

July 22, 2022

Volkswagen Diesel Emissions Environmental Mitigation Trust
for State Beneficiaries, Puerto Rico, and District of Columbia
c/o Wilmington Trust, N.A. as Trustee
Wilmington Trust, National Association
Rodney Square North
1100 North Market Street
Attn: Capital Markets & Agency Services
Wilmington, DE 19890

RE: State of Connecticut VW Settlement - 5th Semiannual Report
Reporting Period: January 1, 2022 to June 30, 2022

Dear Mr. Bochanski:

On January 29, 2018, Wilmington Trust (the "Trustee") filed a Notice of Beneficiary Designation with the United States District Court for the Northern District of California (the "Court"), designating Connecticut as a Beneficiary of the State Trust. As required by the Trust Agreement, Section 5.3 *Beneficiary Reporting Obligations*, beneficiaries are required to submit a semiannual report six months after initial disbursement of Trust Assets. On January 14, 2020, Connecticut's first disbursement of Trust Assets occurred; beginning Connecticut's reporting obligations to the Trustee. The State of Connecticut Department of Energy and Environmental Protection (DEEP) has collected the data relevant to reporting requirements for the six-month period of January 1, 2022 to June 30, 2022.

Enclosed with this correspondence, please find the information necessary to complete the semi-annual reporting requirement found in paragraph 5.3 of the Volkswagen Environmental Mitigation Trust Agreement for State Beneficiaries. Specifically, Connecticut's reporting obligations include:

1. 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); and
2. The status (including actual or projected termination date), development, implementation, and any modification of each approved Eligible Mitigation Action.

DEEP is grouping all updates on approved Eligible Mitigation Actions into this single report.

Connecticut Semi-annual Report January 1 – June 30,2022

July 20, 2022

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I attest that based on information and belief, all information contained in this report is true and correct and the submission is made under penalty of perjury. If you should have any questions on the enclosed Semi-Annual Report, please do not hesitate to contact either me or Paul Kritzer at Paul.Kritzer@ct.gov.

Sincerely,

A handwritten signature in black ink that reads "Paul E. Farrell". The signature is written in a cursive style with a large, stylized "P" and "F".

Paul E. Farrell
Director
Planning & Standards Division
Bureau of Air Management

Attachments:

Semi-Annual Report to the Trustee
Semi-Annual Report Summary Tables
DERA Quarterly Reports

**Semi Annual Report to the Trustee
State of Connecticut
Reporting Period-January 1, 2022 through June 30, 2022**

Overview: On October 2, 2017, the Mitigation Trust Agreement, upon court approval, became effective. On October 18, 2017, DEEP submitted its Certification for Beneficiary Status Under Environmental Mitigation Trust Agreement to the Trustee, the United States and the court overseeing the VW action. On January 29, 2018, the Trustee filed a Notice of Beneficiary Designation under the VW Diesel Emissions Environmental Mitigation Trust for State Beneficiaries designating Connecticut as a Beneficiary under the Trust¹. As such, Connecticut is eligible to receive \$55,721,169 (1.90% of the \$2.9 billion made available to states and Tribes) from the Trust as specified in Appendix D to the Mitigation Trust Agreement.

The State of Connecticut (State), pursuant to the 2018 Mitigation Plan, filed with Wilmington Trust (WT) on April 26, 2018,² outlined a protocol for the selection of vehicle and equipment replacement projects to protect the state's air quality and the health of vulnerable populations. The primary goal of the State's 2018 Mitigation Plan is to improve and protect ambient air quality by selecting and implementing eligible mitigation projects that will (1) achieve significant and sustained cost effective reductions in Nitrogen Oxide (NO_x) emissions, (2) support statewide energy, environmental and economic development goals and (3) reduce impacts on environmental justice and other impacted communities. Connecticut's Diesel Emissions Mitigation Program (DEMP) provides funds for use by non-government and government entities towards projects that achieve these goals.

Connecticut has participated in the Diesel Emission Reduction Act (DERA) State Clean Diesel Grant Program for many years prior to the establishment of the Trust. DEEP intends to amplify this participation by exercising the DERA Option (Eligible Mitigation Action (EMA) 10), utilizing Trust funds to match its State DERA allocation to allow for a greater variety of eligible projects. The rest of the allocated funds will be used for the remaining categories of eligible projects, outlined in the Mitigation Trust Agreement,³ that are aligned with the funding priorities presented in the State of Connecticut Mitigation Plan.

DEMP Round 1: For Round 1 solicitation, DEEP conducted an open and competitive solicitation process for VW funds that was initiated on May 30, 2018. Projects were selected and announced on November 13, 2018. Funding was awarded to both government and non-government projects. Funds for Round 1 of the Diesel Emissions Mitigation Program financed projects that replaced or repowered an array of aging diesel mobile sources and/or non-road equipment. Projects, as awarded, for CT Diesel Emissions Reduction Program Round 1 funding, broken out by Eligible Mitigation Action, include:

EMA 1 - Class 8 Local Freight Trucks and Port Dravage Trucks (Eligible Large Trucks)

Bozzuto's Incorporated

Amount Awarded: \$1,050,000.00

Location: Cheshire

¹ Notice of Beneficiary Designation, January 29, 2018, <https://portal.ct.gov/-/media/DEEP/air/mobile/VW/20180129VWBeneficiaryDesignationpdf.pdf>

² State of Connecticut Mitigation Plan <https://portal.ct.gov/-/media/DEEP/air/mobile/VW/CTVWFinalMitigationPlanpdf.pdf>

³ Environmental Mitigation Trust Agreement for State Beneficiaries, as Modified on May 19, 2020 <https://portal.ct.gov/-/media/DEEP/air/mobile/VW/20200519--Final-Modified-State-Trust-Agreement-effective-June-18-2020.pdf>

Project Description: Replacement of 35, MY 1999, Class 8 diesel trucks (tractors) with 35, MY 2019, diesel equivalents.

Status: Completed and closed out September 8, 2020

H.I. Stone and Son

Amount Awarded: \$303,200.00

Location: Southbury

Project Description: Replacement of seven, MY 1995-2006, Class 8 diesel trucks with seven, MY 2019, diesel equivalents.

Status: Completed and closed out March 7, 2020

USA Hauling & Recycling

Amount Awarded: \$1,127,750.00

Location: Ansonia, Bridgeport, Bristol, Derby, East Hartford, East Haven, Enfield, Hartford, Meriden, Naugatuck, New Britain, New Haven, Plymouth, Torrington, Waterbury, West Haven

Project Description: Replacement of sixteen (16), MY 1999-2007, Class 8, diesel-powered refuse trucks with 16 MY 2020 compressed natural gas (CNG)-powered equivalents.

Status: Completed and closed out May 14, 2020

EMA 2 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Eligible Buses)

CT Department of Transportation

Amount Awarded: \$4,901,169.00

Location: New Haven

Project Description: Replacement of 12, MY 2005, diesel transit buses with 12 full electric powered transit buses along with installation of associated charging infrastructure.

Status: Ongoing, project details in attached Report Tables

Durham School Services, Stratford

Amount Awarded: \$488,553.00

Location: Stratford

Project Description: Replacement of 23, MY 2005, diesel school buses with 23, MY 2019, diesel equivalents.

Status: Ongoing, project details in attached Report Tables

First Student, Inc.

Amount Awarded: \$1,338,780.00

Location: Ellington, CREC (Hartford), Middlebury/Southbury

Project Description: Replacement of 22, MY 2006, diesel school buses with 22, MY 2018, diesel equivalents.

Status: Completed and closed out June 2, 2020

University of Connecticut

Amount Awarded: \$1,378,000.00

Location: Stamford, Storrs

Project Description: Replacement of two, MY 2005, diesel shuttle buses with two full electric powered shuttle buses along with installation of associated charging infrastructure.

Status: Ongoing, project details in attached Report Tables

EMA 4 - Ferries/Tugs

Block Island Express

Amount Awarded: \$971,720.00

Location: New London

Project Description: Replacement of four, MY 2003, EPA Tier 1 diesel propulsion engines on the M/V Cecilia Ann with EPA Tier 3 diesel propulsion engines and replacement of two, MY 2011, EPA Tier 1 auxiliary engines (generators) with EPA Tier 3 diesel equivalents.

Status: Completed and closed out April 7, 2021

EMA 6 - Class 4-7 Local Freight Trucks (Medium Trucks)

Eder Brothers, Inc.

Amount Awarded: \$157,500.00

Location: West Haven

Project Description: Replacement of seven, MY 2005-2007, Class 7 diesel delivery trucks with seven, MY 2020, diesel equivalents.

Status: Completed and closed out January 14, 2020

John DeGrand & Son, Inc.

Amount Awarded: \$61,250.00⁴

Location: West Haven

Project Description: Replace two, MY 2009-2011, Class 7 diesel delivery trucks with two, MY 2019, diesel equivalents.

Status: Completed and closed out June 1, 2020

EMA 10 - Diesel Emission Reduction Act (DERA) Option

Atlas Concrete Products

Amount Awarded: \$76,280.79

Location: New Britain

Project Description: Replacement of one, MY 2002, Class 8 flatbed truck with hydraulic crane, with a MY 2019 diesel equivalent flatbed with hydraulic loader crane.

Status: Completed and closed out March 7, 2020

Sysco Leasing, LLC

Amount Awarded: \$149,233.61

Location: Rocky Hill

Project Description: Replace two Class 7 and five Class 8 MY 2005 – 2006 diesel delivery trucks with two MY 2019 Class 7 and five MY 2019 Class 8 diesel equivalents.

