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GOVERNOR

**STATE OF NEW HAMPSHIRE
OFFICE OF STRATEGIC INITIATIVES**

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**DIVISION OF PLANNING
DIVISION OF ENERGY**
www.nh.gov/osi

June 30, 2021

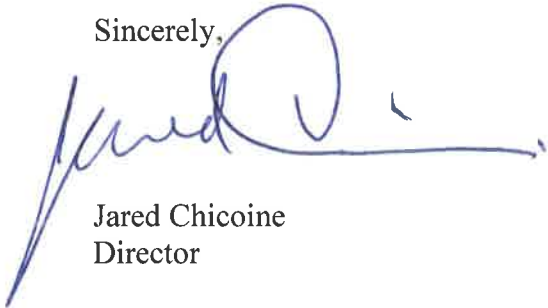
Mr. Russell L. Crane
Volkswagen Environmental Mitigation Trust
c/o Wilmington Trust, N.A. as Trustee
1100 North Market Street
Attn: Capital Markets & Agency Services
Wilmington, DE 19890

Dear Mr. Crane,

The New Hampshire Office of Strategic Initiatives has enclosed the State of New Hampshire's submission of its sixth funding request (NHOSI 21-03) through the Volkswagen Environmental Mitigation Trust. The enclosure is to fulfill the requirement that a hard copy be submitted to you as required by paragraph 5.2 of the Trust Agreement.

Thank you for your attention to this matter. If you have any questions regarding this submission, please contact myself - Jared Chicoine, Director of OSI at Jared.S.Chicoine@osi.nh.gov or by phone at (603) 271-2155.

Sincerely,



Jared Chicoine
Director

APPENDIX D-4
Beneficiary Eligible Mitigation Action Certification

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary State of New Hampshire

Lead Agency Authorized to Act on Behalf of the Beneficiary Office of Strategic Initiatives
(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:	State Agency Vehicle Replacement
Beneficiary's Project ID:	NHOSI-21-03
Funding Request No.	06
Request Type: (select one or more)	<input checked="" type="checkbox"/> Reimbursement <input type="checkbox"/> Advance <input type="checkbox"/> Other (specify): _____
Payment to be made to: (select one or more)	<input type="checkbox"/> Beneficiary <input checked="" 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

Eligible Mitigation Action <input checked="" type="checkbox"/> Appendix D-2 item (specify): <u>6. Class 4-7 Local Freight Trucks (Medium Trucks), 1. Class 8 Local Freight Trucks and Port Drayage Trucks</u> Action Type <input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal):
Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1): See Attachment 1
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2): See Attachment 1
Estimate of Anticipated NOx Reductions(5.2.3): Measured in short tons: See Attachment 1
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): New Hampshire Office of Strategic Initiatives
Describe how the Beneficiary will make documentation publicly available (5.2.7.2). Through the NH OSI website (https://www.nh.gov/osi/energy/programs/documents/beneficiary-mitigation-plan.pdf)

Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8).
See Attachment 1

Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9).
See Attachment 1

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).

See Attachment 1

ATTACHMENTS

(CHECK BOX IF ATTACHED)

- Attachment A Funding Request and Direction.
- Attachment B Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4).
- Attachment C Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11).
- 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.]
- Attachment E DERA Option (5.2.12). [Attach only if using DERA option.]
- 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.]

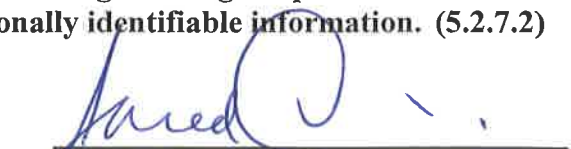
CERTIFICATIONS

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

1. This application is submitted on behalf of Beneficiary State of New Hampshire, 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 support of this funding request and all records supporting all expenditures of eligible

mitigation action funds subject to applicable laws governing the publication of confidential business information and personally identifiable information. (5.2.7.2)

DATED: 6/30/2021



Jared Chicoine
Director

Office of Strategic Initiatives
[LEAD AGENCY]

for

State of New Hampshire
[BENEFICIARY]

