



Commonwealth of Massachusetts
Executive Office of Energy & Environmental Affairs

Department of Environmental Protection

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MassDEP VW Settlement Semiannual Report

October 28, 2019-December 31, 2019

This information is available in alternate format. Contact Michelle Waters-Ekanem, Director of Diversity/Civil Rights at 617-292-5751.

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Massachusetts is a beneficiary under the Volkswagen (VW) *Environmental Mitigation Trust Agreement for State Beneficiaries* (VW Settlement). The Massachusetts Department of Environmental Protection (MassDEP) is the designated Lead Agency for Massachusetts under the VW Settlement and is responsible for, among other duties, developing the beneficiary mitigation plan (BMP) for Massachusetts, which describes how the Commonwealth will spend its funding allocation. The VW Settlement contains provisions requiring semiannual reporting:

5.3 Beneficiary Reporting Obligations: 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 implementing each Eligible Mitigation Action during the six-month period leading up to 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.

The first Massachusetts VW Settlement disbursements were issued on October 28, 2019, triggering a 6-month deadline of April 27, 2020, to submit to the trustee, Wilmington Trust (WT), the first required semiannual report. This report covers the period of October 28, 2019 to December 31, 2019. The second semiannual report will cover the period of January 1, 2020 to June 30, 2020, and is due July 30, 2020.

MassDEP issued a *Final Massachusetts Volkswagen Settlement Beneficiary Mitigation Plan* (BMP),¹ submitted to WT on December 10, 2018, and an *Amendment* to the BMP,² submitted to WT on December 17, 2019, which established plans for \$40,759,665.16 of the \$75,064,424.40 Massachusetts allocation of the VW Settlement. The current status of Massachusetts' VW implementation is summarized below.

¹ <https://www.mass.gov/doc/massachusetts-volkswagen-settlement-beneficiary-mitigation-plan-december-2018/download>

² <https://www.mass.gov/doc/amendment-to-massachusetts-volkswagen-settlement-beneficiary-mitigation-plan-december-2019/download>

Eligible Mitigation Action (EMA)	December 2018 BMP Equipment and Installation	Additional December 2019 BMP Amendment Equipment and Installation	Total Equipment and Installation	Status
EMA 2: Electric transit buses	\$11 million	\$11 million	\$22 million	D-4 form submitted to WT October 3, 2019 reserved \$10,977,992 for electric transit buses, charging infrastructure, installation and administrative costs. ³ No payment requests were submitted to MassDEP through December 31, 2019. Four of the electric transit buses, granted a combined \$3 million in funding, were delivered through December 31, 2019. Two additional electric transit buses, eligible for a combined \$0.9 million, are expected to be delivered in February 2020. The remaining 8 electric transit buses and 6 charging stations are expected to be delivered in October-November 2020; Grantee procurement of charging infrastructure installation services is expected in early 2020.
EMA 9: Light duty electric vehicle supply equipment (EVSE)	\$5 million	\$6,259,665.16	The maximum allowed 15%. (15% of the \$75,064,424.40 initial allocation is \$11,259,665.16: the final amount spent may be higher due to investment earnings on the balance of funds in the Trust, but not more than the allowed 15%.)	D-4 form submitted to WT August 28, 2019 reserved \$5,750,000 for EVSE, installation and administrative costs for the three Massachusetts Electric Vehicle Incentive Program (MassEVIP) offerings detailed below.

³ As indicated in the December 2018 BMP, p.4, “Trust Funds can be used for the actual administrative expenditures associated with implementing an eligible mitigation project, but not to exceed 15% of the total cost of such eligible mitigation project. The Commonwealth will review each mitigation project to determine the appropriate level of administrative expenditure and does not expect to use the entire 15% for this purpose.”

Eligible Mitigation Action (EMA)	December 2018 BMP Equipment and Installation	Additional December 2019 BMP Amendment Equipment and Installation	Total Equipment and Installation	Status																																	
Open Solicitation: was open to any EMA except EMA 9 (EVSE) and EMA 10 (Diesel Emissions Reduction Act (DERA))	\$7.5 million		\$7.5 million	<p>Through December 31, 2019, no D-4 forms have been submitted to reserve any funds for the Open Solicitation. Selected Grantees were announced on December 20, 2019.⁴ Grantees for this program began receiving contract forms to sign after the December 31, 2019 period of this semiannual report; therefore, no Grantees received VW disbursements during the time period covered by this semiannual report. The contracts between MassDEP and Grantees will allow 18 months to complete projects. The distribution of grant amounts across EMA categories was as follows (no grants were selected for EMA 3):</p> <table border="1"> <thead> <tr> <th>EMA</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Large Trucks</td> <td>\$2,926,378.25</td> </tr> <tr> <td rowspan="3">2</td> <td>School Bus</td> <td>\$1,499,905.32</td> </tr> <tr> <td>Shuttle Bus</td> <td>\$697,504.00</td> </tr> <tr> <td>Transit Bus</td> <td>\$500,000.00</td> </tr> <tr> <td>4</td> <td>Ferries</td> <td>\$194,659.80</td> </tr> <tr> <td>5</td> <td>Ocean Going Vessel Shorepower</td> <td>\$100,000.00</td> </tr> <tr> <td>6</td> <td>Medium Trucks</td> <td>\$859,877.32</td> </tr> <tr> <td rowspan="2">7</td> <td>Airport Ground Support Equipment (GSE) (replacing gasoline)</td> <td>\$440,930.31</td> </tr> <tr> <td>Airport GSE (replacing diesel)</td> <td>\$169,140.00</td> </tr> <tr> <td>8</td> <td>Cargo Handling Equipment</td> <td>\$111,605.00</td> </tr> <tr> <td>Total</td> <td></td> <td></td> <td>\$7,500,000.00</td> </tr> </tbody> </table>	EMA	Amount	1	Large Trucks	\$2,926,378.25	2	School Bus	\$1,499,905.32	Shuttle Bus	\$697,504.00	Transit Bus	\$500,000.00	4	Ferries	\$194,659.80	5	Ocean Going Vessel Shorepower	\$100,000.00	6	Medium Trucks	\$859,877.32	7	Airport Ground Support Equipment (GSE) (replacing gasoline)	\$440,930.31	Airport GSE (replacing diesel)	\$169,140.00	8	Cargo Handling Equipment	\$111,605.00	Total			\$7,500,000.00
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Total	\$23.5 million	\$17,259,665.16	\$40,759,665.16																																		