Status: Completed and closed out June 30, 2020

⁴ John DeGrand & Son, Inc. was originally awarded \$61,250.00 as a Round 1 project. However, after the award, the project total amount decreased and the grant amount was adjusted accordingly when the Mitigation Plan was developed. The Round 1 Class 4-7 Local Freight Trucks D-4 was submitted using the adjusted grant amount of \$46,617.50 rather than the initial awarded amount.

In 2019, the State of Connecticut submitted Beneficiary Eligible Mitigation Action Certification (Appendix D-4) Forms for Round 1 to Wilmington Trust for approval. Although all submitted Appendix D-4 Forms have been approved by WT, not all of the Beneficiaries have requested trust funds during this reporting period. Reimbursement for eight (8) of the twelve (12) Round 1 projects were dispersed in 2020. In 2021, reimbursement for one project, Block Island Express, was dispersed. Funds were not dispersed for any Round 1 projects in 2022.

Round 1 Approved Beneficiary Eligible Mitigation Action Certification (Appendix D-4) Forms

EMA	Beneficiary Eligible Mitigation Action Title	Approval Date
1	Class 8 Local Freight Trucks and Port Drayage Trucks (Eligible Large Trucks)	January 21, 2020
2	Class 4-8 School Bus (Eligible Buses)	January 21, 2020
4	Ferries/Tugs	January 21, 2020
6	Class 4-7 Local Freight Trucks (Medium Trucks)	September 6, 2019
10	Diesel Emission Reduction Act (DERA) Option	November 26, 2019

Round 1 Approved Eligible Mitigation Action Funds Disbursed

Funding Request	Beneficiary	EMA	Budgeted Amount	Amount Reimbursed	Reimbursement Date
1	Eder Brothers, Inc.	6	\$157,500.00	\$143,121.56	January 14, 2020
2	H.I. Stone & Son	1	\$303,200.00	\$301,788.59	March 7, 2020
3	Atlas Concrete Products	10	\$76,280.79	\$76,280.79	March 7, 2020
4	USA Hauling & Recycling	1	\$1,127,750.00	\$1,127,750.00	May 14, 2020
5	John DeGrand & Son	6	\$61,250.00	\$46,617.50	June 1, 2020
6	First Student	2	\$1,338,780.00	\$1,186,468.40	June 2, 2020
7	Sysco Corporation	10	\$149,233.61	\$149,233.61	June 30, 2020
8	Bozzuto's Incorporated	1	\$1,050,000.00	\$1,050,000.00	September 8, 2020
9	Block Island Express	4	\$971,720.00	\$971,720.00	April 7, 2021

DEMP Round 2: For Round 2 solicitation, DEEP conducted an open and competitive solicitation process for VW funds that was initiated on August 1, 2019. Projects were selected and announced on November 22, 2019. Projects awarded for CT Diesel Emissions Reduction Program Round 2 funding, broken out by Eligible Mitigation Action, include:

EMA 1 - Class 8 Local Freight Trucks and Port Drayage Trucks (Eligible Large Trucks)

Bozzuto's Inc.

Amount Awarded: \$175,000.00

Location: New London, Ansonia, Waterbury, Derby, New Britain, Hartford, Bridgeport, Windham, Bristol, Meriden, Torrington, Enfield, Naugatuck, New Haven, and East Haven, CT

Project Description: Replace five (5) Class 8 diesel-powered tractors, the oldest in the proposal, with MY 2021 diesel-powered equivalents.

Status: Ongoing, project details in attached Report Tables

H. I. Stone and Son, Inc.⁵

Amount Awarded: \$72,302.26

Location: New Haven, Stamford and Waterbury, CT

Project Description: Replace two (2) , Class 8 MY 1995, diesel-powered trucks with MY 2020 equivalents.

Status: Completed and closed out April 7, 2021

R + L Transfer, Inc.

Amount Awarded: \$183,720.00

Location: South Windsor and Wallingford, CT

Project Description: Replace eight (8) Class 8, MY 2004-2007, diesel tractors with MY 2019 diesel-powered equivalents.

Status: Completed and closed out November 12, 2020

Sysco Leasing, LLC

Amount Awarded: \$346,500

Location: Rocky Hill and Hartford, CT

Project Description: Replace fifteen (15) Class 8, MY 2006-2009, diesel-powered heavy duty local freight trucks with MY 2020 diesel-powered equivalents.

Status: Ongoing, project details in attached Report Tables

Town of East Hartford

Amount Awarded: \$637,780.00

Location: East Hartford, CT

Project Description: Replace four (4) Class 8, MY 1999-2007, diesel-powered refuse trucks with two MY 2020 CNG-powered equivalents and two MY 2021 diesel-powered equivalents.

Status: Completed and closed out on October 18, 2021

USA Waste & Recycling

Amount Awarded: \$591,600.00

Location: Waterbury, New Britain, Hartford, Bridgeport, East Hartford, Bristol, Meriden, Enfield, Naugatuck, and New Haven, CT

Project Description: Replace eight (8) Class 8, MY 1997-2006, diesel-powered refuse trucks, the oldest in the proposal, with MY 2021, Class 8 CNG-powered refuse trucks.

Status: Completed and closed out on September 14, 2021

EMA 2 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Eligible Buses)**Connecticut Department of Transportation**

Amount Awarded: \$576,225.00

Location: Windham, CT

Project Description: Replace one (1) Class 7, MY 2005, diesel-powered transit bus, with a MY 2020 full electric transit bus and install associated charging infrastructure.

Status: Ongoing, project details in attached Report Tables

⁵ H.I. Stone & Son, Inc. was awarded one project during Round 2 to replace two Class 5 trucks and two Class 8 trucks. For Semi-Annual reporting purposes, H.I. Stone is treated as one project. However, two separate D-4s were submitted for H.I. Stone based on the associated Eligible Mitigation Actions (EMA 1 and EMA 6.)

DATTCO, Inc.

Amount Awarded: \$122,689.00

Location: Middletown, CT

Project Description: Replace one (1) Class 4, MY 2009, diesel powered school bus with a MY 2020 electric powered school bus.

Status: Completed and closed out November 22, 2021

First Student, Inc.

Amount Awarded: \$668,398.00

Location: Watertown, Ridgefield, Hamden, Weston and New Fairfield, CT

Project Description: Replace twelve (12) Class 6 and Class 7, engine model year (EMY) 2006-2007 school buses, the oldest in the proposal, with EMY 2021 diesel-powered equivalents

Status: Ongoing, project details in attached Report Tables

Student Transportation of America, Inc. (Naugatuck)

Amount Awarded: \$912,070.00

Location: Naugatuck, CT

Project Description: Replace eighteen (18) Class 7, MY 2008, school buses with MY 2019 diesel-powered equivalents.

Status: Completed and closed out December 21, 2020

Yale University

Amount Awarded: \$505,500.00

Location: New Haven, CT

Project Description: Replace one (1) Class 8, MY 2009, diesel-powered shuttle bus with a MY 2020 electric equivalent and install associated charging structure.

Status: Project has been withdrawn by Yale University

EMA 4 - Ferries/Tugs**Fisher's Island Ferry District**

Amount Awarded: \$819,260.00

Location: New London, CT

Project Description: Replace EMY 1985 propulsion engines, gearboxes, auxiliary generator sets and related equipment in the ferry M/V Race Point.

Status: Ongoing, project details in attached Report Tables

EMA 6 - Class 4-7 Local Freight Trucks (Medium Trucks)**Eversource Energy Service Company**

Amount Awarded: \$326,083.00

Location: Berlin, Hartford and Torrington, CT

Project Description: Replace five (5) Class 7, MY 2007 & 2009, diesel-powered utility bucket trucks with MY 2020 diesel-powered hybrid electric utility buckets trucks.

Status: Completed and closed out February 18, 2021

H. I. Stone and Son, Inc.³

Amount Awarded: \$79,858.75

Location: New Haven, Stamford and Waterbury, CT

Project Description: Replace two (2) Class 5, MY 2004 & 2006, diesel-powered with MY 2020 equivalents.

Status: Completed and closed out April 7, 2021

Hocon Gas, Inc.

Amount Awarded: \$139,805.00

Location: Waterbury, CT

Project Description: Replace four (4) Class 7 diesel-powered delivery trucks with MY 2020 propane-powered equivalents.

Status: Completed and closed out December 28, 2021

State Line Propane, LLC

Amount Awarded: \$96,264.00

Location: Granby, CT

Project Description: Replace three (3) Class 7, MY 1995 & 2000, diesel-powered delivery fuel trucks with one MY 2020 diesel-powered and two MY 2020 propane-powered delivery fuel trucks.

Status: Completed and closed out July 30, 2021

EMA 10 - Diesel Emission Reduction Act (DERA) Option⁶**F&F Concrete Corporation:**

Amount Awarded: \$172,181.32

Location: Hartford, Middlesex and New Haven Counties

Project Description: Replacement of three Class 8 concrete trucks with MY 2020 diesel-powered equivalents.

Status: Completed and closed out November 2, 2020

Gateway Terminal, LLC:

Amount Awarded: \$386,083.12; **\$285,637.60 will come from the “DERA Option” under VW NOx Mitigation Trust Agreement**, \$100,445.52 from FY 2017-2018 State DERA allocation and bonus, and \$15,059.15 is from State SEP funds.

Location: New Haven, CT

Project Description: Replacement of six Class 8 diesel drayage trucks, MY 2006-2009, with 202 MY diesel equivalents.

Status: Completed and closed out September 29, 2020

Kay's Trucking

Amount Awarded: \$57,733.69

Location: South Windsor, CT

Project Description: Replacement of two (2) Class 8 diesel-powered tractors with two MY 2019-2020 diesel-powered equivalents.

Status: Completed and closed out August 31, 2020

Target Enterprises

Amount Awarded: \$37,885.74

Location: Thomaston, CT

Project Description: Replace one MY 2007 Class 7 diesel-powered flatbed truck with hydraulic crane with a 2019 diesel-powered equivalent.

