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Executive Office of Energy & Environmental Affairs

Department of Environmental Protection

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VOLKSWAGEN SETTLEMENT FUNDING STAKEHOLDER MEETINGS

QUESTIONS AND COMMENTS

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Stakeholder Questions & Comments
Volkswagen Settlement Funding Stakeholder Meeting
MassDEP Southeast Regional Office (SERO), 20 Riverside Dr., Lakeville, MA
January 29, 2018, 1:00 p.m.

Stakeholder Questions (in Italics) & Answers from Massachusetts Department of Environmental Protection (MassDEP) Staff

1. *Does the Volkswagen (VW) Settlement allow for the use of hydrogen fuel cells for forklifts and port cargo handling equipment in repower and replacement projects?*
Yes.
2. *Will Light Duty Zero Emission Vehicle Supply Equipment (EVSE) projects include funding for equipment installation?*
States are allowed to fund installation. To date, MassDEP's *MassEVIP: Workplace Charging* Program has not funded installation costs, and the *MassEVIP: Fleets* Program has covered a portion of installation costs. MassDEP has not made a decision yet on this issue with respect to VW funds.
3. *Will MassDEP's plan for which projects to fund be influenced by Electrify America's plan?*
Possibly. Electrify America, an organization formed and funded under the VW Settlement, is investing \$2 billion over the next ten years in zero emission vehicle infrastructure. MassDEP will be watching what Electrify America plans to do so as to not duplicate its efforts.
4. *Does MassDEP prefer to have a group of stakeholders present information regarding the needs across the state for transit bus fleets?*
MassDEP does not have a preference, but that would be helpful.
5. *Is MassDEP looking to fund large or small projects?*
MassDEP has not made this decision yet.
6. *Could the purchase of a solar array for a bus station be an eligible mitigation project?*
No. The VW Settlement pertains only to vehicles, marine vessels and off-road equipment, such as forklifts and cargo handling equipment. Additionally, the Diesel Emissions Reduction Act (DERA) option under the Settlement does not allow states to use their funding allocation for solar arrays.
7. *Has MassDEP considered using existing vendors on state contract to convert medium-duty diesel vehicles to alternative fuels?*
MassDEP has not made any decisions yet on this issue.
8. *Does the DERA option allow for funding other types of marine vessels besides tugs and ferries?*
Yes. Under the DERA option, Massachusetts can use its VW Settlement allocation to match the funds the U.S. Environmental Protection Agency (EPA) allocates to the state for DERA

projects. States that pursue this option must adhere to the requirements of the DERA program, which often has different engine and equipment eligibility requirements than the VW Settlement. For example, EPA's DERA guidance (see: <https://www.epa.gov/sites/production/files/2017-01/documents/vw-dera-option-eligible-mitig-compar-2017-01.pdf>) allows for projects related to "marine engines", a much broader and general term than the terms "tugs and ferries" specified in the VW Settlement.

9. *In making funding decisions, is MassDEP going to consider the various vehicle types equally?*
MassDEP has not yet made any decisions on this issue.
10. *When will the Request for Information (RFI) be issued?*
MassDEP issued the RFI on April 20, 2018. After considering the comments on the RFI, MassDEP released a Draft Beneficiary Mitigation Plan (BMP) discussing the Commonwealth's plans to spend its allocation of the VW Settlement funds (see: <https://www.mass.gov/guides/volkswagen-diesel-settlements-environmental-mitigation>). The public has until 5:00 pm (EDT) on August 20, 2018 to submit comments on the Draft BMP. MassDEP will then submit a final BMP to Wilmington Trust, the entity overseeing the VW Settlement funds. At that point MassDEP will initiate a process for seeking project solicitations. We expect this to occur in the fall of 2018.
11. *When will project proposals be due?*
MassDEP's goal is to issue project solicitations in the fall of 2018.
12. *Does MassDEP plan to spend the funds over the 10 years allowed under the Settlement or plan to front load spending?*
Stakeholders should be aware that Massachusetts has 10 years to spend 80% of the funding and another five years beyond that to spend the remaining 20%. MassDEP does not have a schedule to spend all of the Settlement funds, but has released a draft BMP for year one spending.
13. *Will MassDEP's VW presentation be available on the MassDEP web page?*
Yes. The presentation is posted at <https://www.mass.gov/guides/volkswagen-diesel-settlements-environmental-mitigation>.

Comments by Stakeholders

1. *Argonne Labs at the U.S. Department of Energy will soon be posting an on-line emissions quantifier resource for medium and heavy duty vehicles.*
2. *The eligibility requirement that a bus being replaced must have an engine model year 2009 or older is a really limiting factor considering the useful life of the buses used at transit authorities.*
3. *MassDEP should consider how much time vehicles spend emitting pollution within a particular community. It would be helpful if community groups could work with businesses in*

the community to help figure this out. MassDEP should also establish EVSE in non-government owned public spaces.

4. *The problem is overcoming the price differential between the cost of a new diesel vehicle and a new, cleaner (e.g., electric) vehicle.*
5. *Electric buses would mean a lot to the public. Riders waiting at bus stops are forced to inhale bus fumes which lead to health impacts. Electrifying the busiest routes would make a big difference.*
6. *Electrified buses should be a priority, especially in New Bedford and Fall River.*
7. *It is important for MassDEP to select projects that invest in the cleanest available technologies that are available right now to reduce NOx emissions to the maximum extent possible.*
8. *The slides from today's presentation will also be posted on the Mass Clean Cities website and the information regarding the new U.S. Department of Energy emissions tool will be forwarded to MassDEP.*

Stakeholder Comments and Questions
Volkswagen Settlement Funding Stakeholder Meeting
Brockton Public Library, 304 Main St., Brockton, MA
January 29, 2018, 5:30 p.m.

Stakeholder Questions (in Italics) & Responses from Massachusetts Department of Environmental Protection (MassDEP) Staff

1. *Can Volkswagen (VW) Settlement money be used as match money for other grants?*
Yes, VW funds can be used as matching funds for Diesel Emissions Reduction Act (DERA) allocations to Massachusetts.
2. *Does the VW Settlement stipulate the type of airport where projects can be funded?*
No. The Settlement only defines the airport ground support vehicles and equipment that are eligible for projects.
3. *Considering the differences between the requirements for DERA projects versus those under the VW Settlement, if VW funding is awarded for a DERA project, would that change the reimbursement percentages?*
Yes. If it is a DERA project using VW Settlement money the project would have to adhere to DERA funding percentage requirements.
4. *The VW Settlement only allows funding for gasoline-fueled vehicle projects under the Eligible Mitigation Action (EMA) airport ground support equipment category, correct?*
Yes.
5. *For an Electric Vehicle Supply Equipment (EVSE) project at a multi-unit dwelling (MUD), is there a minimum number of units required to categorize a dwelling as a MUD?*
The VW Settlement does not define a MUD according to a minimum number of units; it states only that it cannot be a private residential dwelling (i.e., a single family home). In contrast, Electrify America has established a minimum number of units to define a MUD.
6. *What source of electricity will be used for the charging stations?*
While not the focus of the VW Settlement funds, Massachusetts has developed other policies, such as the Renewable Portfolio Standard and the Clean Energy Standard, to increase renewable and clean sources of electricity. The New England electricity grid is cleaner than grids in many other parts of the country.
7. *Has MassDEP considered truck stop electrification?*
Yes, there have been efforts in Massachusetts to electrify truck stops.
8. *How soon will proposals be due after the Request for Information (RFI) is issued?*
MassDEP issued the RFI on April 20, 2018. After considering the comments on the RFI, MassDEP then released a Draft Beneficiary Mitigation Plan (BMP) discussing the Commonwealth's plans to spend its allocation of the VW Settlement funds (see:

<https://www.mass.gov/guides/volkswagen-diesel-settlements-environmental-mitigation>).

