

APPENDIX D-4
Beneficiary Eligible Mitigation Action Certification
State of Hawaii

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary State of Hawaii

Hawaii Department of Business, Economic Development, and Tourism

Lead Agency Authorized to Act on Behalf of the Beneficiary _____
(Any authorized person with delegation of such authority to direct the Trustee delivered to the Trustee pursuant to a Delegation of Authority and Certificate of Incumbency)

Action Title:	Action 9 Light Duty ZEV Supply Equipment
Beneficiary's Project ID:	VW - 0009 - 0003
Funding Request No.	<i>(sequential)</i> 3
Request Type: (select one or more)	<input type="checkbox"/> Reimbursement <input checked="" type="checkbox"/> Advance <input type="checkbox"/> Other (specify): _____
Payment to be made to: (select one or more)	<input checked="" type="checkbox"/> Beneficiary <input type="checkbox"/> Other (specify): _____
Funding Request & Direction (Attachment A)	<input checked="" type="checkbox"/> Attached to this Certification <input type="checkbox"/> To be Provided Separately

SUMMARY

<p>Eligible Mitigation Action <input checked="" type="checkbox"/> Appendix D-2 item (specify): <u>Action 9 Light Duty ZEV Supply Equipment</u> Action Type <input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal):</p>
<p>Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):</p> <p>Per Hawaii's Beneficiary Mitigation Plan (BMP) Section 6.3.2, this funding request is submitted for the total eligible fifteen percent (15%) on Eligible Mitigation Action #9 - Light Duty Zero Emission Vehicle (ZEV) Supply Equipment to expand Hawaii's statewide electric vehicle (EV) charging network and support the state's fleet electrification efforts.</p>
<p>Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):</p> <p>In accordance with the Volkswagen Settlement Environmental Mitigation Trust, the State of Hawaii, as a Beneficiary of the Trust, may use up to fifteen percent (15%) of its total allocation of Trust Funds on eligible costs for Light Duty Zero Emission Vehicle Supply Equipment (Eligible Mitigation Action #9). Per Hawaii's Beneficiary Mitigation Plan (Section 6.3.2), the Hawaii State Energy Office (HSEO) seeks to allocate \$1,218,750 of Trust funds to contribute towards the purchase, installation, and maintenance of approximately 20-30 light duty electric vehicle (EV) charging stations, which may include a mix of Level 1 chargers, Level 2 chargers, and DC fast chargers. The program will focus on locations (1) available to the public at government owned properties, (2) available at workplaces or (3) that support charging network connectivity. The funded EV charging stations will help to expand Hawaii's statewide EV charging network and support the state's fleet electrification efforts.</p> <p>HSEO plans to allocate a portion of the Trust funds for EV charging infrastructure in strategic locations which support economically efficient deployment and utilization of EV charging infrastructure from a holistic energy system perspective. The program seeks to support workplace or daytime charging infrastructure to align with peak solar generation periods. Ideal EV charging infrastructure will also serve the needs of both private personal EVs and public fleets, maximizing charging infrastructure utilization and increasing EV adoption. This holistic approach aligns with Act 38 "pursuant to HRS 226-18(a)(2) planning for the State's facility systems regarding energy shall be directed toward the achievement of the following objectives, giving due consideration to increased energy security and self-sufficiency through the reduction and ultimate elimination of Hawaii's dependence on imported fuels for electrical generation and ground transportation."</p> <p>HSEO also plans to allocate funds to EV charging infrastructure projects that support the expansion of Hawaii's EV charging network to areas not yet serviced, ideally along Hawaii's federally recognized Alternative Fuel Corridors. The funding allocation for EV charging infrastructure will be determined on a project-by-project basis, taking into consideration support of EV adoption within the four major counties of Hawaii, existing charging station ports, and stakeholder engagement.</p>

Estimate of Anticipated NOx Reductions (5.2.3):

It is estimated that this project has the potential to reduce 0.20 - 0.92 tons of NOx emissions over the lifetime of the chargers. The estimates were prepared using historical data and Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET) Tool. The amount of NOx emissions reduced from EV charging stations may vary and is dependent on charging patterns and utilization, number of EVs served, vehicle type, and renewable energy portfolio composition.