Status: Completed and closed out July 7, 2020

⁶ Please refer to the two attached DERA Quarterly Reports, covering the reporting periods of July 1 to September 30 and October 1 to December 31, 2021, for a summary of the VW DERA Option Projects (Eligible Mitigation Action 10)

Town of Weston:

Amount Awarded: \$83,287.74; the funds will come from a combination of State DERA funds (\$31,238.49) and the **"DERA Option" under VW NOx Mitigation Trust Agreement (\$52,049.25)**.

Location: Weston, CT

Project Description: Replacement of two Class 8, MY 1995 & 2001, diesel-powered maintenance dump trucks with MY 2019 diesel-powered equivalents.

Status: Completed and closed out December 8, 2020

In 2020, the State of Connecticut submitted Round 2 Beneficiary Eligible Mitigation Action Certification (Appendix D-4) Forms to Wilmington Trust for approval. Although all submitted Appendix D-4 Forms have been approved by WT, not all of the Beneficiaries have requested trust funds during this reporting period. Reimbursement for all five (5) EMA 10 DERA Option Round 2 projects was dispersed in 2020. Additionally, two Round 2 projects were completed and reimbursed in 2020 including EMA 1 project, R+L Transfer, Inc., and Student Transportation of America, an EMA 2 project. In 2021, seven Round 2 projects were reimbursed. The reimbursed projects include – H.I. Stone and Son, Inc. (EMA 1 and EMA 6), USA Waste & Hauling and Town of East Hartford (EMA 1), DATTCO, Inc. (EMA 2), Eversource Energy Services, Hocon, Gas, and State Line Propane (EMA 6). In 2022, no funds have been dispersed yet for Round 2 projects.

Round 2 Submitted and Approved Beneficiary Eligible Mitigation Action Certification (Appendix D-4) Forms

EMA	Beneficiary Eligible Mitigation Action Title	Submittal Date	Approval Date
1	Class 8 Local Freight Trucks and Port Drayage Trucks (Eligible Large Trucks)	June 4, 2020	August 3, 2020
2	Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Eligible Buses)	June 9, 2020	August 10, 2020
4	Ferries/Tugs	June 18, 2020	August 17, 2020
6	Class 4-7 Local Freight Trucks (Medium Trucks)	April 7, 2020	June 7, 2020
10	Diesel Emission Reduction Act (DERA) Option	May 7, 2020	July 6, 2020

Round 2 Approved Eligible Mitigation Action Funds Disbursed

Funding Request	Beneficiary	EMA	Budgeted Amount	Amount Reimbursed	Reimbursement Date
1	Target Enterprises	10	\$37,885.74	\$35,678.10	July 7, 2020
2	Kay's Trucking	10	\$57,733.69	\$57,733.69	August 31, 2020
3	Gateway Terminal	10	\$285,637.60	\$285,637.60	September 29, 2020
4	F&F Concrete	10	\$172,181.32	\$170,955.94	November 2, 2020
5	R + L Transfer, Inc.	1	\$183,720.00	\$183,720.00	November 12, 2020
6	Town of Weston	10	\$52,049.25	\$52,049.25	December 8, 2020
7	Student Transportation of America, Inc.	2	\$912,070.00	\$905,049.52	December 21, 2020

8	Eversource Energy Service Company	6	\$326,083.00	\$326,083.00	February 18, 2021
9	H. I. Stone and Son, Inc.	1	\$72,302.26	\$152,161.01	April 7, 2021
		6	\$79,858.75		
10	State Line Propane	6	\$96,264.00	\$96,264.00	July 30, 2021
11	USA Waste & Recycling	1	\$591,600.00	\$591,600.00	September 14, 2021
12	Town of East Hartford	1	\$637,780.00	\$631,790.83	October 18, 2021
13	DATTCO, Inc.	2	\$122,689.00	\$113,863.88	November 22, 2021
14	Hocon Gas, Inc.	6	\$139,805.00	\$139,805.00	December 28, 2021

DEMP Round 3: DEEP conducted an open and competitive solicitation in the fall of 2020 after which the following nine (9) projects were selected and awarded using VW “DERA Option” funds from the Volkswagen Diesel Emissions Environmental Mitigation Trust (VW Trust). The specifics of each DERA Option project is outlined below.

Blue Earth Compost, Inc.

Amount Awarded: \$69,862.00

Location: Hartford, CT

Project Description: Replacement of a Class 5 compost collection stepvan truck with an electric MY 2020 equivalent.

Status: Ongoing, project details in attached Report Tables

Cariati Developers, Inc.

Amount Awarded: \$256,187.50

Location: New Haven, Wallingford, Bridgeport, Milford, and statewide

Project Description: Replacement of five Class 8 dump trucks with MY 2022 diesel equivalents.

Status: Ongoing, project details in attached Report Tables

Coastal Carriers of Connecticut, LLC

Amount Awarded: \$34,200.75

Location: Ansonia, CT

Project Description: Replacement of one EMY 1999 diesel fuel delivery truck with a MY 2021 diesel equivalent.

Status: Completed and closed out on May 2, 2022

CWPM, LLC

Amount Awarded: \$24,664.35

Location: Essex and New Haven, CT

Project Description: Replacement of a MY 2005 diesel-powered Class 6 truck with a MY 2021 diesel-powered equivalent.

Status: Completed and closed out on May 2, 2022

E.A. Quinn Landscape Contracting, Inc.

Amount Awarded: \$16,462.00

Location: Glastonbury, CT

Project Description: Replacement of a MY 2005 diesel-powered Class 5 box truck with a MY 2022 diesel-powered equivalent.

Status: Completed and closed out on March 17, 2022

Elate Moving, LLC⁷

Amount Awarded: \$95,818.00

Location: Greenwich, Fairfield County, and the Greater New York area

Project Description: Replacement of a MY 2005 diesel-powered Class 6 moving truck with a MY 2022 battery-electric-powered equivalent.

Status: Project has been withdrawn by Elate Moving, LLC

Murphy Road Recycling, LLC

Amount Awarded: \$126,966.30

Location: New Haven, CT

Project Description: Replacement of one MY 2005 diesel-powered yard tractor with a MY 2021 EV equivalent (includes EVSE).

Status: Completed and closed out on February 28, 2022

Town of North Stonington⁸

Amount Awarded: A total grant of \$167,942.38 was awarded to the Town of Stonington; **\$66,357.64 will come from the 2020 “DERA Option” under VW NOx Mitigation Trust Agreement**, and \$101,584.74 from FY 2019-2020 State DERA allocation and bonus.

Location: North Stonington, CT

Project Description: Replacement of a MY 1997 diesel refuse truck with a zero emissions EV equivalent.

Status: Project has been withdrawn by the Town of Stonington

Ryder Systems, Inc.⁹

Amount Awarded: \$427,050.00

Location: Bloomfield, CT

Project Description: Replacement of four (4) MY 2012 diesel transport refrigeration units (TRUs) on existing trailers with EV equivalents (includes EVSE).

Status: Project has been withdrawn by Ryder Systems, Inc.

On May 26, 2021, the State of Connecticut submitted a Round 3 DERA Option Beneficiary Eligible Mitigation Action Certification (Appendix D-4) Form to Wilmington Trust for approval. The D-4 was approved by Wilmington Trust on July 28, 2021. Even though the D-4 was approved, not all of the Round 3 FY2020 DERA Option Beneficiaries have requested trust funds during this reporting period. Reimbursement has been dispersed for four projects including Murphy Road Recycling, LLC, E.A. Quinn Landscape Contracting, Inc., CWPM, LLC and Coastal Carriers.

⁷ The Elate Moving project has been withdrawn from DEMP Round 3. The grant amount of \$95,818.00 awarded to Elate Moving has been subtracted out of DEMP Round 3 and will be eligible to be rolled over into future DERA Option funding rounds.

⁸ In January 2022, the Town of North Stonington withdrew the awarded project. The VW grant amount of \$66,357.64 has been deducted from DEMP Round 3 and will be eligible for rollover into a future DERA Option funding round.

⁹ In June 2022, Ryder Systems, Inc, withdrew the awarded project. The VW grant amount of \$427,050.00 has been deducted from DEMP Round 3 and will be eligible for rollover into a future DERA Option funding round.

Round 3 Submitted and Approved Beneficiary Eligible Mitigation Action Certification (Appendix D-4) Form

EMA	Beneficiary Eligible Mitigation Action Title	Submittal Date	Approval Date
10	Diesel Emission Reduction Act (DERA) Option	May 26, 2021	July 28, 2021

Round 3 Approved Eligible Mitigation Action Funds Disbursed

Funding Request	Beneficiary	EMA	Budgeted Amount	Amount Reimbursed	Reimbursement Date
1	Murphy Road Recycling, LLC	10	\$126,966.30	\$126,966.30	February 28, 2022
2	E.A. Quinn Landscape Contracting, Inc.	10	\$16,462.00	\$16,462.00	March 17, 2022
3	CWPM	10	\$24,664.35	\$24,664.35	May 2, 2022
4	Coastal Carriers	10	\$34,200.75	\$34,200.75	May 2, 2022

DEMP Round 4: An open and competitive solicitation process for VW funds, focusing on electric and Environmental Justice (EJ) projects, was initiated on August 13, 2021. Projects were selected and announced on December 22, 2021. Funding was awarded to five (5) all electric projects operating in EJ communities. Since the projects were recently awarded in December 2021, the D-4s have not been submitted yet for the awarded projects. The awarded DEMP Round 4 projects, broken out by Eligible Mitigation Action, include:

EMA 2 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Eligible Buses)

DATTCO, Inc.