The public has until 5:00 pm (EDT) on August 20, 2018 to submit comments on the Draft BMP. MassDEP will then submit a final BMP to Wilmington Trust, the entity overseeing the VW Settlement funds. At that point MassDEP will initiate a process for seeking project solicitations. We expect this to occur in the fall of 2018.

9. *Will MassDEP notify local planning boards regarding the availability of the VW funding?*
MassDEP invited all of the state's regional planning agencies and regional transit authorities as well as the Massachusetts Municipal Association (MMA) to these stakeholder meetings. MassDEP will notify the MMA when it issues the RFI as another mechanism to reach out to municipalities.
10. *A number of places in the surrounding area might benefit from VW Settlement funds. Sysco in Plympton uses refrigeration trucks; Plymouth and Duxbury have active seaports; Duxbury and Plymouth have large fishing industries; and Plymouth has an airport. Has MassDEP looked at the potential for projects in these communities?*
MassDEP held the stakeholder meetings to let the public know about the availability of these funds. MassDEP also notified the MMA when it issued the RFI as another mechanism to reach out to municipalities. MassDEP also receives funding from the U.S. Environmental Protection Agency (EPA) for grants under DERA. In recent years, MassDEP has provided grants for the retirement of diesel-fueled Transportation Refrigeration Units (TRUs), replacing them with electric TRUs. These TRUs are on the stationary refrigerated trailers you might see at large supermarket distribution centers that store perishable food and goods. MassDEP's DERA grant information is posted at <https://www.mass.gov/how-to/masscleandiesel-clean-markets-program-grants>.
11. *How is an Environmental Justice (EJ) community defined?*
A full explanation of an EJ community is available on the Massachusetts Executive Office of Energy and Environmental Affairs web site (<http://www.mass.gov/environmental-justice>). The criteria include median household income, the percentage of minority residents, and the percentage of households with limited English speaking ability.
12. *Does MassDEP think that the public would have to pay to charge their cars at charging stations funded by VW Settlement money?*
Decisions on whether to charge for electricity at charging stations are generally up to the charging station host site.
13. *Will MassDEP post the questions and answers from the stakeholder meetings, and will documents relevant to the VW Settlement funding be publicly accessible?*
Yes, MassDEP is posting the questions and answers from each stakeholder meeting and documents relevant to its implementation of the VW Settlement projects on its web site at: <https://www.mass.gov/guides/volkswagen-diesel-settlements-environmental-mitigation>.

Comments by Stakeholders

1. *Brockton has a rail station that uses a small vehicle to move freight cars around. Electrification of this vehicle could potentially be a project.*
2. *On March 17, 2018 planners from various towns across the state will attend a planning conference. This might be a good place for MassDEP to reach out to municipalities.*
 MassDEP will consider this but we are somewhat constrained by our limited staff. MassDEP has worked with a number of municipalities regarding electric charging stations, including Brockton which installed electric charging stations and added electric cars to the City fleet under the Massachusetts Electric Vehicle Incentive Program (MassEVIP) grant program. MassDEP also worked with the Town of Plymouth on a unique public-private partnership project for installing electric vehicle (EV) charging stations at workplaces, in which Plymouth created a partnership with multiple local private entities to increase access to the charging stations.
3. *The relatively small number of public EV charging stations noted in the slide presentation suggests MassDEP might want to speak to local planning boards to find out where additional charging stations are needed.*
 The number of charging stations cited in the slide presentation only reflects the charging stations that MassDEP has helped fund through the MassEVIP Fleets and Workplace Charging programs, not the total number in the state -- which is considerably higher. Since the technology is gaining ground quickly, interested entities should check the Alternative Fuel Data Center station locator webpage (<https://www.afdc.energy.gov/stations#/find/nearest?fuel=all>) to see the latest number of publicly available charging stations in the state. MassDEP does work with municipalities to determine locations for charging stations.
4. *MassDEP should focus on creating electric power in the most environmentally sound and renewable way.*

Stakeholder Comments and Questions
Volkswagen Settlement Funding Stakeholder Meeting
MassDEP Northeast Regional Office (NERO), 205B Lowell St., Wilmington, MA
February 12, 2018, 2:00 p.m.

Stakeholder Questions (in Italics) & Answers from Massachusetts Department of Environmental Protection (MassDEP) Staff

1. *Is the Light Duty Zero Emission Vehicle Supply Equipment (EVSE) funding EMA under the Volkswagen (VW) Settlement separate from the projects being funded by Electrify America?*
 Yes. Electrify America, an organization formed and funded under the VW Settlement, is investing \$2 billion over the next ten years in zero emission vehicle charging infrastructure. Electrify America's projects are being funded through Appendix C of the VW Settlement whereas the EVSE EMA is funded under Appendix D of the Settlement. Electrify America is a completely separate entity and has sole discretion on how it uses its funds.
2. *Should interested parties contact Electrify America about potential projects?*
 Electrify America has a web site (<https://www.electrifyamerica.com/>) which any interested party can consult.
3. *How will the state coordinate its EVSE projects with Electrify America's efforts?*
 MassDEP has made no decisions yet but will look at what Electrify America is doing so as not to duplicate efforts.
4. *What is the difference between Electrify America and the VW Settlement money going to the states?*
 Electrify America's projects are being funded through Appendix C of the VW Settlement while the EVSE projects available for funding with state VW Settlement funds are through Appendix D of the VW Settlement. Appendix D stipulates that states spend their funding allocations on one or more of ten Eligible Mitigation Actions (EMAs), one of which is the deployment of EVSE. Electrify America is tasked by the Settlement terms to invest in zero emission vehicle charging infrastructure and education programs throughout the US.
5. *Due to rusting and other issues, vehicles in this area of the country have useful lives of approximately ten years. Does the VW Settlement allow for any flexibility regarding the requirement that repower/replacement projects for school, shuttle and transit buses must apply to engine model years 2009 and older?*
 The VW Settlement specifies the eligible engine model years for each EMA. Since the VW Settlement allows the funding to be spent over 15 years, we will monitor whether engine model year requirements are updated, but do not expect this will happen.
6. *Is there a limit to what MassDEP can repower or replace because there is a wide variety in costs for different projects?*
 MassDEP has not yet made any decisions regarding what types of projects will be funded.

7. *Are the costs of the vehicle charging unit and its installation both eligible for funding?*
Yes.
8. *Are hydrogen fuel cells included in the 15 percent for EVSE projects Massachusetts intends to fund?*
Yes. The 15 percent EVSE EMA pertains to plug-in electric infrastructure and hydrogen fueling infrastructure.
9. *Does MassDEP have a goal to spend any of the available funds by the end of 2018?*
The VW Settlement requires a public outreach process which MassDEP continued after the ten stakeholder meetings by issuing a Request for Information (RFI) on April 20, 2018. MassDEP also developed a Draft Beneficiary Mitigation Plan (BMP) which discusses what the Commonwealth plans to do with its allocation (see: <https://www.mass.gov/guides/volkswagen-diesel-settlements-environmental-mitigation>). Comments on the Draft BMP are due by 5:00 pm (EDT) on August 20, 2018. After finalizing the Draft BMP and submitting it to Wilmington Trust, the entity that oversees the Settlement funds, MassDEP may then issue project solicitations. MassDEP does not have a specific timeline for project solicitations but hopes to have one available by the fall of 2018. MassDEP does have some other available sources of funding for EVSE projects in some regions of the state. Interested parties should check MassDEP's Workplace Charging Program webpage (<https://www.mass.gov/how-to/massevip-workplace-charging>) for details.
10. *Is there a limit to the number of vehicles/buses that can be included in a proposed project?*
No, but MassDEP has not made any decisions yet as to the number of vehicles, vessels or pieces of equipment that can be included in a project.
11. *Is the cost for collecting and reporting data from EVSE eligible?*
The Settlement states that eligible costs include "costs necessary for, and directly connected to, the acquisition, installation, operation and maintenance of new light duty zero emission vehicle supply equipment for projects." MassDEP has not made any decision yet as to whether it will fund costs of collecting or reporting data.
12. *Can VW Settlement funds be used for messaging or marketing about new charging infrastructure?*
The VW Settlement funds may not be used for messaging, education or marketing for any EMA.
13. *Did every state receive VW Settlement money?*
Yes, every state received an allocation of VW Settlement funding, as did federally recognized Native American Tribes, the District of Columbia, and Puerto Rico.