Identification of Governmental Entity Responsible for Reviewing and Auditing Expenditures of Eligible Mitigation Action Funds to Ensure Compliance with Applicable Law (5.2.7.1):

State of Hawaii Department of Business, Economic Development, and Tourism's Hawaii State Energy Office

Describe how the Beneficiary will make documentation publicly available (5.2.7.2).

DBEDT-HSEO created a public website, <http://energy.hawaii.gov/vw-settlement/vw> for information relating to the Trust, the VW Partial Consent Trust Decrees, Hawaii's BMP, and implementation information. To provide transparency and accountability, DBEDT-HSEO will post information on its VW website.

Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8).

Funding allocation and matching cost share for EV charging infrastructure will be determined on a project-by-project basis. Per the Trust Agreement, HSEO can use Trust Funds to support up to 100% of the cost to purchase, install and maintain eligible light duty EV supply equipment that will be available to the public at a Government Owned Property; and up to 60% of the cost of EV supply equipment that is available at a workplace but not to the general public. +

Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9).

On February 23, 2018, in accordance with Paragraph 4.2.8 of the Trust Agreement, DBEDT provided a copy of the Trust Agreement with Attachments to the appropriate federal agencies; notified those agencies that DBEDT may request Trust funds for use on lands within federal custody, control, or management (including, but not limited to, Clean Air Act Class I and II areas); and, set forth the procedures by which DBEDT will review, consider, and make a written determination upon requests to use federal lands for Trust-funded projects.

If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions (5.2.10).

The facilitation of the deployment of EVs and associated charging infrastructure will directly contribute to reduced petroleum consumption and reduced emissions in the transportation sector. As EV adoption increases in Hawaii, more EVs will be available in the pre-owned market making EVs more accessible and affordable for lower income communities.

While deployment location of charging infrastructure will ultimately determine how the pursued Eligible Mitigation Action impacts air quality in those selected locations, HSEO will expend 15 percent of its Trust allocation on Eligible Mitigation Action #9 supporting ZEV light-duty charging infrastructure, resulting in improved air quality in areas where historically disadvantaged communities, environmental justice communities of concern, and densely populated regions.

ATTACHMENTS
(CHECK BOX IF ATTACHED)

- | | | |
|-------------------------------------|--------------|--|
| <input checked="" type="checkbox"/> | Attachment A | Funding Request and Direction. |
| <input checked="" type="checkbox"/> | Attachment B | Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4). |
| <input checked="" type="checkbox"/> | Attachment C | Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11). |
| <input checked="" type="checkbox"/> | Attachment D | Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000 (5.2.6). [Attach only if project involves vendor expenditures exceeding \$25,000.] |
| <input type="checkbox"/> | Attachment E | DERA Option (5.2.12). [Attach only if using DERA option.] |
| <input type="checkbox"/> | Attachment F | Attachment specifying amount of requested funding to be debited against each beneficiary's allocation (5.2.13). [Attach only if this is a joint application involving multiple beneficiaries.] |

CERTIFICATIONS

By submitting this application, the Lead Agency makes the following certifications:

1. This application is submitted on behalf of Beneficiary State of Hawaii, and the person executing this certification has authority to make this certification on behalf of the Lead Agency and Beneficiary, pursuant to the Certification for Beneficiary Status filed with the Court.
2. Beneficiary requests and directs that the Trustee make the payments described in this application and Attachment A to this Form.
3. This application contains all information and certifications required by Paragraph 5.2 of the Trust Agreement, and the Trustee may rely on this application, Attachment A, and related certifications in making disbursements of trust funds for the aforementioned Project ID.
4. Any vendors were or will be selected in accordance with a jurisdiction's public contracting law as applicable. (5.2.5)
5. Beneficiary will maintain and make publicly available all documentation submitted in

Attachment B

Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4)