Amount Awarded: \$1,504,731.37

Location: Middletown, CT

Project Description: Replace six (6) EMY 2009, Class 7 school buses, with EMY 2023 EV equivalents; charging infrastructure included.

Status: Ongoing, project details in attached Report Tables

DATTCO, Inc.

Amount Awarded: \$1,060,479.18

Location: New Britain, CT

Project Description: Replace four (4) EMY 2009, Class 7 school buses, with EMY 2023 EV equivalents; charging infrastructure included.

Status: Ongoing, project details in attached Report Tables

First Student, Inc.

Amount Awarded: \$3,242,944.00

Location: Bethel, Hamden and Stamford, CT

Project Description: Replace sixteen (16) EMY 2006-2009, Class 5 and Class 7 school buses, with EMY 2022 EV equivalents; charging infrastructure included.

Status: Project has been withdrawn by First Student, Inc.

Student Transportation of America, Inc. (Naugatuck)

Amount Awarded: \$3,743,914.85

Location: Anonsonia and Griswold, CT

Project Description: Replace seventeen (17) EMY 2009, Class 7 school buses, with EMY 2023 EV equivalents; charging infrastructure included.

Status: Ongoing, project details in attached Report Tables

EMA 8 - Forklifts and Port Cargo Handling Equipment

Waterfront Enterprises, LLC, dba Gateway Terminal, LLC

Amount Awarded: \$3,155,486.00

Location: New Haven, CT

Project Description: Scrappage and Replacement of one EMY 1973 diesel powered gantry crane with an EMY 2022 all-electric equivalent.

Status: Ongoing, project details in attached Report Tables

Connecticut is tracking administration expenses by EMA; however, Connecticut has not yet included any administrative expenses in a reimbursement request to Wilmington Trust.

**Volkswagen Diesel Emission Environmental Mitigation Trust for States
Semi-Annual Report**

Beneficiary	Connecticut
Lead Agency	Department of Energy and Environmental Protection (DEEP)
Reporting Period	January 1, 2022 – June 30, 2022

	Reporting Period	Cumulative
Total Trust Funds Allocated		\$55,721,169.00
Interest Earned	\$4,000.00 ¹	\$1,023,000.00
Funds Expended	\$202,293.40	\$8,997,665.67
CT Accounting Remaining Balance		\$46,723,503.33
Wilmington Trust (2/16/22) Financial Statement		\$49,920,000.00 ²

¹ Interest earned for this reporting period is estimated from the December 31, 2021 financials provided by Wilmington Trust in the *Volkswagen Diesel Emissions Mitigation Trust for State Beneficiaries, Puerto Rico, and District of Columbia Semi Annual Report for the Reporting Period Ending December 31, 2021*.

² Balance of \$49,920,000.00 listed in the Table was obtained from the *Volkswagen Diesel Emissions Mitigation Trust for State Beneficiaries, Puerto Rico, and District of Columbia Semi Annual Report for the Reporting Period Ending December 31, 2021*.

Summary of All Costs – DEMP Round 1

Project	Total Funds Budgeted	Total Funds Received	Eligible Administrative Costs ³	Notes
EMA 1 - Class 8 Local Freight Trucks and Port Drayage Trucks (Eligible Large Trucks)	\$2,480,950.00	\$2,479,538.59	\$372,142.50	All three projects, Bozzuto's, H.I. Stone and USA Hauling, in EMA 1 have been completed and funds have been disbursed.
EMA 2 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Eligible Buses)	\$8,106,502.00	\$1,186,468.40	\$1,215,975.30	Only one project (First Student,) from this Eligible Mitigation Action Category has been completed and funds have been disbursed by the Trustee for that one project.
EMA 3 - Freight Switchers	\$0	\$0	\$0	
EMA 4 - Ferries/Tugs	\$971,720.00	\$971,720.00	\$145,758.00	The Block Island Express project has been completed and all funds have been disbursed for EMA 4.
EMA 5 - Ocean Going Vessels (OGV) Shorepower	\$0	\$0	\$0	
EMA 6 - Class 4-7 Local Freight Trucks (Medium Trucks)	\$204,117.50	\$189,739.06	\$30,617.73	Both projects, Eder Brothers and John DeGrand and Son, Inc., in EMA 6 have been completed and Trust funds have been disbursed.
EMA 7 - Airport Ground Support Equipment	\$0	\$0	\$0	
EMA 8 - Forklifts and Port Cargo Handling Equipment	\$0	\$0	\$0	
EMA 9 - Light Duty Zero Emission Vehicle Supply Equipment	\$0	\$0	\$0	
EMA 10 - Diesel Emission Reduction Act (DERA) Option	\$225,514.40	\$225,514.40	\$33,827.16	For the DERA Option projects, both projects have been completed and the grantees have been reimbursed.
Totals	\$11,988,803.90	\$5,052,980.45	\$1,798,320.59	

³ To date, no administrative funds have been requested by Connecticut; therefore, no funds to cover administrative costs have been disbursed by the Trustee during this reporting period.

Summary of All Costs – DEMP Round 2

Project	Total Funds Budgeted	Total Funds Received	Eligible Administrative Costs ³	Notes
EMA 1 - Class 8 Local Freight Trucks and Port Drayage Trucks (Eligible Large Trucks)	\$2,006,902.26	\$1,479,413.09	\$301,035.34	Four projects, R+L Transfer, H.I. Stone, Town of East Hartford and USA Hauling, in EMA 1 have been completed and funds have been dispersed.
EMA 2 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Eligible Buses)	\$2,784,882.00	\$1,018,913.40	\$417,732.30	Two school bus replacement projects in Round 2 EMA 2, STA Naugatuck and DATTCO, have been reimbursed.
EMA 3 - Freight Switchers	\$0	\$0	\$0	
EMA 4 - Ferries/Tugs	\$819,260.00	\$0	\$122,889.00	The Fisher's Island Ferry District project has not been completed; therefore, no funds have been disbursed for EMA 4.
EMA 5 - Ocean Going Vessels (OGV) Shorepower	\$0	\$0	\$0	
EMA 6 - Class 4-7 Local Freight Trucks (Medium Trucks)	\$642,010.75	\$642,010.75	\$96,301.61	Four projects, H.I. Stone, Eversource, State Line Propane and Hocon Gas, in the EMA 6, Class 4-7 Local Freight Trucks have been completed; thus, funds for all four projects in EMA 6 have been dispersed.
EMA 7 - Airport Ground Support Equipment	\$0	\$0	\$0	
EMA 8 - Forklifts and Port Cargo Handling Equipment	\$0	\$0	\$0	
EMA 9 - Light Duty Zero Emission Vehicle Supply Equipment	\$0	\$0	\$0	

EMA 10 - Diesel Emission Reduction Act (DERA) Option	\$605,487.60	\$602,054.58	\$90,823.14	All five (5) Round 2 DERA Option projects - F&F Concrete, Gateway Terminal, Kay's Trucking, Target Enterprises, and Town of Weston have been completed and funds have been disbursed.
Totals	\$6,858,542.61	\$3,742,391.82	\$1,028,781.39	

Summary of All Costs – DEMP Round 3

Project	Total Funds Budgeted	Total Funds Received	Eligible Administrative Costs ³	Notes
EMA 10 - Diesel Emission Reduction Act (DERA) Option	\$1,117,568.54 ⁴	\$202,293.40	\$167,635.28	Four projects in the EMA 10, DERA Option have been completed; \$202,293.40 in funds have been dispersed.
Totals	\$528,342.90 ⁵	\$202,293.40	\$167,635.28	

Summary of All Costs – DEMP Round 4

Project	Total Funds Budgeted	Total Funds Received	Eligible Administrative Costs ⁶	Notes
EMA 2 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Eligible Buses)	\$6,309,125.40	\$0	\$0	None of the projects in the EMA 2 have been completed; therefore, no funds have been dispersed.
EMA 8 - Forklifts and Port Cargo Handling Equipment	\$3,155,486.00	\$0	\$0	Since the EMA 8 project has not been completed; no funds have been dispersed.
Totals	\$9,464,611.40	\$0	\$0	

⁴ \$1,117,568.54 was the total amount originally awarded under DEMP Round 3 and submitted as part of the Round 3 DERA Option Beneficiary Eligible Mitigation Action Certification (Appendix D-4) Form to Wilmington Trust on May 26, 2021, approved by the Trust on July 28, 2021. However, since the DEMP Round 3 projects were awarded, three grantees, Elate Moving, Ryder Systems, Inc. and Town of North Stonington, have withdrawn their projects. The revised total funds budgeted for DEMP Round 3 is \$528,342.90.

⁵ Three projects, Elate Moving, North Stonington and Ryder Systems, have been withdrawn from DEMP Round 3. A total combined amount of \$589,225.64 was awarded to Elate Moving (\$95,818.00), North Stonington (\$66,357.64) and Ryder Systems (\$427,050.00); that amount has been deducted from the DEMP Round 3 total and will be eligible to be rolled over into a future DERA Option funding round.

⁶ CT is not planning on requesting reimbursement for administrative costs associated with Round 4 at this time.