Comments by Stakeholders

1. *When a town looks to add charging stations to parking lots, bringing in a power line is expensive if the lot is not near a power source. These types of installation costs are a major barrier for municipalities that want to install electric vehicle charging stations.*

2. *It may be good to consider electrification of school buses for Environmental Justice (EJ) communities and to scale the program so that schools in EJ areas could get more incentives since electric buses cost significantly more than diesel ones.*
3. *For some engines, there are no available options for repowering. These types of vehicles would need to be replaced.*
4. *Much of the discussion about EVSE has been about electric charging but hydrogen fuel cells projects are also allowed under the Settlement. Hydrogen fuel cells may be better than electric for certain types of vehicles. For example, the Massachusetts Bay Transit Authority (MBTA) currently operates a hydrogen fuel cell bus as part of a pilot program. The funding for this pilot program ended in February 2018. Continuation of this pilot could be funded with VW Settlement funds and would be a good use of the funds because it is one of the few fuel cell projects in Massachusetts. Fuel cell buses are able to do routes without charging that battery electric buses can't.*
5. *It would be helpful if Massachusetts makes it clear in its presentations about the VW Settlement that hydrogen fuel cell projects may also be funded.*
MassDEP will make it clear that hydrogen fuel cell projects are eligible.
6. *A project at the Port of Boston would be good.*
7. *In Melrose, one problem is that the power sources are just not near the municipal lots that the town uses.*
8. *The Town of Concord just bought 30 school buses, including one electric bus. The town would like to do more electric school buses but one electric school bus costs \$300,000 and a diesel school bus costs \$100,000. Towns need some financial support to help with electric school bus purchases.*

Stakeholder Comments and Questions
Volkswagen Settlement Funding Stakeholder Meeting
UMass Lowell, Recreation Center, 322 Aiken Street, Lowell, MA
February 12, 2018, 6:00 p.m.

Stakeholder Questions (in Italics) and Responses by Massachusetts Department of Environmental Protection Staff

1. *Are there vendors who can supply electric medium and/or heavy duty vehicles?*
 Yes, electric vehicle vendors currently exist and more models and classes of electric vehicles will be available in the near future.
2. *Is there an incentive to implement an alternate fuel project rather than an all-electric project for those Eligible Mitigation Actions (EMA) that have both options?*
 MassDEP is particularly interested in projects that promote transportation electrification, and will have to consider how to weigh such projects when soliciting project ideas.
3. *Can the old vehicles that are replaced continue being used?*
 No, the Settlement states that replaced diesel vehicles must be scrapped.
4. *Does the Electric Vehicle Supply Equipment (EVSE) option consider the installation of a charging station an eligible cost?*
 Yes, the EVSE option in the Settlement covers the cost of installing a charging station.
5. *From which portion of the \$75 million in available funds does the EVSE funding come?*
 Appendix D-2 of the Settlement allows Massachusetts to designate up to 15% of its \$75 million VW allocation for plug-in electric and hydrogen fuel cell EVSE.
6. *Are shop trucks and equipment eligible?*
 A truck is eligible for a repowered engine or a new vehicle under EMA #1, Class 8 Local Freight Trucks and Port Drayage Trucks, if: 1) the truck has a 1992 to 2009 model year diesel engine; 2) travels within Massachusetts; 3) weighs 33,001 pounds or more; and, 4) is used to transport freight/cargo, including waste haulers, dump trucks and concrete mixers. A truck is also eligible under EMA #6, Class 4 through 7 Local Freight Trucks, if: 1) the truck has a 1992 to 2009 model year diesel engine; 2) travels within Massachusetts; 3) weighs between 14,001 and 33,000 pounds; and, 4) is used to deliver freight/cargo, including courier services, delivery trucks, box trucks moving freight, waste haulers, dump trucks and concrete mixers. Under the Diesel Emissions Reduction Act (DERA) Option (EMA #10) in Appendix D-2, trucks are also eligible for diesel emission retrofits and other technologies if they weigh 16,001 pounds or more and have DERA-specified model year engines.
7. *Does MassDEP have a timetable for issuing a solicitation of projects?*
 Yes. MassDEP issued a Request for Information (RFI) on April 20, 2018 to solicit feedback on the EMAs the state should spend its VW allocation on. After considering the comments on

the RFI, MassDEP then released a Draft Beneficiary Mitigation Plan (BMP) discussing the Commonwealth's plans to spend its allocation of the VW Settlement funds (see: <https://www.mass.gov/guides/volkswagen-diesel-settlements-environmental-mitigation>). The public has until 5:00 pm (EDT) on August 20, 2018 to submit comments on the Draft BMP. MassDEP will then submit a final BMP to Wilmington Trust, the entity overseeing the VW Settlement funds. At that point MassDEP will initiate a process for seeking project solicitations. We expect this to occur in the fall of 2018.

8. *Will any ride-sharing programs or services be included?*
Electrify America may be working on that.
9. *Will there be an attempt to spend the same amount of money every year?*
MassDEP has not yet made that decision.
10. *What will be the minimum power of the charging station so that people won't be waiting in line for a long time?*
We are aware of the possibilities for lines. Electrify America will also be addressing this issue by making all stations upgradeable to add more charging ports.
11. *Transit buses must be model year 2009 or older under the VW Settlement in order to qualify for a repower or replacement. Because of this requirement can a transit bus operator apply for money now and then make a decision later to replace or repower certain transit buses?*
We are aware of the difficulties associated with the model year 2009 or older transit bus requirement. The more information (i.e., the number of buses that would fall into this category) that can be submitted up front, the better. The Settlement requires that the funds be disbursed for specific projects.
12. *Can entities partner with a Regional Transit Authority (RTA) or similar services so that bus routes are not duplicated?*
Yes, if the project meets eligibility requirements.
13. *Is it possible to offer interest-free loans for RTAs?*
The VW Settlement does not allow for a loan program.
14. *How much cleaner than new clean diesel vehicles are new electric vehicles (EVs), when we take into consideration the power supply?*
This depends on the vehicle and MassDEP notes the Commonwealth's electricity generation is getting cleaner as renewable and cleaner sources of power increase.
15. *What can students do to push for an "electric shift" at universities?*
Students should weigh in at forums like these stakeholder meetings. As noted in the slide presentation, MassDEP would like to use some of the funds to electrify the transportation sector, which is necessary to achieve the state's 2050 greenhouse gas reduction limit.
16. *What does MassDEP think is the best way to reduce NOx?*

MassDEP has not analyzed that yet, as there are many issues to consider. We have to look at emission factors, cost, ease of implementation and other issues.

17. *Could MassDEP fund projects in “The Acre”, an Environmental Justice (EJ) neighborhood in Lowell?*

MassDEP is committed to geographic equity in the disbursement of the VW Settlement funds, including consideration of benefits to EJ areas.

18. *Is compressed natural gas (CNG) an eligible fuel under the Settlement?*

Yes, CNG is an alternate fuel and would thus be covered by the Settlement.

19. *Are solar arrays for bus stops covered?*

No. The VW Settlement addresses emissions directly emitted from certain types of vehicles, vessels and off-road equipment. Additionally, the DERA Option under the Settlement does not allow states to use the funding for solar arrays.

20. *Can MassDEP develop a revolving loan fund with the Settlement funds?*

MassDEP is uncertain about whether this funding process would be covered by the Settlement’s terms, but it is unlikely since the Settlement requires the funds be disbursed for specific EMAs.