ATTACHMENT B

PROJECT MANAGEMENT PLAN
PROJECT SCHEDULE AND MILESTONES

Milestone	Date
Lead Agency Provides Notice of Availability of Mitigation Action Funds	9/7/2018
Project Sponsor Submits Proposal to Lead Agency	11/28/2018
Public Notice of Governor and Council Meeting Agenda	3/20/2020
Lead Agency Receives Governor and Council Approval	3/25/2020
Lead Agency Notifies Project Sponsor of Governor and Council Approval	3/27/2020
Project Sponsor Enters into Contracts, Purchase Orders, etc. - Start	April-June 2020
Project Sponsor Enters into Contracts, Purchase Orders, etc. - Complete	June 2021
Agencies Accept Delivery of Replacement Vehicles	Fall 2020 – Spring 2022
Vehicle Destruction	Fall 2020 – Summer 2022
Lead Agency Reports to Trustee on Status of & Expenditures with Mitigation Actions Completed and Underway	Within six (6) months of first disbursement; Jan. 30 & July 30 thereafter

PROJECT BUDGET

Period of Performance: <u>January 2020 – June 2022</u>				
Budget Category	Total Approved Budget	Share of Total Budget to be Funded by the Trust	Cost-Share, if applicable (Entity #1)	Cost-Share, if applicable (Entity #2)
1. Equipment Expenditure	\$2,170,987.00	\$1,736,789.60	\$434,197.40	\$0
2. Contractor Support <i>(Provide List of Approved Contractors as Attachment with approved funding ceilings)</i>	\$0	\$0	\$0	\$0
3. Subrecipient Support <i>(Provide List of Approved Subrecipients or Grant Awardees as Attachment with approved funding ceilings)</i>	\$0	\$0	\$0	\$0
4. Administrative ¹	\$4,151.25	\$4,151.25	\$0	\$0
Project Totals	\$2,175,138.25	\$1,740,940.85	\$434,197.40	\$0
Percentage (excl. admin costs)	100%	80%	20%	0%

¹ Subject to Appendix D-2 15% administrative cap.

PROJECTED TRUST ALLOCATIONS:

	2019 (Actuals)	2020 (Actuals)	2021 (Estimated)	2022
1. Anticipated Annual Project Funding Request to be paid through the Trust	\$3,731,345	\$761,307	\$5,863,820	\$
2. Anticipated Annual Cost Share	\$5,033,176	\$828,624	\$1,172,764*	
3. Anticipated Total Project Funding by Year (line 1 plus line 2)	\$8,764,521	\$1,578,624	\$7,036,584	
4. Cumulative Trustee Payments Made to Date Against Cumulative Approved Beneficiary Allocation	\$3,731,345	\$4,492,652	\$761,307	
5. Current Beneficiary Project Funding to be paid through the Trust (line 1)	\$0	\$0	\$5,863,820	
6. Total Funding Allocated to for Beneficiary, inclusive of Current Action by Year (line 4 plus line 5)	\$3,731,345	\$761,307	\$6,625,127	
7. Beneficiary Share of Estimated Funds Remaining in Trust	\$31,204,145	\$27,472,800	\$27,472,800	
8. Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (line 7 minus line 6)	\$27,472,800	\$26,711,493	\$20,847,673	

*20% estimated cost match for all 2021 projects

ATTACHMENT C

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

Information on the application process and status of eligible mitigation actions under the Volkswagen Environmental Mitigation Trust will be made available on the New Hampshire Office of Strategic Initiatives' VW webpage in the form of a report with reporting requirements consistent with the Trust. Record may also be requested by contacting the Office of Strategic Initiatives, or through the State of New Hampshire's Right-to-Know Law, codified as RSA 91-A.