Project Narrative					
Eligible Action Category	VW Funding Round	Grantee	Beneficiary Mitigation Plan Project Title	Project Description	Project Status
6	1	Eder Brothers	Replacement Beverage Trucks	The project replaced seven trucks (one Class 5 and six Class 7 trucks) with 2020 Model Year (MY) Hinodi, model 338 units. The trucks will be used to transport beverages in New Haven County and statewide.	Eder Brothers successfully replaced seven (7) beverage delivery trucks. The old delivery trucks were scrapped, and documentation was provided to and reviewed by CT DEEP. The project has been completed and Trust funds have been disbursed.
1	1	H.I. Stone & Son	Replacement of Seven Class 8 Diesel Trucks	H.I. Stone & Son Inc. replaced seven Class 8 diesel trucks with equivalent diesel trucks. The new trucks will be used for various purposes in some of the more congested areas in Connecticut including Waterbury, Hartford and Stamford.	H.I. Stone replaced seven (7) Class 8 diesel trucks with equivalent diesel trucks. The old Class 7 trucks were scrapped and documentation was provided to and reviewed by CT DEEP. The project has been completed and Trust funds have been disbursed.
10	1	Atlas Concrete Products	2019 Mack Truck with Crane Replacement	The purpose of this project is to replace, for the Atlas Concrete Products (Atlas Concrete), one 2002 model year (MY) Mack Class 8 flatbed truck with hydraulic crane. The vehicle was replaced with a 2019 MY Mack Granite 64 FR with a Palfinger hydraulic loader crane.	Atlas has taken ownership of the new 2019 MY Mack Granite 64 FR with a Palfinger hydraulic loader crane. The old flatbed truck and hydraulic crane were scrapped, and documentation was provided to and reviewed by CT DEEP. The project has been completed and Trust funds have been disbursed.
1	1	USA Hauling & Recycling	16 CNG Refuse Trucks	USA Hauling & Recycling's project replaced sixteen (16) Class 8, diesel-powered refuse trucks with 16 2020 Model Year (MY) compressed natural gas (CNG)-powered equivalents. The trucks will be used to collect refuse and recyclables in and around Oakville and Waterbury, CT.	The Scope of Work was revised to reflect USA Hauling purchasing sixteen CNG-powered refuse trucks rather than the seventeen trucks awarded as part of the project. The grant amount was reduced from \$1,203,250.00 to \$1,127,750.00 accordingly. USA Hauling & Recycling has received the sixteen new CNG refuse trucks. The old diesel-powered refuse trucks were scrapped and documentation was provided

					to and reviewed by CT DEEP. The project has been completed and Trust funds have been disbursed.
6	1	John DeGrand & Son, Inc.	J. DeGrand and Son Vehicle Update	The purpose of this project is to replace two trucks for John DeGrand and Son, Inc. a 2009 Model year (MY) International 7300 4x4 Series Van with a 2019 MY Workstar series 4x4 truck and a 2011 MY International 4000 Series Truck with a 2019 MY International MV series truck. The trucks will be used to transport supplies from West Haven, Connecticut, to New England and the Tri-state area, along major highway corridors in the state (I-91, I-95 and I-84).	The project is complete, the two (2) new 2019 MY International MV series trucks have been received and the old trucks have been scrapped. John DeGrand purchased the new vehicles at a cost less than the original proposal, therefore the reimbursement payment was decreased. All documents have been received and trust funds have been disbursed.
2	1	First Student	First Student - CT VW Round 1	This project replaced the twenty-two (22) MY 2006 school buses with 2018 MY Thomas Built Safe-T-Liner equivalents. These are the oldest buses in a fleet used to transport school students in Middlebury, Southbury, Hartford and Ellington, CT.	Twenty-two (22) buses instead of twenty-nine (29) buses were replaced and scrapped as a revision to First Student's original grant. To reflect the reduction in the number of buses, the original award amount of \$1,338,780.00 was adjusted to \$1,186,468.40. The project has been completed and trust funds have been disbursed.
10	1	Sysco Corporation	2018 Sysco Connecticut Diesel Truck Emission Reduction	Replacement of two Class 7 and five Class 8 trucks with two MY 2019 Class 7 International 4300 SBA 4x2 and five MY 2019 Class 8 Mack Anthem 42T units occurred as part of this project. The trucks will be used to transport food products from Rocky Hill, Connecticut to restaurants, healthcare and educational facilities throughout the state.	The project is complete; the seven (7) new Sysco trucks, five (5) Class 8 and two (2) Class 7, have been received and the old trucks have been scrapped. The project has been completed and trust funds have been disbursed.
1	1	Bozzuto's Inc.	Bozzuto's Inc. Fleet Truck Repower	This project replaces thirty-five (35) of Bozzuto's Class 8 trucks with MY 2020 Freightliner Cascadia and Ottawa units. The trucks will be used to transport food and household products from Cheshire, CT to retailers in Connecticut, New England, New York and New Jersey.	Bozzuto's has taken ownership of the 35 MY 2019 Class 8 diesel-powered trucks. The project has been completed and \$1,050,000.00 in Trust funds have been disbursed.

2	1	Durham School Service	Durham School Bus Replacements, Stratford	Durham School Services has replaced twenty-two (22) 2005 Model Year (MY) school buses; eleven (11) with 2019 MY IC Integrated diesel-powered equivalents and eleven with 2020 engine MY IC Integrated propane-powered equivalents. The buses transport school students in Stratford and Norwalk, CT.	The project has been completed and trust funds have been disbursed.
2	1	CT Department of Transportation (CT DOT)	Replacement of 12 Diesel Transit Buses with Battery Electric Transit Buses	The State of Connecticut Department of Transportation (CT DOT) will replace 12 model year 2005 diesel transit buses with 12 battery electric transit buses and associated charging infrastructure. The new electric buses will be garaged in Hamden, CT and operate in the New Haven, CT area.	In November 2018, the VW grant was awarded to CT DOT to purchase twelve (12) battery electric buses (BEBs) with associated electrical modifications and charging infrastructure. The electric bus Request for Proposals (RFPs) development was completed and started through the State of Connecticut competitive procurement process. CTDOT decided to issue a no award and re-advertise the RFPs after several changes were made to the RFP. The revised RFP response period concluded at the end of May 2020. DOT selected New Flyer as the vendor. A contract was awarded to the engineering services firm to plan/design the facility electrical and bus charging infrastructure. The engineering firm completed assessments for the Hamden depot where the electric buses will be housed. The final assessment for the Hamden Depot has been reviewed and finalized. All twelve buses have been received. Charging infrastructure has been installed and is operational. CT DOT has begun preparing the reimbursement package.
4	1	Block Island Express	Repower of the M/V Cecelia Ann	The purpose of this project is for Block Island Express, LLC (Block Island Express) to repower the M/V Cecelia Ann by replacing its four existing Tier-1 compliant propulsion engines and two existing Tier-1	The vessel, engines and equipment were delivered to the shipyard. Thames Shipyard repowered the vessel. The vessel successfully completed sea trials and the

				auxiliary generator sets with 2018 or 2019 EPA certified Tier-3 engines. The existing Tier 1 engines are higher emitting and will be replaced with more efficient engines. The project will also require new gearboxes, keel coolers, engine controls and engine management systems.	United States Coast Guard (USCG) inspection. The vessel returned to service on June 19, 2020. The grantee provided close-out and reimbursement documentation for the project. The project has been completed and Trust funds have been disbursed.
2	1	University of Connecticut (UCONN)	University of Connecticut Electric Transit Bus Replacement Project	Two 2005 MY transit buses owned and operated by UCONN will be replaced with two 2019 or 2020 MY full electric transit buses.	On November 18, 2018, DEEP awarded the UConn VW grant award for the replacement of two diesel buses with two electric buses, one in Stamford and one at the UConn main campus. On August 8, 2019, UConn informed DEEP of their intention to transfer all fleet operation over to the Connecticut Department of Transportation (CT DOT) and requested that the VW grant award be assigned to CT DOT. Via letter on October 9, 2019, DEEP informed UConn that the grant award could be assigned to CT DOT provided that written and signed documentation was attained from both parties stipulating that the assignee would accept all the terms of the award as required by the grant administration documents and trustee requirements. In October 2020, UCONN and CT DOT's agreement to transfer fleet services was accepted by the Attorney General's office and finalized. UConn assigned the VW grant to CT DOT in 1Q 2020, and CT DOT is developing a mitigation plan for the project. (Note that DOT has been granted two separate awards during Rounds 1 and 2 of DEEP VW grant process.) For the Stamford project, the electrical infrastructure upgrades are currently underway. The charging

					infrastructure and last chargers are due for commissioning by April 1, 2022 and the fire suppression upgrades will follow sometime after that.
1	2	R + L Transfer	R+L Transfer, Inc. Connecticut Diesel Emission Mitigation Program Project	R + L Transfer, Inc. (R+L) will replace eight (8) Model Year 2004-2007 class 8 diesel tractors with equivalent diesel tractors B. The new tractors will be operated on pickup and delivery routes during the day and line-haul (i.e. short-haul) routes at night. The tractors are based out of different terminals that serve Hartford, New Haven and Wallingford that each serve clients throughout the State of Connecticut.	R+L replaced eight (8) diesel trucks with equivalent diesel trucks. The old Class 8 trucks were scrapped and documentation was provided to and reviewed by CT DEEP. The project has been completed and trust funds have been disbursed.
1	2	Bozzuto's	Bozzuto's Inc. Fleet Truck Repower	Replace five (5) Class 8 diesel-powered tractors, the oldest in the proposal, with MY 2021 diesel-powered equivalents.	The Bozzuto's Round 2 project was granted an extension until November 15, 2021 due to COVID-related delivery delays. The new tractors have been received. Scrappage on the old trucks was finished and the project has been completed. The reimbursement request package was approved in July 2022. The project has been completed and trust funds have been disbursed.
1	2	H.I. Stone	Replacement of Two Class 8 & Two Class 5 Diesel Trucks	Replace two (2) Class 8 MY 1995, diesel-powered trucks with MY 2020 equivalents.	The two (2) Class 8 trucks were received, and the old trucks were scrapped. The project has been completed and Trust funds have been disbursed.
1	2	Sysco	Early Replacement of 15 Class 8 Diesel Trucks	Replace fifteen (15) Class 8, MY 2006-2009, diesel-powered heavy duty local freight trucks with MY 2020 diesel-powered equivalents.	The Sysco Round 2 project was granted an extension to December 1, 2021, due to pandemic-related budget issues. The new vehicles have been received and the old trucks have been scrapped. The project has been completed and the reimbursement request package was submitted to DEEP management for internal review on June 16, 2022.
1	2	Town of East Hartford	East Hartford Emissions	Replace four (4) Class 8, MY 1999-2007, diesel-powered refuse trucks with two MY 2020 CNG-	All four trucks have been received by the Town of East Hartford. The old trucks have