Stakeholder Comments

1. *We need more workplace charging stations as they are a great way to promote electric vehicles. Cost is a great barrier to buying electric buses. We prefer 100% funding. Buses have to run nonstop to get a return on investment.*
2. *This is a good opportunity for the Lowell Regional Transit Authority (LRTA).*
3. *Even if EVSE is powered by coal-fired electricity, it’s cleaner than burning diesel fuel. There is a real frustration in the neighborhood about not having electric buses.*
4. *There are 15 regional transit authorities. Martha’s Vineyard will be all electric in two years. LRTA gets \$80,000 yearly.*
5. *The cost of buses is a main factor. Electric buses have an 18 year lifespan. Diesel buses have a 12 year lifespan. There is reduced maintenance cost for an electric bus that needs to be promoted.*
6. *I hope Boston will not gobble up all the funds.*
7. *It would be good to make the minimum charging power for EV stations 150 kilowatts or as high as possible to reduce lines for charging.*
8. *For an EJ community, air pollution is not just about greenhouse gases (GHG). It is about the quality of life for the community.*
9. *We need efficiency given the limited funding for transit bus routes and equipment.*

**Stakeholder Comments and Questions
Volkswagen Settlement Funding Stakeholder Meeting
MassDEP Headquarters, 1 Winter St., Boston, MA
February 15, 2018, 1:00 p.m.**

Stakeholder Questions (in Italics) & Answers from Massachusetts Department of Environmental Protection (MassDEP) Staff

1. *Would MassDEP entertain project applications from an unlimited number of municipalities? What is the process?*
MassDEP has not yet made any decisions regarding the process.
2. *Could MassDEP post a link on its Volkswagen (VW) Settlement web page to a map of the Environmental Justice (EJ) communities in the Commonwealth?*
There is a link to environmental justice information, including maps (http://maps.massgis.state.ma.us/map_ol/ej.php), on MassDEP's VW settlement page.
3. *How will the VW Settlement money be held? How will any interest on that money be treated?*
The settlement money will be held by Wilmington Trust, the trustee appointed to manage the VW trust, until MassDEP requests funding for a particular project. Any interest accrued on Massachusetts's share of the settlement will be handled under the terms of the VW Settlement and does not increase the amount of money available to Massachusetts under the Settlement.
4. *Could the 100% portion of funding available for private school buses under the VW Settlement also apply for purchase of other types of vehicles such as airport shuttle buses and water shuttles?*
The VW Settlement indicates that eligible non-government owned buses may receive funds of up to 75% (depending on the technology options) from the Trust. Privately owned school buses leased to a school district are the only category of privately owned buses eligible for up to 100% funding. A water shuttle is not a bus, so is not eligible under EMA #2, but might be eligible under EMA #4 for ferries.
5. *If a proposed project is similar to the types of projects funded under the Diesel Emissions Reduction Act (DERA) Option, would that project have to follow the DERA rules or the terms of the VW Settlement?*
Projects funded with VW funds through EMA #10, the DERA Option, would have to follow the terms of DERA (<https://www.epa.gov/sites/production/files/2017-01/documents/vw-dera-option-factsheet-2017-01.pdf>).
6. *When and how will people be informed about the process to apply for funding?*
MassDEP issued a Request for Information (RFI) on April 20, 2018. MassDEP also issued a Draft Beneficiary Mitigation Plan (BMP) on July 19, 2018 and expects to finalize it by the end of the summer (see: <https://www.mass.gov/guides/volkswagen-diesel-settlements->

[environmental-mitigation](#)). Comments are due by 5:00 pm (EDT) on August 20, 2018. In the fall of 2018, MassDEP expects to issue project solicitations. More information regarding the next steps will be available on MassDEP's VW Settlement web page and will also be emailed to those who participated in these stakeholder meetings.

Comments by Stakeholders

1. *Discussed and introduced into the record a recent report by the Boston Metropolitan Planning Organization regarding rest stop locations for long distance truck drivers. New truck stops need the newest electric vehicle technology.*
2. *The Commonwealth's BMP should be inclusive of fuel cells. The Plan should be balanced with fuel cells and electric vehicles so there is parity. Benefits of fuel cells: they have a 300-400 mile range, refuel in less than 5 minutes, and offer superior performance in cold weather. California fuel cell users are very pleased; demand outpaces supply there. The fuel cell industry is ready to deliver and has invested \$9 billion. Massachusetts needs to make the same commitment to hydrogen as electric. Hydrogen needs an opportunity to compete fairly.*
3. *VW funds should be used to convert buses that use the Watertown Massachusetts Bay Transit Authority (MBTA) yard to electric busses and build an overhead solar canopy. Doing so would: promote EJ (many commuters use these bus lines) and increase fairness since there is no subway or train service to Watertown. Watertown relies heavily on busses. Watertown will commit resources to this effort.*
4. *Brookline proposes 25 dual port Level II charging stations along two miles of Beacon Street between Cleveland Circle and Kenmore Square. This would help Massachusetts meet the 300,000 ZEV goal for 2025. An estimated 35,000 vehicles per day travel on Beacon Street, along which there are very dense, multi-dwelling areas. Brookline has an EJ population.*
5. *Supports and augments comments of prior speaker. Brookline has lots of "garage orphans" that have to rent parking spaces off their property. Between 3,000 and 5,000 households use off-site parking spaces. Half of the town's population is considered EJ (foreign language). Lack of charging infrastructure affects people's willingness to purchase EVs. Need to invest in EV charging stations. Beacon Street proposal would be very visible and encourage others to buy EVs.*
6. *Massachusetts should use the maximum 15% for light duty electric vehicle charging infrastructure and the remaining 85% should be used to focus on the electrification of transit and shuttle buses. The emphasis should be on DC Fast Chargers. Electrification will help EJ communities and vehicles will have a long life with related benefits.*
7. *Respiratory diseases are a significant problem in Revere, Chelsea and Winthrop due to significant vehicle traffic and dense population. The VW money should be used for an increased number of electric vehicles.*

Many of the EMAs include the ability to replace or repower vehicles with electric engines. However, electrification of passenger vehicles is not an EMA under the VW Settlement, but the money can be used to fund EV charging stations.

8. *The state should pursue battery electric buses. There are 1,800 buses between the MBTA and Regional Transit Authorities (RTAs) but only eight are battery-electric (three are owned by the Worcester RTA). From an EJ perspective, electric buses are the way to go. Electric buses cost \$200K-\$300K more per bus than a diesel or CNG bus but they're worth it. There are some unknowns with the new technology as to how it operates in cold weather but that doesn't mean we should do a five-year pilot project. We need a rapid procurement process. Just go for it. MBTA has 1,100 buses and 200 are ready to go out of service. Lease buses for a time and then make purchases.*
9. *MassDEP should leap forward to electric vehicles. They cut pollution, are cheaper to maintain, have health benefits, and require less imported fuels. We should move quickly to spend the money in the next three to four years on the electrification of transit buses, especially in EJ areas. Massachusetts does not need to fund 100% of the costs. A statewide EV coordination map would be good. We should use entire allowable 15% for EV charging stations.*
10. *All the money should be used toward electrification. MassDEP should use the maximum 15% for EV charging infrastructure. The remaining money should be used to replace diesel school and transit buses with new electric buses which will have positive health effects for the residents of the Commonwealth.*
11. *Money should be used to electrify RTA buses and install related charging infrastructure in EJ communities. This would result in serving EJ populations and an equitable statewide distribution.*
12. *Chelsea is the only municipality in Massachusetts where all census blocks meet the three criteria for EJ designation (residents are minorities, have English language isolation and are low income). It is one of the most environmentally burdened municipalities in Massachusetts. There is the New England Produce Center, which receives many trucks, and Chelsea Creek, on which tankers carrying road salt and jet fuel travel. There are many salt trucks, oil trucks, tankers, tugs and produce trucks that emit pollutants to these communities. The money shouldn't go back to the auto industry. People in Chelsea cannot afford electric cars. MassDEP should electrify bus fleets because people in these communities don't have cars so they rely heavily on public transportation. Chelsea wants to see projects that will benefit these communities. All state agencies need to do a better job addressing EJ communities. The notification and materials related to the stakeholder meeting process were in English and should have been in other languages. Translators should also be available at public meetings. MassDEP's website needs to be in Spanish and other languages. It is also important to consider where the electricity comes from to power all these new electric vehicles and the impact on environmental justice communities. There is an electric substation in Chelsea and it will bear the brunt of the impact.*