ATTACHMENT D

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

New Hampshire Department of Transportation				
Item	Purchase Quantity	Total Cost	VW 80%	Recipient Match
EHDT -X HD Striper Truck				
Turn Key Striper Truck #2	1	\$ 536,018.00	\$ 428,814.40	\$ 107,203.60
2yr engine extended warranty	1	\$ 2,000.00	\$ 1,600.00	\$ 400.00
EHDT Crane Trucks				
Cab and Chassis Crane truck - 64,K	2	\$ 249,890.00	\$ 199,912.00	\$ 49,978.00
Articulating Crane	2	\$ 200,780.00	\$ 160,624.00	\$ 40,156.00
Roll of Body	2	\$ 105,050.00	\$ 84,040.00	\$ 21,010.00
HDT - HDT Trucks - 6 Wheel				
Plow Truck 33K Single Wing	5	\$ 454,775.00	\$ 363,820.00	\$ 90,955.00
4/6 yd dump bodies	5	\$ 64,670.00	\$ 51,736.00	\$ 12,934.00
Single Wing Hydraulics Pkg	5	\$ 85,000.00	\$ 68,000.00	\$ 17,000.00
6 yd Load Covers	5	\$ 3,900.00	\$ 3,120.00	\$ 780.00
Total		\$ 1,702,083.00	\$ 1,361,666.40	\$ 340,416.60
New Hampshire Department of Fish and Game				
Item	Purchase Quantity	Total Cost	VW 80%	Recipient Match
Ford F-550 Cab and Chassis				
Dual Batteries	5	\$ 207,330.00	\$ 165,864.00	\$ 41,466.00
Cab to Axle 84	5	\$ 1,050.00	\$ 840.00	\$ 210.00
	5	\$ 900.00	\$ 720.00	\$ 180.00
Ford F-450 Truck Cab				
Dual Batteries	1	\$ 41,834.00	\$ 33,467.20	\$ 8,366.80
	1	\$ 210.00	\$ 168.00	\$ 42.00
Total		\$ 251,324.00	\$ 201,059.20	\$ 50,264.80
New Hampshire Department of Corrections				
Item	Purchase Quantity	Total Cost	VW 80%	Recipient Match
2020 HINO Truck Cab and Chassis with Kidron Refrigerated Body	2	\$ 217,580.00	\$ 174,064.00	\$ 43,516.00
Total		\$ 217,580.00	\$ 174,064.00	\$ 43,516.00
VW Total Costs		Total Project Cost	VW 80%	Recipient Match
		\$ 2,170,987.00	\$ 1,736,789.60	\$ 434,197.40
Requested VW Funds		\$ 1,736,789.60		

Attachment 1

Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):

The projects fit into the Mitigation Plan by addressing the principal goal of New Hampshire's Mitigation Trust to alleviate excess nitrogen oxide emissions caused by the Volkswagen violations through implementation of cost-effective projects in all regions of the state. Utilizing Mitigation Trust funds for the replacement of publically-owned vehicles lowers operating and maintenance costs for these fleets and saves taxpayer money. The vehicles to be replaced through these projects will operate throughout the state, including in areas with historical air quality issues, and areas that receive a disproportionate quantity of air pollution from diesel fleets. The replacement of older diesel vehicles with lower emission vehicles maximizes air quality benefits by also reducing particulate emissions, greenhouse gas emissions and the carcinogens associated with diesel exhaust. Use of a department match for these projects serves to leverage investment of additional funds and expand the number and scope of projects to be served by the Mitigation Trust.

Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):

The projects involve the replacement of 16 state medium and heavy duty diesel vehicles with new lower emission vehicles. The NH Fish and Game project involves the replacement of 6 medium (Class 4-7) diesel trucks with newer more efficient trucks. The NH Department of Transportation project involves the replacement of 8 large (Class 8) diesel trucks with newer more efficient trucks. The NH Department of Corrections project involves the replacement of 2 large (Class 8) diesel trucks with newer more efficient trucks. The replacement of these older and less efficient vehicles with lower emission new diesel vehicles will benefit air quality in the state through reductions in emissions such as NO_x, particulate matter and greenhouse gases. The replacement of these publicly-owned diesel vehicles will also provide a broad public benefit by lowering maintenance and fuel costs for this state fleet, and thus for taxpayers.

It is estimated that the three projects will result in an annual reduction in NO_x of 1.51 short tons and an estimated lifetime reduction in NO_x of 2.90 short tons. It is estimated that the projects will result in an annual reduction in PM_{2.5} of 0.10 short tons and an estimated lifetime PM_{2.5} reduction of 0.17 short tons. It is estimated that the projects will result in an annual reduction in CO of 0.65 short tons and an estimated lifetime CO reduction of 1.07 short tons.

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

Cost share requirement is 20% for vehicle replacement. Administrative cost does not require cost share.

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

Pursuant to Section 4.2.8 of the Environmental Mitigation Trust Agreement for State Beneficiaries, the New Hampshire Office of Strategic Initiatives (OSI), Lead Agency for the Environmental Mitigation Trust, made information pertaining to the availability of Trust funding for eligible mitigation activities publically available. This notification was accomplished through the presentation of the New Hampshire Beneficiary Environmental Mitigation Plan and State Trust Agreement documents on the Volkswagen page of the OSI website. The New Hampshire

Beneficiary Environmental Mitigation Plan and State Trust Agreement documents were made available on the OSI website beginning on September 7, 2018.

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 vehicles to be replaced through these projects will operate throughout the state, including in areas with historical air quality issues, and areas that receive a disproportionate quantity of air pollution from diesel fleets.