			Reduction Initiative	powered equivalents and two MY 2021 diesel-powered equivalents.	been scrapped. The Town was granted an extension to June 30, 2021, to compile the reimbursement paperwork. The paperwork was submitted and approved by DEEP. The project has been completed and Trust funds have been disbursed. Due to a decrease in total project cost, the grant was adjusted accordingly and was reduced from the original award of \$637,780.00 to \$631,790.83.
1	2	USA Waste & Recycling	8 CNG Refuse Trucks	Replace eight (8) Class 8, MY 1997-2006, diesel-powered refuse trucks, the oldest in the proposal, with MY 2021, Class 8 CNG-powered refuse trucks.	Eight (8) new trucks have been purchased with eight of the old trucks scrapped. The grantee submitted the reimbursement package which was approved by DEEP. The project has been completed and Trust funds have been disbursed.
2	2	CT DOT	Initial 40' Electric Bus deployment for Windham Regional Transit District (WRTD)	Replace one (1) Class 7, MY 2005, diesel-powered transit bus, with a MY 2020 full electric transit bus and install associated charging infrastructure.	This project will be an extension of the VW Round 1 UCONN award. Once fleet operations and the Round 1 award have been finalized, these two projects will proceed in tandem. CT DOT is in the process of developing a mitigation plan for this project.
2	2	DATTCO, Inc.	Electric School Bus Pilot	Replace one (1) Class 4, MY 2009, diesel powered school bus with a MY 2020 electric powered school bus.	The bus has been received and the EVSE installed. This project was completed, and disbursement of funds occurred in November 2021. The total project cost was reduced; therefore, the VW grant funds were adjusted from \$122,689.00 to \$113,863.88.
2	2	First Student	First Student – CT VW Round 2	Replace twelve (12) Class 6 and Class 7, engine model year (EMY) 2006-2007 school buses, the oldest in the proposal, with EMY 2021 diesel-powered equivalents	An extension, to accommodate delays in delivery and production of the buses, was granted until June 30, 2022, due to COVID-related supply issues. The new buses have been delivered. Scrappage, proof of payment, and proof of delivery documents have been submitted for review.

2	2	Student Transportation of America, Inc. (Naugatuck)	Replacement of 18 Diesel School Buses in Naugatuck, CT	Replace eighteen (18) Class 7, MY 2008, school buses with MY 2019 diesel-powered equivalents.	The new STA buses have been delivered and the old buses have been scrapped. The total project cost was reduced from \$1,403,184 to \$1,392,383.88; therefore, the VW grant funds were adjusted accordingly. STA has been reimbursed the amount of \$905,049.52 in December 2020. The project has been completed and Trust funds have been disbursed.
2	2	Yale University	Replacement of One Class 8 Diesel Bus with a Fully Electric Shuttle Bus and the Installation of the Associated Charging Infrastructure.	Replace one (1) Class 8, MY 2009, diesel-powered shuttle bus with a MY 2020	Project was withdrawn by the grantee by email on January 11, 2022.
4	2	Fisher's Island Ferry District (FIFD)	Ferry Vessel Marine Engine Repower Project – Race Point	Replace EMY 1985 propulsion engines, gearboxes, auxiliary generator sets and related equipment in the ferry M/V Race Point.	FIFD received an extension until July 31, 2021. The five engines have been installed and the Certificate of Inspection (COI) from United States Coast Guard was received. FIFD submitted the reimbursement package to DEEP; management is currently reviewing the package to approve for payment.
6	2	Eversource Energy Service Company	Eversource CT VW Project – Hybrid-Electric Bucket Trucks	Replace five (5) Class 7, MY 2007 & 2009, diesel-powered utility bucket trucks with MY 2020 diesel-powered hybrid electric utility buckets trucks.	The new trucks were delivered in September 2020 and the old trucks were scrapped in early 2021. The project has been completed and Trust funds have been disbursed.
6	2	H.I. Stone	Replacement of Two Class 8 & Two Class 5 Diesel Trucks	Replace two (2) Class 5, MY 2004 & 2006, diesel-powered with MY 2020 equivalents.	The two (2) Class 5 trucks were received, and the old trucks were scrapped. The project has been completed and Trust funds have been disbursed.

6	2	Hocon Gas, Inc.	Propane Delivery Truck	Replace four (4) Class 7 diesel-powered delivery trucks with MY 2020 propane-powered equivalents.	All four vehicles were received by HOCON in 2021. The project was completed, and disbursement of funds occurred in December 2021.
6	2	State Line Propane, LLC	Replace Old and Purchase New Trucks	Replace three (3) Class 7, MY 1995 & 2000, diesel-powered delivery fuel trucks with one MY 2020 diesel-powered and two MY 2020 propane-powered delivery fuel trucks.	The three (3) Class 7 fuel delivery trucks were delivered, and the old trucks were scrapped. The project has been completed and Trust funds have been dispersed.
10	2	F & F Concrete	Three Concrete Truck Replacement	Replacement of three Class 8 concrete trucks with MY 2020 diesel-powered equivalents.	The three replacement concrete trucks have been delivered and the old trucks scrapped. Trust funds have been disbursed for this project. The reimbursed amount is less than the grant amount; F&F was able to get the trucks at a cost less than listed in the proposal and the revision reflects the fixed percentage of the revised cost.
10	2	Gateway Terminal, LLC	Gateway Terminal's Clean Drayage Truck Initiative	Replace, for Gateway Terminal, LLC (Gateway), six Class 8 drayage trucks with 2020 MY Peterbilt model 567 units.	The project has been completed and \$285,637.60 of VW DERA Option funds have been dispersed to the grantee.
10	2	Kay's Trucking, Inc.	Kay's Diesel Decrease	The purpose of this project is to replace, for Kay's Trucking, Inc. (Kay's Trucking), two model year (MY) 1995 and 2000 Class 8 tractors, with 2020 and 2021 MY Volvo VNRs.	The project is complete; the two (2) Class 8 tractors have been received and the old trucks have been scrapped. Trust funds have been disbursed for this project.
10	2	Target Enterprises	Truck 10 with Crane Replacement	The purpose of this project is to replace, for Target Enterprises (Target), one model year (MY) 2007 Class 7 diesel-powered flatbed truck with hydraulic crane. The vehicle will be replaced with a 2019 International MV 607. The truck will be used for delivering construction materials throughout Connecticut, mostly to Fairfield County and the Connecticut shoreline.	Target has taken ownership of the new 2019 MY International MV 607 with hydraulic crane. The old flatbed truck and hydraulic crane were scrapped, and documentation was provided and reviewed by CT DEEP. Target was originally awarded a grant of \$37,885.74; however, Target decided to purchase a MY2019 truck tractor instead of a MY2020 tractor. The grant amount was adjusted accordingly to \$35,678.10. The

					project has been completed and Trust funds have been disbursed.
10	2	Town of Weston	Heavy Duty Dump Trucks	Replacement of two Class 8, MY 1995 & 2001, diesel-powered maintenance dump trucks with MY 2021 diesel-powered equivalents.	The two new dump trucks have been received and the old dump trucks have been scrapped. The project is complete, and the Town of Weston received reimbursement on December 8, 2020.
10	3	Blue Earth Compost	Cleaner Compost Collections	The purpose of this project is to replace a Class 5 compost collection stepvan truck with an electric MY 2020 equivalent.	Blue Earth Compost was granted an extension to March 31, 2022, for time to secure extra funding for EVSE (which was not requested during the grant application proposal; therefore, was not awarded.) The new EV step van has been received and a reimbursement package was submitted to DEEP management for internal review on June 24, 2022. Due to a decrease in total project cost, the grant was adjusted accordingly and was reduced from the original award of \$69,862.00 to \$51,494.91.
10	3	Cariati Developers, Inc.	Five Class 8 Highway Diesel Replacement	Replacement of five Class 8 dump trucks with MY 2022 diesel equivalents.	An extension was requested and approved until June 30, 2022, due to COVID-related delivery delays. A second extension to December 31, 2022 was requested and approved by DEEP; the extension request will also be submitted to EPA for approval.
10	3	Coastal Carriers of Connecticut, LLC	Replace 2006 Kenworth Class 8 Tractor with 2022 Western Star Class 8	The project will replace one EMY 1999 diesel fuel delivery truck with a MY 2021 diesel equivalent.	An extension of January 31, 2022, was requested and approved due to COVID delivery delays. The new Western Star Tractor was delivered, and the old truck has been scrapped. Coastal Carriers submitted a reimbursement package that was approved by DEEP. Trust funds have been disbursed and the project has been completed.
10	3	CWPM, LLC	2021 Service Truck Replacement	Replacement of a MY 2005 diesel-powered Class 6 truck with a MY 2021 diesel-powered equivalent.	The new truck has been delivered and the old truck has been scrapped. CWPM submitted the reimbursement package to