13. *VW money should be used for projects that focus on EJ communities and electrification, with a focus on electric buses and RTAs leading the way. The MBTA will get only five electric buses and are years behind schedule. The Martha's Vineyard RTA will get six electric buses in June. Massachusetts is behind Seattle (committed to buying 120 electric buses), Philadelphia (30 buses), Chicago (25 buses), LA, Colorado and Washington DC when it comes to electric buses. Electric buses are cheaper due to lower fuel and maintenance costs. The VW money should only be used to pay for the incremental costs of purchasing electric buses over diesel ones. 15% should be used for charging infrastructure and the remaining money should be used to electrify buses.*
14. *The state should use the money to accelerate the electrification of the bus fleet. Priority should be given to the rapid conversion of diesel buses to electric buses. Electrifying buses would benefit EJ communities. Massachusetts should spend the money quickly-- don't wait 10 years.*
15. *Massachusetts should use the money for bus electrification and should only pay for the incremental costs of electric buses. Shuttle buses should also be included and MassDEP should provide incentives for agencies to combine/share efforts and networks of shuttle buses.*
16. *The state should put a strong emphasis on EJ communities. MassDEP should regulate diesel emissions and look at regulatory compliance to encourage electrification of buses. Alternatives for Community and Environment (ACE) has been engaged in reviewing emissions compliance in Boston and has determined there appears to be general lack of compliance. We should have a regulatory environment that provides incentives to convert to electric buses more quickly.*

Comments and Questions
Volkswagen Settlement Funding Stakeholder Meeting
MassDEP Headquarters, 1 Winter St., Boston, MA
February 15, 2018, 6:00 p.m.

Stakeholder Questions (in Italics) & Answers from Massachusetts Department of Environmental Protection (MassDEP) Staff

1. *Can forklifts be used inside or do they have to be used outside?*
 The Volkswagen (VW) Settlement does not specify an indoor/outdoor usage requirement for forklifts. It only states that forklifts eligible for repower or replacement must have a greater than 8,000 pounds lift capacity, generally must use tines to lift objects and must be used to lift and move materials short distances.
2. *Are diesel emergency generators eligible?*
 Diesel emergency generators are not eligible under Eligible Mitigation Actions (EMAs) #1 through #9 of the VW Settlement. It is possible that such an engine could be eligible under EMA #10, the Diesel Emissions Reduction Act (DERA) Option. However, more information about the particular engine would be needed before making such a determination.
3. *Are electric charging stations covered under the VW Settlement?*
 Yes, charging stations for passenger vehicles are covered in EMA #9, Light Duty Zero Emission Vehicle Supply Equipment (EVSE), and EMAs #1 through #8 for repowering/replacement projects with an electric engine/vehicle/equipment (including fuel cells).
4. *Can we use money to build structures around Boston Harbor to address climate change and mitigate the impacts of sea level rise?*
 No. This is not an eligible action for the use of Massachusetts's allocation under the VW Settlement.
5. *After the Request for Information (RFI) is issued, how will MassDEP decide which projects to choose and prioritize?*
 MassDEP will consider many factors in assessing a project for implementation. These include how much nitrogen oxide (NOx) is reduced for the amount of money spent, whether the project is located in an Environmental Justice (EJ) area and helps achieve geographic distribution; and whether the project helps advance electrification.
6. *How was the amount of the Settlement determined? How were the penalties determined?*
 MassDEP was not involved in the discussions on the Settlement amount or penalties.
7. *Are there electric engines available for big trucks?*
 Several manufacturers have developed all-electric technology for a few types of large trucks, including terminal tractors, waste collection vehicles, heavy duty semis and box trucks.

8. *Why does the VW Settlement focus on diesel engines and equipment in the EMAs?*
VW installed the defeat devices on diesel passenger vehicles, which increased NOx emissions. Therefore, the Settlement incorporates EMAs that are designed to mitigate NOx emissions.
9. *What are the State's preferences for how to spend the money?*
As the Draft Beneficiary Mitigation Plan (BMP), which MassDEP released on July 19, 2018 and is published on its website at <https://www.mass.gov/guides/volkswagen-diesel-settlements-environmental-mitigation>, the Commonwealth prefers projects that: 1) Help the Commonwealth in achieving GHG emission reduction targets and reduce air pollution in the transportation network; 2) Promote electrification of the State's transportation network; 3) Drive technological and policy progress in air pollution mitigation and GHG emissions reduction in the transportation network; 4) Serve environmental justice populations; and 5) Promote equitable geographic distribution across the state. The public comment period on the Draft BMP closes at 5:00 pm (EDT) on August 20, 2018.
10. *What precautions will the state take to ensure fire safety around hydrogen fuel stations?*
Just like there are fire safety rules for gas stations, there are safety rules for hydrogen fuel stations.
11. *How can MassDEP coordinate VW implementation with other states?*
MassDEP participates in a number of regional and national discussions to share information on the VW Settlement.

Comments by Stakeholders

1. *It is important to have: 1) quick repairs of EV charging stations so they are not out of service for too long; 2) easy to use charging stations like at gas stations where you simply swipe a credit card; and 3) good signage indicating where charging stations are located. GPS takes you only so far so directional signs in parking areas would be very beneficial. There should be charging stations in municipal centers. Worcester is having a positive experience with electric buses. We should look into how the DERA Option can be used by the MBTA to change the type of transit options available in Dorchester, Mattapan and Hyde Park. MassDEP should expand the use of trolley bus systems (trackless trolleys with overhead power).*
2. *The VW money should be used for alternate fueled and all electric vehicles, specifically plug in and hybrid electric vehicles. The technology is not new; it is proven. Studies indicate that the total cost of ownership of electric vehicles is cheaper than traditional vehicles due to the lower cost of electricity and lower maintenance costs. These benefits offset the higher initial cost of electric vehicles. Electric buses are the most exciting use of the VW money since they are very visible and a great way to educate the public. The more people ride them, the more comfortable they will be with the technology. The entire 15% should be used on electric vehicle charging stations, not on hydrogen fuel stations as they are too expensive. MassDEP should be smart about where charging stations are located. Level 1 stations should be put in*

commuter lots; Level 2 in workplaces; and Fast Chargers should be spread out along major corridors. MassDEP should: favor charging stations in public lots over private charging stations; establish “service level” agreements for charging stations that require things to be fixed ASAP; and require guaranteed levels of service 24/7. MassDEP should also use the administrative costs to conduct outreach and education about electric choices, if allowable.

3. *It’s important to use VW money to benefit EJ communities. MassDEP should look at areas where air pollution problems are and focus money in those areas—perhaps the percent contribution to EJ areas should be higher.*
4. *There will have to be training for first responders responding to hydrogen fuel cell charging stations.*
5. *The state should look at air pollution monitoring data to identify areas of high exceedances. We can predict where smog days will occur and should focus money in the areas most affected by pollution.*
6. *Would love to see school buses electrified but we don’t have enough data to know if they are efficient. There is a Union of Concerned Scientists report on bus electrification (<https://www.ucsusa.org/sites/default/files/attach/2016/10/UCS-Electric-Buses-Report.pdf>).*

Stakeholder Comments and Questions
Volkswagen Settlement Funding Stakeholder Meeting
MassDEP Central Regional Office (CERO), 8 New Bond St., Worcester, MA
February 27, 2018, 1:00 p.m.