Hawaii Funding Request #1: Action 9 Light Duty ZEV Supply Equipment

Beneficiary's Project ID: VW – 0009 – 0003

PROJECT MANAGEMENT PLAN

In accordance with the Volkswagen Settlement Environmental Mitigation Trust, the State of Hawaii, as a Beneficiary of the Trust, may use up to fifteen percent (15%) of its total allocation of Trust Funds on eligible costs for Light Duty Zero Emission Vehicle Supply Equipment (Eligible Mitigation Action #9). Per Hawaii's Beneficiary Mitigation Plan (Section 6.3.2), the Hawaii State Energy Office (HSEO) seeks to allocate \$1,218,750 of Trust funds to contribute towards the purchase, installation, and maintenance of approximately 20-30 light duty electric vehicle (EV) charging stations, which may include a mix of Level 1 chargers, Level 2 chargers, and DC fast chargers. The program will focus on locations (1) available to the public at government owned properties, (2) available at workplaces or (3) that support charging network connectivity. The funded EV charging stations will help to expand Hawaii's statewide EV charging network and support the state's fleet electrification efforts.

HSEO plans to allocate a portion of the Trust funds for EV charging infrastructure in strategic locations which support economically efficient deployment and utilization of EV charging infrastructure from a holistic energy system perspective. The program seeks to support workplace or daytime charging infrastructure to align with peak solar generation periods. Ideal EV charging infrastructure will also serve the needs of both private personal EVs and public fleets, maximizing charging infrastructure utilization and increasing EV adoption. This holistic approach aligns with Act 38 "pursuant to HRS 226-18(a)(2) planning for the State's facility systems regarding energy shall be directed toward the achievement of the following objectives, giving due consideration to increased energy security and self-sufficiency through the reduction and ultimate elimination of Hawaii's dependence on imported fuels for electrical generation and ground transportation."

HSEO also plans to allocate funds to EV charging infrastructure projects that support the expansion of Hawaii's EV charging network to areas not yet serviced, ideally along Hawaii's federally recognized Alternative Fuel Corridors. The funding allocation for EV charging infrastructure will be determined on a project-by-project basis, taking into consideration support of EV adoption within the four major counties of Hawaii, existing charging station ports, and stakeholder engagement.

Project schedule and milestones, budget, and trust allocations are included below.

PROJECT SCHEDULE AND MILESTONES

<p align="center">Milestone</p> <p align="center"><i>The project schedule is an estimate and likely to include additional milestones, multiple partners, and project sites</i></p>	<p align="center">Estimated Start Date</p> <p align="center"><i>Quarters based on FY 2020 starting July 1, 2019</i></p>	<p align="center">Estimated Completion Date</p>
Identify partner agencies, site hosts, and potential locations	FY 2020 – Q1	FY 2022 – Q3
Project planning (i.e. site visit, walkthrough with facility managers) and development of preliminary layout of infrastructure project	FY 2020 – Q2	FY 2023 – Q2
Generate and review partner agreements for selected charging station locations	FY 2020 – Q3	FY 2023 – Q4
Finalize siting designs and partner agreements	FY 2020 – Q3	FY 2024 – Q3
Planning and purchasing, obtain permits, install charging station equipment	FY 2020 – Q4	FY 2025 – Q2
Partners submit to HSEO detailed documentation of project costs, operation and maintenance plans, charging utilization data, and other supporting documents	FY 2021 – Q2	Ongoing
HSEO submits semi-annual progress reports to VW Trustee including status of any expenditures with Mitigation Actions completed and underway	Every 6 months through completion of the project	
HSEO submits final report to VW Trustee	FY 2028 – Q3 (March 2028)	

PROJECT BUDGET

Period of Performance: July 2019 – December 2025			
Budget Category	Total Approved Budget	Share of Total Budget to be Funded by the Trust	Cost-Share (if applicable) *
Charging Stations	\$ 1,035,939	\$ 1,035,939	TBD
Administrative @ 15%	\$ 182,811	\$ 182,811	TBD
Project Totals	\$ 1,218,750	\$ 1,218,750	TBD

*The budgeted equipment funds above could provide up to 100 percent of the cost of publicly accessible charging stations at government owned properties, up to 80 percent for public charging stations at privately owned properties, and up to 60 percent for non-public charging stations at workplaces. Remaining costs will be paid by the station owners/operators and/or provided from other funding sources. Projects that leverage cost share from partners are preferred.