					DEEP, which was reviewed and approved. The project has been deemed complete and disbursement of funds occurred in May 2022.
10	3	E.A. Quinn Landscape Contracting, Inc.	Replacement of 2005 GMC W5500 Diesel Box Truck	Replace, for E.A. Quinn, a MY 2005 diesel-powered Class 5 box truck with a MY 2022 diesel-powered equivalent.	The new truck has been delivered and the old truck has been scrapped. The project was completed, and disbursement of funds occurred in March 2022.
10	3	Elate Moving, LLC	Elate Moving: Kevin Britt	The project will replace a MY 2005 diesel-powered Class 6 moving truck with a MY 2022 battery-electric-powered equivalent.	Elate Moving withdrew from the grant program in November 2021. The grant amount of \$95,818.00 awarded to Elate Moving is eligible for rollover into future DERA Option funding rounds.
10	3	Murphy Road Recycling, LLC	Electric Yard Horse & Charging Infrastructure	The Murphy Road Recycling project will replace one MY 2005 diesel-powered yard tractor with a MY 2021 EV equivalent (includes EVSE).	The old vehicle has been scrapped and the new vehicle has arrived. The project was completed, and disbursement of funds occurred in February 2022.
10	3	Town of North Stonington	North Stonington Dumpster Truck EV Replacement Project	The purpose of the project is to replace, for the Town of North Stonington, one MY 1997 diesel refuse truck with a zero emissions EV equivalent.	North Stonington submitted a formal withdrawal letter on January 12, 2022. The \$66,357.64 awarded to the Town of North Stonington is eligible for rollover into future DERA Option funding rounds.
10	3	Ryder Systems, Inc.	Zero Emissions TRU Replacement Project	Replacement of four (4) MY 2012 diesel transport refrigeration units (TRUs) on existing trailers with EV equivalents (includes EVSE).	Project was withdrawn by the grantee by letter on June 7, 2022.
2	4	DATTCO, Inc. - Middletown	Type C Electric Buses for DATTCO Middletown, Serving Public Schools	Replacement of six (6) engine model year (EMY) 2009, Class 7 school buses, with EMY 2023 EV equivalents; charging infrastructure included. These buses serve Middletown, CT, which is an environmental justice community.	The project was awarded in December 2021. The Mitigation Plan has been finalized. DATTCO started the procurement process by ordering the six new electric buses and associated charging infrastructure.
2	4	DATTCO, Inc. – New Britain	Type C Electric Buses for DATTCO New Britain, Serving the Capitol Region	Replacement of four (4) engine model year (EMY) 2009, Class 7 school buses, with EMY 2023 EV equivalents; charging infrastructure included. These buses serve New Britain, CT, which is an environmental justice community.	DATTCO accepted the VW grant in December 2021 after receipt of the award letter on December 13, 2021. DATTCO has initiated the project implementation process by signing the Mitigation Plan and issuing a

			Education Council (CREC)		Purchase Order for the four new buses and chargers.
2	4	First Student	First Student – CT VW	Replacement of sixteen (16) engine model year (EMY) 2006-2009, Class 5 and Class 7 school buses, with EMY 2022 EV equivalents; charging infrastructure included. These buses serve three environmental justice communities: Bethel, Hamden, and Stamford, CT.	First Student withdrew the Round 3 project on May 2, 2022.
2	4	Student Transportation of America, Inc. (STA)	STA- CT VW Round 3	Replacement of sixteen (16) engine model year (EMY) 2006-2009, Class 5 and Class 7 school buses, with EMY 2022 EV equivalents; charging infrastructure included. These buses serve three environmental justice communities: Bethel, Hamden, and Stamford, CT.	An award letter was sent to STA on December 13, 2021. STA signed the Mitigation Plan on March 25, 2022.
8	4	Waterfront Properties, dba Gateway Terminal	The Gateway Terminal Clean Port Initiative	Replacement of one EMY 1973 diesel powered gantry crane with an EMY 2022 all-electric equivalent. The crane will be located at the Port of New Haven, CT, which is in an environmental justice community.	DEEP awarded the project in December 2021. The Mitigation Plan (Scope of Work, SOW) was finalized on April 7, 2022. An extension to December 31, 2023 was approved and included in the SOW.



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Affirmative Action/Equal Opportunity Employer

July 26, 2022

Ms. Pujarini Maiti
U.S. EPA Region 1
5 Post Office Square – Suite 100
ORA 01-1
Boston, MA 02109-3912

Re: Eleventh Quarterly Report on the FY 2019-2020 State DERA Grant, Connecticut DS 00A00174-2

Dear Ms. Maiti:

The Connecticut Department of Energy and Environmental Protection (DEEP) is pleased to submit its eleventh quarterly report for State Diesel Emission Reduction Act (DERA) Grant, Connecticut DS 00A00174-2. This report covers work performed between April 1, 2022, and June 30, 2022, on the Connecticut Clean Diesel Program. During this reporting quarter:

- DEEP completed its selection process for the 2021 State DERA solicitation and chose one new project, an electric school bus replacement for Winkle Bus Company, to receive funds from this grant that were made available through the withdrawal of two grantees;
- DEEP provided ongoing assistance to the grantees, including the granting of extensions needed to due to Covid-related delivery delays and the compilation of reimbursement request documents for completed projects; in this quarter, Cariati Developers requested an additional Covid-related extension; which was granted by DEEP;
- Three of the 2020 grant projects, Area Cooperative Educational Services, Coastal Carriers of Connecticut, and CWPM, LLC, were approved for payment and reimbursed through EPA or Wilmington Trust;
- Two projects, the Town of Windsor and Blue Earth Compost, were completed this quarter; reimbursement documents were submitted to DEEP for compilation, review, and approval; and
- Ryder Systems, Inc. withdrew from the program.

If you have additional questions regarding this report or the status of Connecticut's Clean Diesel Program, please contact Patrice Kelly (patrice.kelly@ct.gov) or Jennifer Arienti (jennifer.orienti@ct.gov).

Yours truly,

A handwritten signature in black ink that reads "Paul E. Farrell". The signature is written in a cursive style with a large, looped "P" and "F".

Paul E. Farrell
Director, Planning & Standards Division
Bureau of Air Management

cc: Gary Rennie

**U. S. Environmental Protection Agency
State Clean Diesel Grant Program - Quarterly Report**

Grant Recipient	The Connecticut Department of Energy and Environmental Protection (DEEP)
Grant #	DS - 00A00174 - 2
Reporting Period	April 1 - June 30, 2022

WORKPLAN BUDGET	FY19	FY 20
Total EPA Funds Awarded	\$479,775.00	\$506,090.00
Total Mandatory Cost-Share		
Total Voluntary Matching Funds	\$319,850.00	\$337,393.00
Total Project Costs	\$799,625.00	\$843,483.00

	Federal Funds Expended this Reporting Period	Mandatory Cost-Share Expended this Reporting Period	Voluntary Match Expended this Reporting Period		Cumulative Federal Funds Expended	Cumulative Mandatory Cost-Share Expended	Cumulative Voluntary Match Expended	
			Mitigation Funds	Other Funds			Mitigation Funds	Other Funds
Personnel	\$0.00				\$62,973.13			
Fringe Benefits	\$0.00				\$57,508.15			
Travel								
Equipment								
Supplies								
Contractual								
Subawards								
Participant Support Costs (e.g., Rebates)	\$322,352.98		\$58,865.10		\$704,272.86		\$518,710.38	
Other Leveraged Funds		\$60,438.23				\$3,438,604.50		
Indirect Charges	\$0.00				\$24,221.43			
TOTALS	\$322,352.98	\$60,438.23	\$58,865.10	\$0.00	\$848,975.57	\$3,438,604.50	\$518,710.38	\$0.00

Question	Answer
	<p>CT Dept. of Energy & Environmental Protection (DEEP) State DERA Administrative Activities: In the eleventh quarter, DEEP monitored the progress of the projects and worked with the grantees to grant extensions where needed due to Covid-related delivery issues and to compile reimbursement documents as projects were completed. To encourage prompt completion of the projects, DEEP included an August 31, 2022 deadline in its solicitation materials, with the expectation that it would take advantage of the Covid-extended project period to grant extensions as needed. In the eleventh quarter, following an open and competitive process that was initiated October 29, 2021 for Connecticut's 2021 State DERA Program, DEEP evaluated and ranked 24 proposals and made recommendations for funding the five projects described below. One project, Winkle Bus Company's EV school bus replacement, was selected to receive funds from the 2019-2020 DERA grant. A one-year, no cost extension has been requested to allow for completion of this project, as well as the Cariati project. Following the withdrawal of the Ryder project, DEEP also discussed with EPA the possibility of a second one-year extension for this grant. This will allow DEEP to spend those funds on a project or projects selected with the 2021 DERA Solicitation. On May 3, 2022, DEEP submitted its Notice of Intent to Participate (NOIP) in the 2022 State DERA Program. The Workplan Narrative and Fleet sheet were prepared and submitted to Region 1 for EPA review on June 2, 2022, prior to the grants.gov submission on June 17, 2022.</p> <p>Winkle Bus Company (Winkle Bus): DEEP is granting \$213,750.00 to Winkle Bus toward the scrappage and replacement of one model year 2009, diesel-powered 71-passenger school bus with an electric equivalent. Grant funding will include the electric vehicle charging infrastructure. \$157,705.57 will come from the 2019-2020 "DERA Option" under VW NOx Mitigation Trust Agreement, and \$105,903.14 from FY 2019-2020 State DERA allocation and bonus. This award represents just under 45% of the cost of the new bus and infrastructure, which is \$592,115.00. The bus will operate in West Haven, CT, an environmental justice community. While this project was selected as part of the 2021 State DERA grant solicitation, it will also be reported as a revision to the 2019-2020 State DERA grant because that was the source of the funding. DEEP is also requesting a one-year extension of the 2019-2020 grant, DS 00A00174-2 to allow for completion of this project.</p> <p>Town of New Milford (New Milford): A grant of \$108,602.98 for the early replacement of three Class 8 snowplowing dump trucks, MY2000-2004, with MY2020 diesel powered equivalents was awarded to New Milford. The cost of the new trucks has increased from \$496,596.00 to \$521,077.76, of which the grant is less than 25%. The project was completed in the ninth quarter and the reimbursement documents were compiled for review. The reimbursement request was approved for payment December 20, 2021; funds were drawn down in the eleventh quarter.</p>

Area Cooperative Education Services (ACES): DEEP is granting \$213,750.00 to ACES toward the replacement of one model year (MY) 2005 Class 5 diesel-powered school bus with a MY 2021 EV equivalent. The project included purchase and installation of charging infrastructure. This award represents 45% of the cost of the new bus, which is \$475,000.00. The bus will operate in the greater New Haven area. The project was completed in the ninth quarter and the request for payment was submitted for internal review and approval on December 16, 2021. The reimbursement request was approved for payment on April 13, 2022. Funds were drawn down June 13, 2022.