Questions by Stakeholders (in Italics) and Responses by Massachusetts Department of Environmental Protection (MassDEP) Staff

1. *Is operating a propane powered school bus in an Environmental Justice (EJ) area a feasible project that MassDEP would consider?*
 Propane is an alternate fuel under the terms of the Volkswagen (VW) Settlement. As long as the retired school buses meet the engine model year and other requirements of the Settlement, MassDEP could consider this type of project.
2. *How many miles can be driven on 100 kilograms (kg) of hydrogen?*
 A hydrogen fuel cell vehicle can travel from 6,000 to 6,500 miles on 100 kg of hydrogen.
3. *Does the VW funding cover both the installation and equipment costs of Electric Vehicle Supply Equipment (EVSE)?*
 Yes.
4. *How do the VW Eligible Mitigation Actions (EMAs) interact with Electrify America?*
 Appendix D of the Settlement and Electrify America will fund EVSE projects. MassDEP will monitor Electrify America's projects in Massachusetts to ensure our programs are complementary.
5. *Is there a provision in the Settlement to electrify truck stops?*
 Yes. A provision to electrify truck stops exists in EMA #10, the Diesel Emissions Reduction Act (DERA) Option.
6. *How can we encourage and subsidize low-income residents to buy electric vehicles?*
 The VW Settlement does not allow Massachusetts to fund light-duty passenger electric vehicle purchases, but the Massachusetts Offers Rebates for Electric Vehicles (MOR-EV) Program offered through the Massachusetts Department of Energy Resources (DOER) provides rebates up to \$2,500 of the cost to purchase an electric vehicle (EV). MassDOER is also implementing a pilot project to provide rebates to low income residents.
7. *Can we set aside money for technical assistance to educate cities and towns on how to implement projects?*
 While technical assistance is not an eligible use of VW Settlement funds, MassDEP is developing case studies of use of EVs by cities and towns that provide helpful examples of successful implementation.

8. *Will MassDEP do direct or life-cycle fuels emissions analysis?*
MassDEP has not yet made any decisions regarding methods to evaluate emissions, but does not anticipate requiring or performing a lifecycle analysis.
9. *Is the EVSE EMA just for publicly accessible projects?*
No. Installation of electrical infrastructure can be funded either when a replacement electric engine/vehicle EMA is implemented, or as part of the 15% that may be set-aside under EMA #9, in either case without being publically accessible.
10. *Is VW funding available for any engine on a marine vessel?*
EMA #4, Ferries/Tugs, does not restrict which engines on a vessel can be repowered; it specifies only that the marine vessels must be tugs and ferries.
11. *After an application is made for Settlement money, how long will it be until the money is disbursed?*
Before any money can be disbursed, MassDEP has to finalize its Draft Beneficiary Mitigation Plan (BMP), which discusses the Commonwealth's plans to spend its allocation of the VW Settlement funds (see: <https://www.mass.gov/guides/volkswagen-diesel-settlements-environmental-mitigation>). The Draft BMP reflects Massachusetts's consideration of the responses to the April 20, 2018 Request for Information (RFI) that solicited feedback on how the state should spend its funding allocation.

The public has until 5:00 pm (EDT) on August 20, 2018 to submit comments on the Draft BMP. MassDEP will then submit a final BMP to Wilmington Trust, the entity overseeing the VW Settlement funds. According to the Settlement, MassDEP may request funds 30 days after submitting the final BMP. The Trust will then have 75 days to disburse the funds. (MassDEP expects to issue project solicitations during this period in the fall of 2018.)
12. *After an application is made for Settlement money, through what mechanism will the money be disbursed?*
The mechanism for disbursement will depend on the nature of the project. In some instances, MassDEP may use an existing program to disburse the funds. In other instances MassDEP may need to use other funding mechanisms.
13. *Can forklifts operate at public or private locations?*
The Settlement does not specify where forklifts must operate. The only eligibility criteria for a forklift is that it has to have greater than 8,000 lbs. lift capacity, generally must use tines to lift objects and must be used to lift and move materials short distances.

Comments by Stakeholders

1. *A hydrogen fuel cell vehicle is an electric vehicle and does qualify under the VW program. Fuel cells offer a very fast, five minute recharge cycle and about a 350-mile driving range. Cargo handling equipment can be electrically powered. This is the development of a new industry and adds jobs and revenue to the State. Hydrogen can be produced renewably through hydropower, wind, or solar energy and without resorting to fossil fuels in any way.*

Massachusetts is a hub for autonomous vehicles. As the number of autonomous vehicles grows, there will be a power drain on electricity generation sources.

Car-sharing is a solution to issues in EJ communities, but with slow plug in electric vehicle recharging, it is impractical. With the five minute recharge cycle of fuel cells, car-sharing in EJ communities is feasible, and it is also feasible for emergency and disaster-assistance vehicles. Fuel cells don't require rewiring a neighborhood.

California has three car-sharing programs.

Please consider funding hydrogen infrastructure. There are 12 stations in the Northeast and three are currently operating in Billerica, Charlestown, and Mansfield.

Please consider adopting electric trucks—especially refrigerated trucks—in the inner city, and electric transit buses.

2. *Our company makes battery electric buses and the technology is quickly catching on. Worcester Regional Transit Authority (RTA) bought six battery-electric buses. We would like to see incentives for battery-electric buses—perhaps a funding match to Federal Transit Administration (FTA) grants (#5339 and #5307 grants) that could leverage dollars.*

The issue of drilling a hole to disable and scrap an engine should be looked at. If a transit bus engine is worth more than \$5,000 and FTA provided funding, then it is an asset of the FTA and should not be destroyed because it can be re-purposed or re-sold, typically outside of the US.

Battery-electric buses are a great option for EJ areas.

3. *Some of the VW money should go to projects operating in low-income communities. Fuel cells are very complicated and we don't have properly trained technicians yet to work on these vehicles. They are not good to have in cars because we will not be able to repair them. It benefits us to promote plug-in electric cars only because there is no maintenance required with electric cars. It is not possible to recharge a fuel cell in five minutes.*

We should emulate Chinese technology which enables car owners to recharge their electric battery in a remote location and bring it back to the car.

Massachusetts should develop a "highway strip" from North Adams to Nantucket equipped with electric chargers. This could serve as a model for the country. Massachusetts should promote only electric cars for the future.

4. *VW money will help jumpstart environmental progress. Please use money to electrify regional, school, and transit buses and to supplement these steps with "vehicle to grid" system improvements. "Vehicle to grid" is an emerging technology and seed money to develop it would be great. Buses could be used as storage systems. In addition, electric school buses would be useful to address EJ issues and to use in the education of children about this new technology.*

5. *It is a waste of time to debate fuel cell versus electric vehicles; we need both in the future.*
6. *China is promoting fuel cell electric battery buses from which the only by-product is water. We should encourage hydrogen infrastructure.*

Stakeholder Comments and Questions
Volkswagen Settlement Funding Stakeholder Meeting
MassDEP Central Regional Office (CERO), 8 New Bond St., Worcester, MA
February 27, 2018, 6:00 p.m.

Questions by Stakeholders (in Italics) and Responses by Massachusetts Department of Environmental Protection (MassDEP) Staff

1. *Can Volkswagen (VW) money go towards covering scrappage costs?*
 No, but also see Question 1 on page 29.
2. *Can a private trash hauler for a city or town benefit from funding in the same way that a private school bus company for a city or town can?*
 No, the Settlement only allows private school bus companies under contract with a public school district to provide student transportation to receive up to 100% funding for engine or vehicle replacement projects. This provision does not apply to privately owned trash haulers.
3. *Why is 1992 used as the engine model year base for the eligibility of heavy-duty and medium-duty trucks?*
 The engine model years of eligible large and medium trucks are specific requirements of the VW Settlement.
4. *Is there any flexibility regarding the eligible engine model years?*
 At this time, only diesel engine model years 1992 through 2009 are eligible for replacement for the heavy-duty and medium-duty trucks in Eligible Mitigation Actions (EMAs) #1 and #6 respectively.
5. *Is Electrify America acting on project proposals it receives? We haven't heard a response.*
 MassDEP advises people to contact Electrify America directly.
6. *Can you clarify what the 15% for Light Duty Zero Emission Vehicle Supply Equipment covers?*
 Under EMA#9, MassDEP can spend up to 15% of the state's allocation on the purchase and installation of all electric charging infrastructure. This includes hydrogen fuel charging infrastructure as well.
7. *How about heavy-duty electric vehicles?*
 Electric technology is not as advanced for heavy duty vehicles, though that is a large sector and therefore important to continue to develop options for.
8. *Is NOx (nitrogen oxide) the only criteria MassDEP will consider in evaluating proposals?*
 MassDEP will also consider whether a project would reduce greenhouse gases, serve Environmental Justice (EJ) areas, contribute to geographical distribution and promote transportation electrification. We would like to see multiple benefits.