⁴ Press release at <https://www.mass.gov/news/baker-polito-administration-awards-75-million-in-grants-to-further-electrify-transportation> and list of selected Grantees at <https://www.mass.gov/doc/list-of-volkswagen-settlement-open-solicitation-grant-recipients-december-2019/download>

A number of grant programs were announced on January 18, 2019; see press release at <https://www.mass.gov/news/baker-polito-administration-announces-grant-programs-to-reduce-vehicle-air-pollution-under-the>. These programs included the following three MassEVIP offerings totaling \$5 million under EMA 9 EVSE, and a \$7.5 million Open Solicitation open to all EMAs except EMA 9 (EVSE) and EMA 10 (DERA). A matrix comparing details of the program features can be found at <https://www.mass.gov/doc/matrix-of-vw-massevip-grant-programs/download>.

- *MassEVIP: Public Access Charging (PAC)* (for \$2 million; opened January 18, 2019 with a March 18, 2019 application deadline): Application links and materials can be found at <https://www.mass.gov/how-to/apply-for-massevip-public-access-charging-incentives>. Selected Grantees were announced on November 20, 2019; see press release at <https://www.mass.gov/news/baker-polito-administration-awards-2-million-in-grants-to-support-public-access-charging-for>. Grantees for this program began receiving contract forms to sign after the December 31, 2019 period of this semiannual report; therefore, no Grantees received VW disbursements during the time period covered by this semiannual report. The contracts between MassDEP and Grantees will allow 180 days to complete projects.
- *MassEVIP: Multi-unit Dwelling (MUD) charging* (for \$1.5 million; opened January 18, 2019 and accepts applications on a rolling basis): Application links and materials can be found at <https://www.mass.gov/how-to/apply-for-massevip-multi-unit-dwelling-charging-incentives>. Grantees for this program are in the process of implementing their projects: no Grantees received VW disbursements during the time period covered by this semiannual report. Grantees first receive an approval letter with contract forms to sign, then are sent an executed contract. The contracts between MassDEP and Grantees allow 180 days to complete projects. See the following table for project status through December 31, 2019.

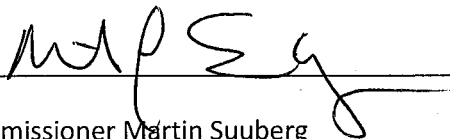
MassEVIP: MUD status through December 31, 2019	# of Projects	\$ Funding	# of Charging Stations
Projects with approvals issued but without executed contracts	3	\$29,304.00	8
Projects with both approvals and executed contracts	8	\$63,335.40	16
Completed Projects	0	0	0
Total	11	\$92,639.40	24

- *MassEVIP: Workplace Charging (WPC)* (for \$1.5 million; opened January 18, 2019 and accepts applications on a rolling basis): Application links and materials can be found at <https://www.mass.gov/how-to/apply-for-massevip-workplace-charging-incentives>. Some grantees for this program have completed their projects, and some grantees for this program are in the process of implementing their projects. Grantees first receive an approval letter with contract forms to sign, then are sent an executed contract. The contracts between MassDEP and Grantees allow 180 days to complete projects. All six of the disbursements that have been issued for completed VW grant projects through December 31, 2019 were for EMA 9 projects under MasseVIP WPC, as detailed in the following tables.

MassEVIP: WPC status through December 31, 2019	# of Projects	\$ Funding	# of Charging Stations
Projects with approvals issued but without executed contracts	12	\$83,281.59	29
Projects with both approvals and executed contracts	52	\$372,526.11	119
Completed Projects	6	\$61,053.00	16
Projects that received approvals and/or executed contracts but were withdrawn	8		
Total	78	\$516,860.70	178

Date Disbursed	Grantee	Charging Station Location	Charging Level	# of Stations	# of Ports	Amount
10/28/2019	Hopkinton Business Center LLC	77 Main Street Hopkinton MA	2	1	2	\$3,777.60
10/28/2019	Concord Business Center LLC	2352 Main Street Concord MA	2	1	2	\$3,777.60
12/19/2019	College of the Holy Cross	1 College Street Worcester MA	2	4	8	\$16,605.00
12/19/2019	Massachusetts Audubon Society, Inc.	280 Eliot Street Natick MA	2	1	2	\$3,479.40
12/19/2019	Arsenal Yards Holdings LLC	45 Bond Street Watertown MA	2	8	16	\$29,396.40
12/19/2019	Northstone, LLC	100 Riverpark Drive North Reading MA	2	1	2	\$4,017.00
Total disbursed through 12/31/2019	6			16	32	\$61,053.00

In accordance with Section 5.3 of the Volkswagen *Environmental Mitigation Trust Agreement for State Beneficiaries*, I attest that the information contained in this report is true and correct and that this submission is made under penalty of perjury.

Signature:  Date: 2/11/2020

MassDEP Commissioner Martin Suuberg