VW Settlement
Illinois’ draft Beneficiary Mitigation Plan
Draft BMP

• $108 Million to Illinois
• Reduce NOx emissions
• Replace old diesel engines
  • New diesel
  • Alternative Fuels
    • Electric, must have access to or include infrastructure
• Flexible
• Can be modified in future
• Accepting Public Comment till April 13
A vehicle recall and repair program - $10 billion to buy back or repair at least 85 percent of the unlawful vehicles.

Zero Emission Vehicle (ZEV) Investment Commitment - $2 billion to support the use of zero emissions technology such as battery electric vehicles, plug-in hybrid electric vehicles, and fuel cell vehicles and charging infrastructure over the next 10 years.

An Environmental Mitigation Trust Fund – $422 million to California and $2.44 billion to be dispersed to the other states and tribes to fund projects to reduce nitrogen oxide (NOx) emissions as mitigation for the unlawful emissions.
ZEV

• Community Charging - Chicago

• Long Distance Highway Network - I-80, I-90, I-70, I-24, I-94, I-64, I-39 and I-55
Transportation in Illinois

• the second largest public transportation system,
• the second largest rail system,
• the third largest interstate system,
• the fourth largest highway system, and
• one of the busiest airport systems.
• Large multimodal networks
Eligible Projects

• Class 8 Local Freight Trucks and Port Drayage Trucks (Eligible Large Trucks)
• Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Eligible Buses)
• Freight Switchers
• Ferries/Tugs
• Ocean Going Vessels (OGV) Shorepower
• Class 4-7 Local Freight Trucks (Medium Trucks)
• Airport Ground Support Equipment
• Forklifts and Port Cargo Handling Equipment
• Light Duty Zero Emission Vehicle Supply Equipment
• Diesel Emission Reduction Act (DERA) Option
For Reference
Examples of Truck Engine Classes
Not all Classes are eligible for VW Mitigation Funding

<table>
<thead>
<tr>
<th>Class One</th>
<th>1,500 lbs or less</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Full Size Pickup</td>
</tr>
<tr>
<td></td>
<td>Minivan</td>
</tr>
<tr>
<td></td>
<td>SUV</td>
</tr>
<tr>
<td></td>
<td>Utility Van</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Class Two</th>
<th>6,001 to 10,000 lbs</th>
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<tbody>
<tr>
<td></td>
<td>Cargo Van Pickup</td>
</tr>
<tr>
<td></td>
<td>Mini Bus</td>
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<tr>
<td></td>
<td>Medium Van</td>
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<tr>
<td></td>
<td>Utility Van</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Class Three</th>
<th>11,001 to 44,000 lbs</th>
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</thead>
<tbody>
<tr>
<td>City Delivery</td>
<td>Mini Bus</td>
</tr>
<tr>
<td>Wall In</td>
<td></td>
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</tbody>
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<table>
<thead>
<tr>
<th>Class Four</th>
<th>14,001 to 16,000 lbs</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Delivery</td>
<td>Mini Bus</td>
</tr>
<tr>
<td>Wall In</td>
<td></td>
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</tbody>
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<table>
<thead>
<tr>
<th>Class Five</th>
<th>16,001 to 33,000 lbs</th>
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</thead>
<tbody>
<tr>
<td>School Bus</td>
<td>Single Axle Van</td>
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<tr>
<td>Stake Body</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Class Six</th>
<th>33,001 to 26,000 lbs</th>
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</thead>
<tbody>
<tr>
<td>Beverage</td>
<td>Bakery</td>
</tr>
<tr>
<td>Bar</td>
<td>City Delivery</td>
</tr>
<tr>
<td>Pizza</td>
<td>Wildlife</td>
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</table>

<table>
<thead>
<tr>
<th>Class Seven</th>
<th>26,001 to 32,000 lbs</th>
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<tbody>
<tr>
<td>City Tour Bus</td>
<td>Furniture</td>
</tr>
<tr>
<td>Furniture</td>
<td>High Profile Semi</td>
</tr>
<tr>
<td>Home Fuel</td>
<td>Stake Body</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class Eight</th>
<th>32,001 lbs &amp; over</th>
</tr>
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<tbody>
<tr>
<td>Cement</td>
<td>Steel Tractor</td>
</tr>
<tr>
<td>Dump</td>
<td>Fire Truck</td>
</tr>
</tbody>
</table>

|            | Semi Sleeper     |
|            | Tour Bus          |
Engine Type
Potential Emission Reductions

Greatest Reductions
Locomotives  Tugs & Ferries

Least Reductions
Class 8 Trucks  Class 4-7 Trucks
Transit Buses  School Buses
Beneficiary Mitigation Plan

• Goals
• Categories to achieve goals
• Potential beneficial impact on air quality in areas that bear a disproportionate share of the air pollution burden
• Expected ranges of emission benefits
• The process to seek and consider public input
Goals

• 1. Reduce NOx emissions in areas where the affected Volkswagen vehicles are registered while taking into consideration areas that bear a disproportionate share of the air pollution burden, including environmental justice areas;
• 2. Maximize emissions reductions; and
• 3. Maximize and leverage funding.
BMP Development

- Where the VW cars were located
- Mobile Source Emissions
- Disproportionate impact
  - Non attainment areas
  - EJ areas
Illinois Ozone Nonattainment Areas

Chicago NAA
- Cook County
- DuPage County
- Kane County
- Lake County
- McHenry County
- Will County
- Oswego Township in Kendall County
- Aux Sable & Goose Lake Townships in Grundy County

Metro-East St. Louis NAA
- Madison County
- Monroe County
- St. Clair County
Illinois Emissions
Mobile vs Stationary Sources

Statewide:
- Mobile: 74.8%
- Stationary: 25.2%

Chicago Region:
- Mobile: 87.6%
- Stationary: 12.4%

East St. Louis Region:
- Mobile: 69.1%
- Stationary: 30.9%
Priority Areas

- Chicago Non-attainment area
- Metro-East St. Louis non-attainment area
- Seven Counties that had 1% or more of cars
  - Champaign, DeKalb, LaSalle, McLean, Peoria, Sangamon, Winnebago
Project Categories

- On-road - $21,735,935
- All-electric school bus - $10,867,968
- Off-road - $70,641,789
- For all categories will require electric infrastructure if not available
Cost Share

• Public: 25% or higher w/DERA
• Non-Public: 50% or higher as specified by trust or DERA
• To spread the Trust funds to as many projects as possible,
Green indicates the amount of NOx reductions that are expected for the amount of money being spent.

Red indicates the amount of money proposed to be spent by project type.
Estimated Cost to Reduce 1 Ton of NOx

- On-Road Projects: $26,069
- Off-Road Projects: $47,384
- Total: $73,453
Comments

• Accepting public comments until April 13, 2018
• Survey
  • Projects
  • Priorities
  • Applicant needs
Resources

- http://www.epa.illinois.gov/topics/air-quality/vw-settlement/index
- EPA.VWSettlement@illinois.gov
- https://www.surveymonkey.com/r/JXCVXWK
- Brad Frost
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  Brad.frost@illinois.gov