9. *What progress has Massachusetts made with renewable energy in order to charge these vehicles?*

There are a number of active state clean energy procurements underway, with announcements coming this spring. Energy sources being considered include hydro, solar, and wind. While not the focus of the VW Settlement funds, Massachusetts has developed other policies, such as the Renewable Portfolio Standard and the Clean Energy Standard, to increase renewable and clean sources of electricity. The New England electricity grid is cleaner than grids in many other parts of the country.

10. *Where are the six electric vehicle charging stations on Mass Pike located? For these chargers, how will payment be made?*

The six Mass Pike service plazas with electric fast charging stations are located in Charlton (east and westbound), Framingham (westbound), Lee (east and westbound) and Natick (eastbound). Drivers pay by credit card or through an account, depending on how the vendor set up the system.

11. *Are all six of these electric charging stations running?*

Yes.

12. *Have Level 2 chargers been considered to get some extra range in appropriate locations, instead of DC fast chargers?*

Yes, MassDEP is aware of the importance of proper placement of Level 2 charging stations and will continue to support their deployment. Since 2014, MassDEP has partnered with numerous employers across the Commonwealth to install over 870 charging ports at workplaces to increase range confidence of EV owners. Also, over the past four years MassDEP has partnered with numerous public entities within the Commonwealth to deploy 90 publicly accessible Level 2 charging stations. The Massachusetts Department of Transportation (MassDOT) determined that DC fast charging stations are the best technology as they meet the short dwell time needed for vehicles traveling on the Mass Pike.

13. *Is MassDEP looking for proposals that are creative or more specific, such as, “we would like to purchase X-number of school buses for our district”?*

MassDEP would find it useful to know how many school buses a district uses, and asked for such information in an April 20, 2018 Request for Information (RFI). MassDEP has also released its Draft Beneficiary Mitigation Plan (BMP), which will be open for public comment until 5:00 pm (EDT) on August 20, 2018 (see: <https://www.mass.gov/guides/volkswagen-diesel-settlements-environmental-mitigation>). MassDEP expects to issue project solicitations in the fall of 2018.

14. *What is the distinction between public and private? For example, would a privately owned apartment building proposing to install an electric charger qualify for funding?*

In regards to EMA Option #9, EVSE, installation of an electric charging station (including fuel cell charger) is allowed at multi-unit dwellings (MUD). The Settlement does not specify whether the building has to be owned by a private or public entity.

15. *Is MassDEP required to focus its funding efforts on only one of the categories defined in the VW Settlement?*
No. MassDEP may fund all ten categories if desired.
16. *Regarding the electrification of ground equipment at the airport, where is NOx and carbon dioxide (CO₂) emission information from Logan available? That type of data and information are available for California.*
Logan airport's GHG emissions are reported to MassDEP annually, and can be found in reports at <https://www.mass.gov/lists/massachusetts-greenhouse-gas-ghg-reporting-program-data#facility-ghg-emissions-reports>. Also, Logan is looking at other sources of funding to reduce emissions (e.g., the Federal Aviation Administration (FAA) Voluntary Airport Low Emissions (VALE) program at <https://www.faa.gov/airports/environmental/vale/>).
17. *How were these categories chosen? Did VW specify these categories?*
The categories were chosen by the U.S. Department of Justice, the U.S. Environmental Protection Agency (EPA), and California.
18. *Would any VW funds go to the Massachusetts General Fund?*
No, VW funds can only be used for EMAs.
19. *Why is MassDEP focusing on charging stations? How can people pay to use them?*
MassDEP has been successful with our previously established program for charging stations. The owner of the charging station can choose whether and how customers pay to use them. Money from the VW settlement cannot be used to pay for the actual electricity used.
20. *Who chose the vendor for the Mass Pike charging stations?*
MassDOT chose the vendors for the charging stations.
21. *Has MassDEP considered owning charging stations and re-using the profits for environmental protection efforts, rather than allowing a private corporation to benefit?*
No.
22. *What does it cost to install a charging station?*
These are approximate amounts (prices vary from company to company): Level I chargers cost about \$1,000; Level II chargers are approximately \$6,000; and DC Fast Chargers cost tens of thousands of dollars.
23. *Would the purchase of an alternate fueled fire truck qualify?*
No, under the VW Settlement a fire truck would not be an eligible vehicle. While it is a heavy-duty truck weighing 33,001 lbs. or more and travels locally, it does not carry freight or cargo.

Comments by Stakeholders

1. *I appreciate MassDEP's efforts to obtain multiple benefits at once.*

2. *MassDEP should maximize investments in charging infrastructure. The hardest locations are work places and multi-unit residences.*
3. *MassDEP should leverage money and establish incentive programs rather than give outright grants.*
4. *Electric transit buses and electric school buses are a huge opportunity, but MassDEP should not purchase them in 2019 because the technology is still improving and the prices are still high.*
5. *MassDEP should focus on Environmental Justice tracts.*
6. *MassDEP should avoid investment in new diesel engines because they are a long term investment and the technology is still dirty.*
7. *Hydrogen fueling stations are still an expensive experiment. Massachusetts would get more bang for the buck with electric vehicle infrastructure.*
8. *Any projects undertaken in western Massachusetts would be greatly appreciated, even though it's not an urban area.*
9. *MassDEP should follow Attorney General Maura Healey's lead on how the state should use VW funds to help create the infrastructure for EVs.*

Stakeholder Comments and Questions
Volkswagen Settlement Funding Stakeholder Meeting
Holyoke Community College, 303 Homestead Ave., Holyoke, MA
March 19, 2018, 2:00 p.m.

Stakeholder Questions (in Italics) & Responses from Massachusetts Department of Environmental Protection (MassDEP) Staff

1. *Considering that the Volkswagen (VW) Settlement requires all engines being repowered or replaced to be scrapped, will the lost resale value of those old engines be considered in funding decisions?*
 The VW Settlement requires that all diesel engines that are being replaced be scrapped. However, the Settlement does not provide specific language regarding the lost resale value of the old engines. However, the Diesel Emissions Reduction Act (DERA) option [Eligible Mitigation Action (EMA) #10] offered in the VW Settlement provides engine owners with opportunities for recouping lost resale value. Under the DERA option, in which states use VW funding as the match for a state's DERA grant allocation, the scrappage value of the old engines is not lost, and may be used to meet cost-share requirements. See Section I.2 under "I. Program Income" and Section E.9.3.5 under "E. Use of Funds Restriction"¹ in the *DERA FY17 State Program Programmatic Terms and Conditions* at https://www.epa.gov/sites/production/files/2017-06/documents/dera_fy_17_state_program_terms_and_conditions.pdf.
2. *Under the VW Settlement, when can a private company receive the same amount of funding as a government entity?*
 Subject to MassDEP's discretion, government entities may receive up to 100% in funding for EMAs, whereas the maximum VW funding a private entity can receive is up to 75% and only in the case of repowering or replacement projects related to all-electric engines or vehicles/equipment. The one exception to this funding limit pertains to private school bus transportation companies. Under the VW Settlement a private school bus company that has a contractual agreement to provide student transportation to a city or town can obtain up to 100% funding from the VW Settlement (subject to MassDEP's discretion), regardless of the type of project (repower or replacement) or fuel used.
3. *Entities have approached my company regarding projects they would like funded. Should we provide that information to MassDEP?*

¹ "If scrapped or salvaged engines, vehicles, equipment, or parts are to be sold, program income requirements apply." I. Program Income: "Program income as defined at 2 CFR §200.80 means gross income received by the grantee or subrecipient that is directly generated by a grant supported activity or earned as a result of the Federal award during the period of performance. Under DERA grants, program income is generally limited to the sale of scrapped or remanufactured engines/chassis or salvaged engine/vehicle/equipment components..." "I.2. Program income may be used to meet the cost-sharing or matching requirement of the Federal award, including any mandatory or voluntary cost-share."