Estimated Light Duty ZEV Supply Equipment	
Description	Total cost
Holistic EV Charging Infrastructure Deployment	\$ 635,939
Statewide EV Charging Network Connectivity Infrastructure	\$ 400,000
<i>Administrative Expenses</i>	\$ 182,811
Total Project Cost	\$ 1,218,750

PROJECTED TRUST ALLOCATIONS

	2019		2020
	Project 1: DERA Honolulu Transit Bus Replacement	Project 2: DERA Vehicle Assistance Program	Project 3: Light Duty ZEV Supply Equipment
1. Anticipated Annual Project Funding Request to be paid through the Trust	\$ 230,087	\$ 316,494	\$ 1,218,750
2. Anticipated Annual Cost Share	\$ 1,297,825	\$ 780,980	\$ -
3. Anticipated Total Project Funding by Year	\$ 1,527,912	\$ 1,097,474	\$ 1,218,750
4. Cumulative Trustee Payments Made to Date Against Cumulative Approved Beneficiary Allocation	\$ -	\$ 230,087	\$ 546,581
5. Current Beneficiary Project Funding to be paid through the Trust	\$ 230,087	\$ 316,494	\$ 1,218,750
6. Total Funding Allocated to Beneficiary, inclusive of Current Action by Year	\$ 230,087	\$ 546,581	\$ 1,765,331
7. Beneficiary Share of estimated Funds Remaining in Trust	\$ 8,125,000	\$ 7,894,913	\$ 7,578,419
8. Net Beneficiary Funds Remaining in trust, net cumulative Beneficiary Funding Actions	\$ 7,894,913	\$ 7,578,419	\$ 6,359,669

Attachment C

Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11)

Consistent with 5.2.11 of the Environmental Mitigation Trust Agreement for State Beneficiaries (Trust), Beneficiaries must submit with their Appendix D-4 request for Eligible Mitigation Action funding a detailed plan for reporting on Eligible Mitigation Action implementation. The Hawaii Department of Business, Economic Development, and Tourism Hawaii State Energy Office (DBEDT-HSEO) intends to achieve the Beneficiary Reporting Obligations as outlined with 5.3 of the Trust.

DBEDT-HSEO is devoted to carrying out the reporting requirements of the Trust, according to 5.3, Beneficiary Reporting Obligations, as described below:

For each Eligible Mitigation Action, no later than six months after receiving its first disbursement of Trust Assets, and thereafter no later than January 30 (for the preceding six-month period of July 1 to December 31) and July 30 (for the preceding six-month period of January 1 to June 30) of each year, each Beneficiary shall submit to the Trustee a semiannual report describing the progress of implementing each Eligible Mitigation Action during the six-month period leading up the reporting date (including a summary of all costs expended on the Eligible Mitigation Action through the reporting date). Such reports shall include a complete description of the status (including actual or projected termination date), development, implementation, and any modification of each approved Eligible Mitigation Action. Beneficiaries may group multiple Eligible Mitigation Actions and multiple sub-beneficiaries into a single report. These reports shall be signed by an official with the authority to submit the report for the Beneficiary and must contain an attestation that the information is true and correct and that the submission is made under penalty of perjury. To the extent a Beneficiary avails itself of the DERA Option described in Appendix D-2, that Beneficiary may submit its DERA Quarterly Programmatic reports in satisfaction of its obligations under this Paragraph as to those Eligible Mitigation actions funded through the DERA Option. The Trustee shall post each semiannual report on the State Trusts public-facing website upon receipt.

Attachment D

Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$ 25,000 (5.2.6)

<u>Category</u>	<u>Equipment</u>	<u>Installation</u>
Level 1 Charging Station	\$300 - \$1,500	\$0 - \$3,000
Level 2 Charging Station	\$500 - \$6,500	\$0 - \$12,500
DC Fast Charging Station	\$10,000 - \$40,000	\$4,000 - \$150,000

Estimated costs reflect informal quotes collected during research and discussions with Hawaii Department of Accounting and General Services, utility, and charging station vendors. Contact details are withheld to conform with Hawaii State and County procurement laws. Estimated costs do not include shipping expenses and may vary based on charger specifications and infrastructure site assessments.