Vessels Shorepower	N/A	N/A	25%	100%	N/A
Airport Ground Service Equipment	Repower/Replace	Tier 0- Tier 2	75%	100%	Yes
Forklifts	Repower/Replace	8,001 lb lift cap.	75%	100%	Yes
Light Duty Vehicle ZEV (15%)	Repower/Replace	N/A	25% - 80%	60% - 100%	N/A
Diesel Emission Retrofit Action (DERA) Option)	Repower/Replace	See DERA guidance for more information			Yes



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Delaware Timeline



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Next Steps

- Apply to be a Beneficiary
- Seek public comment on the Environmental Mitigation Plan
- Seek Projects through RFP process – Fall 2017



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Comments and Questions

- Comments can be sent to:
VW_Mitigation_Plan@state.de.us
- listserv:join-vwmitigation@lists.state.de.us
- <http://www.dnrec.delaware.gov/air/Pages/VWMitigationPlan.aspx>
- Email: Deanna.Morozowich@state.de.us
- Office line: 739-9402



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