Yes. MassDEP issued a Request for Information (RFI) on April 20, 2018 and received some project ideas. After considering the responses to the RFI, MassDEP released a Draft Beneficiary Mitigation Plan (BMP) discussing the Commonwealth's plans to spend its allocation of the VW Settlement funds. The public has until 5:00 pm (EDT) on August 20, 2018 to submit comments on the Draft BMP (see:

<https://www.mass.gov/guides/volkswagen-diesel-settlements-environmental-mitigation>).

MassDEP will then submit a final BMP to Wilmington Trust, the entity overseeing the VW funds. MassDEP plans to issue project solicitations in the fall of 2018.

4. *Do you know where in the state the most pollution occurs and what activities in the state cause the most pollution?*

MassDEP has updated the diesel PM_{2.5} inventory, which identifies the most polluting engines and estimates county-level emissions for certain engine types (see

<https://www.mass.gov/files/documents/2018/04/24/Massachusetts-2016-Diesel-Particulate-Matter-Inventory-Report-April-23-FINAL.pdf>).

5. *Senator Adam Hinds' office is organizing a transportation group to look at improving bus transportation in Berkshire County. The group is considering a variety of options such as running buses later in the day and creating transit hubs to maximize regional bus routes. We have to address how to connect citizens to the hubs. Are there other things we should consider?*

The VW Settlement is focused on replacing existing equipment rather than creating new service, but you might want to consider locating hubs at businesses and sites that would allow for the installation of electric vehicle charging stations. Charging stations at government owned property would be eligible to receive 100% funding. The purchase and installation of electric (including fuel cell) charging stations is an eligible mitigation action (EMA #9, Electric Vehicle Supply Equipment (EVSE)) under the VW Settlement. The replacement of existing buses would also be eligible under the Settlement.

6. *The municipal funding cycle to get approval for a project can be long. Has any thought been given to creating a zero interest loan fund with some of the Settlement money?*

Under the terms of the VW Settlement, funds need to be tied to an existing project and cannot be used to create a separate loan funding scheme.

7. *Can VW funding be used to create apps or to cover administrative costs related to transit services?*

The VW Settlement allows a State to use up to 15% of its allocation on administrative costs as long as the costs are tied to implementing a specific EMA. The funding would not apply to the administrative costs expended by a potential grant recipient. The main part of the allocation is meant to fund retirement of existing older equipment, such that creating apps would not be an eligible mitigation action.

8. *Will MassDEP track the nitrogen oxide (NOx) reductions resulting from this funding?*

One of the questions MassDEP posed in the April 20, 2018 RFI pertained to what tools are available for tracking emission reductions. The VW Settlement requires each state to post all

of the funded projects on line and to be transparent about how it is using the VW funds, including emissions reductions.

9. *How do we ensure that information about this and other efforts is collected and presented in a way that is helpful for people on the ground working on related efforts?*
States are required to post funded project information online. In 2020, MassDEP will be issuing a clean energy and climate plan for 2030. It is likely that the plan will include the emission reductions due to VW Settlement projects. Also, MassDEP does not want to double-count or duplicate clean energy efforts.
10. *What are hydrogen fuel cells?*
One type of electric vehicle creates electricity from hydrogen in an on-board fuel cell. The electricity powers electric motors to move the vehicle.
11. *How many hydrogen fuel cell vehicles are in Massachusetts?*
There are very few hydrogen fuel cell vehicles in Massachusetts, as there are only two hydrogen fuel cell charging stations in Massachusetts at this time, although additional sites are under construction.

Comments by Stakeholders

1. *The Pioneer Valley Planning Commission has created an electric vehicle charging plan for the region. Right now, all 43 municipalities in the region have committed to hosting at least one electric vehicle in their town or city. It would be good to spend the Settlement funds on electrifying public transit and school buses, and on EVSE.*
2. *The VW funds should be used to electrify the transit fleet and school buses and 15 percent of the funds should also be used on EVSE. The money should be used to fund transit fleets located throughout the Commonwealth rather than just on the MBTA in the Boston area. Also, the fleet should be electrified as soon as possible.*
3. *It appears Electrify America only plans to add charging infrastructure in the Boston metropolitan area so MassDEP should establish EVSE in other areas in the state so as to not duplicate Electrify America's efforts.*
4. *The Pioneer Valley Transit Authority (PVRTA) has been suffering under level funding. The VW Settlement funds could help it upgrade.*
5. *UMass Transit, a subsidiary of PVRTA, is thinking about electrifying a portion of its fleet rather than electrifying all the buses at one time to spread out the costs.*
Since buses in a fleet reach the end of their life at different times, it is important to note that the VW Settlement only allows certain model year vehicles to be repowered or replaced.
6. *Most folks in the green community favor electric, not hydrogen electric, vehicles. Upgrading to cleaner diesel is also okay.*

7. *The VW Settlement funds should all be used for electrification.*
8. *Utilities are always looking for ways to increase load. Municipal light plants might be interested in helping to fund the apps and other initiatives that Senator Hinds is exploring.*

Stakeholder Comments and Questions
Volkswagen Settlement Funding Stakeholder Meeting
Holyoke Community College, 303 Homestead Ave., Holyoke, MA
March 19, 2018, 5:30 p.m.

Stakeholder Questions (in Italics) & Answers from Massachusetts Department of Environmental Protection (MassDEP) Staff

1. *Is it acceptable if a project funded by the Volkswagen (VW) Settlement (e.g., replacing transit buses) is implemented in a town that includes an Environmental Justice (EJ) area or does the project have to be located or operated in the actual EJ area?*
 MassDEP has made no decisions yet on how to address EJ areas and projects. It depends on the projects MassDEP receives.
2. *If a project is to replace a diesel bus with an electric one, would the funds cover the differential or the whole cost of the new bus?*
 For a government entity, the funds could cover either (as determined by MassDEP), up to the funding levels allowed under the VW Settlement.
3. *In making decisions about geographic distribution of funded projects, will MassDEP consider areas that are not in compliance in terms of nitrogen oxide (NOx) emissions?*
 Massachusetts as a whole is in attainment with the National Ambient Air Quality Standards (NAAQS) for ozone. Emissions reductions of NOx achieved through VW Settlement projects will help maintain the air quality standards.
4. *Will MassDEP share the responses it receives to the Request for Information (RFI)?*
 No decisions have been made on this. MassDEP will need to consider whether any confidential business issues might be raised by any information that is provided through the RFI process.
5. *When will MassDEP start accepting project proposals?*
 MassDEP issued an RFI on April 20, 2018 and accepted comments on the RFI for four weeks. After considering the comments, MassDEP released a Draft Beneficiary Mitigation Plan (BMP) discussing the Commonwealth's plans to spend its allocation of the VW Settlement funds (see: <https://www.mass.gov/guides/volkswagen-diesel-settlements-environmental-mitigation>). The public has until 5:00 pm (EDT) on August 20, 2018 to submit comments on the Draft BMP. MassDEP will then submit a final BMP to Wilmington Trust, the entity overseeing the VW Settlement funds. At that point MassDEP will initiate a process for seeking project proposals. We expect this to occur in the fall of 2018.
6. *Has MassDEP considered the potential for an electric bus to hook into a school and thereby reduce the school's energy load?*

The VW Settlement requires that the state spend the VW funds on the Eligible Mitigation Actions (EMAs) specified in the Settlement's Appendix D-2. Reducing a school's energy load is not an EMA in the Settlement.

Comments by Stakeholders: None.