Blue Earth Compost, Inc. (Blue Earth): A grant of \$69,862.00, awarded to Blue Earth, will be used to replace one 2007 MY Class 5 Freightliner MT45 step van with a 2020 MY Class 5 Ford F59 EV step van. The projected cost is \$155,250.00 and the grant represents 45% of the projected cost of the 2020 MY replacement truck. The funds will come from the "DERA Option" under VW NOx Mitigation Trust Agreement. The truck is based in Hartford and collects compost in 16 towns in the greater Hartford area. In the eleventh quarter, Blue Earth scrapped its old truck and EPA reviewed and approved the photo documentation of the alternate scrappage method. On April 29, Blue Earth held a PR event to celebrate the new electric stepvan. Blue Earth completed the paperwork for reimbursement, which was submitted for internal review on June 24, 2022.

Cariati Developers, Inc. (Cariati): Cariati is receiving a grant for \$256,187.50 toward the replacement of five Class 8 diesel dump trucks, MY 1996-2002, with 2022 MY diesel equivalents. The projected cost is \$1,024,750.00 and the original grant represents 25% of the projected cost of the five 2022 MY replacement trucks. The funds will come from the "DERA Option" under VW NOx Mitigation Trust Agreement. The trucks will be used in environmental justice communities in Hartford, Waterbury and Bridgeport and operate on the main corridors of I-95, I-91, I-395 and I-84. Cariati's Vendor is waiting for parts (microchips, etc.) delayed by Covid-related supply issues and now projects that the vehicles cannot be delivered until after September 2022. In the tenth quarter, Cariati submitted a request for an extension to December 31, 2022, accompanied by a note from the vendor, confirming the delay. DEEP has discussed a no-cost extension with EPA to cover this project, as well as any projects funded with leftovers from 2019-2020 grant. DEEP has approved Cariati's request, but Cariati's vendor is still experiencing delays and another project extension may be required.

Coastal Carriers of CT, LLC (Coastal Carriers): Coastal Carriers will receive \$34,200.75 toward the replacement of a EMY 1999 Class 8 diesel-powered fuel delivery truck with a 2022 Class 8 diesel-powered equivalent. The truck will be used in multiple shifts for delivering fuel throughout Connecticut, mostly to urban areas adjacent to Ansonia. The funds will come from the "DERA Option" under VW NOx Mitigation Trust Agreement. This grant represents 25% of the originally proposed cost of the project, which was \$136,803.00, but is less than 25% of the revised cost of the replacement truck, which is \$148,839.00. In the tenth quarter, the project was completed; reimbursement documents were compiled and submitted for review and approval on March 7, 2022. The reimbursement package was approved for payment and submitted to Wilmington Trust, which approved payment on May 4, 2022.

CWPM, LLC (CWPM): A grant of \$24,664.35 for the replacement of one MY 2007 Class 6 truck, with a MY 2020 diesel-powered equivalent has been awarded to CWPM. The cost of the new truck is \$98,657.43 of which the grant is 25%. The funds will come from the "DERA Option" under VW NOx Mitigation Trust Agreement. The project was completed in the seventh quarter. The reimbursement documents were submitted for internal review and approval on November 18, 2021. The reimbursement package was approved for payment and submitted to Wilmington Trust, which approved payment on May 4, 2022.

D. Brake Marine, LLC (D. Brake Marine): D. Brake Marine is using its grant of \$91,748.00 to replace two Tier 0, MY 1960-70 marine propulsion engines on the tug boat *MV Tug Empire* with EPA certified Tier 3 diesel-powered engines. The total project cost is \$229,370.00 of which the grant is 40%. In the eighth quarter, the reimbursement request package was assembled and submitted for internal review and approval on September 8, 2021. Payment was approved on October 25, 2021 and funds were drawn down in the tenth quarter.

E.A. Quinn Landscaping Contracting, Inc. (E. A. Quinn): E. A. Quinn, in Glastonbury will receive \$16,462.00 toward the replacement of one MY 2005 class 5 box truck with a MY 2021 diesel-powered equivalent. This grant represents 25% of the \$65,848.00 cost of the project. The funds will come from the "DERA Option" under VW NOx Mitigation Trust Agreement. In the ninth quarter, the reimbursement documents were submitted for internal review and approval on October 25, 2021 and was approved for payment in the tenth quarter. The payment request was submitted to Wilmington Trust (WT), which approved payment on March 17, 2022.

Elate Moving, LLC (Elate Moving): DEEP is granting \$95,818.00 to Elate Moving toward the replacement of one MY 2005 Hino 268 Class 6 box truck with a MY 2020 Isuzu FTR class 6 battery electric Cab/Chassis moving truck. This award represents 45% of the cost of the new bus, which is \$212,928.00. The funds will come from the "DERA Option" under VW NOx Mitigation Trust Agreement. The truck will operate primarily in Greenwich and in the Fairfield County / Greater New York area. Elate withdrew from the program on November 19, 2021.

Joel Lizza, (commercial fishing) (Lizza): Lizza is receiving a grant for \$27,239.46 toward the replacement of one Tier 1, 1994 MY Volvo TAMD 102D marine propulsion engine on the fishing vessel *FV Lively Lady* with an EPA certified Tier 3 diesel-powered engine. The projected cost was \$6,848.65 and the original grant represented 40% of the projected cost. Because the owner was able to do some of the work himself, the total cost of the project was reduced to \$59,073.40 and the grant amount became \$23,629.36. Reimbursement documents were submitted for internal review and approved for payment on December 7, 2021. Funds were drawn down in the tenth quarter.

Murphy Road Recycling: A grant of \$126,966.30 awarded to Murphy Road Recycling was used to replace one 2004 MY Freightliner COE yard tractor with a 2021 MY Orange EV electric equivalent. Purchase and installation of charging infrastructure was included in the grant. The projected cost was \$282,147.33 and the grant represents 45% of the projected cost of the 2020 MY replacement truck. The funds will come from the "DERA Option" under VW NOx Mitigation Trust Agreement. The yard tractor operates in New Haven. In the eighth quarter, reimbursement documents were compiled and submitted for internal review and approval on September 21, 2021; reimbursement was approved by DEEP on February 24, 2022 and submitted to WT, which approved payment on February 28, 2022.

What actual accomplishments occurred during the reporting period?

	<p>Town of North Stonington (North Stonington): DEEP is granting a total of \$167,942.38 to North Stonington for the replacement of one MY 1997 diesel-powered Mack Model E7350 refuse truck with a MY 2021 Peterbilt Model 579EV electric equivalent. \$66,357.64 will come from the 2020 “DERA Option” under VW NOx Mitigation Trust Agreement, and \$101,584.74 from FY 2019-2020 State DERA allocation and bonus. The projected cost is \$373,205.00 and the total grant represents 45% of the projected cost of replacement truck. North Stonington was facing Covid-related issues with its 2021 budget and requested an extension to August 15, 2022. On December 13, 2021, North Stonington expressed its intent to withdraw from the program due to unresolved budget problems. The final withdrawal request was submitted on January 12, 2022, in the tenth quarter.</p> <p>Ryder Systems, Inc. (Ryder): Ryder, which is located at the distribution center WCD Inc. in Bloomfield, CT, will receive \$427,050.00 toward the replacement of four MY 2012 diesel-powered Transport Refrigeration Unit (TRU) trailers with 2021 MY fully electric alternatives (e-TRUs), powered entirely by the grid and solar electricity. The purchase and installation of TRU infrastructure to use when parking at the distribution center will be included in the project. This grant represents 45% of the \$949,000.00 cost of the project. The funds will come from the “DERA Option” under VW NOx Mitigation Trust Agreement. The new TRUs will operate within Hartford, Fairfield, New Haven, Litchfield, Middlesex, and New London Counties. An extension of the completion deadline to August 31, 2022 was approved May 6, 2021 and the details were incorporated into the SOW, which was finalized May 10, 2021. On May 5, 2022, DEEP set up a conference call with Ryder to ascertain the status of the project. Ryder reported liability issues resulting from a fire associated with charging infrastructure at one of its associated companies; this has extended contract negotiations which are not expected to be resolved soon. On June 7, 2022, Ryder withdrew from the program, freeing up \$427,050 to be included in DEEP’s 2021 DERA solicitation.</p> <p>Town of West Hartford (West Hartford 2020): A grant of \$11,924.10 enabled West Hartford to replace one MY 1996 diesel-powered mower with a 2021 MY Mean Green Rival-60 electric mower. The cost of the new mower was \$24,924.00, which was less than the original proposal of \$26,498.00, therefore the grant is reduced to \$11,215.80 or 45% of the reduced cost. A Purchase Order for the grant was issued May 5, 2021. In the eighth quarter, documentation was compiled for reimbursement and submitted for internal review July 30, 2021. Payment was approved on October 27, 2021; funds were drawn down in the tenth quarter.</p> <p>Town of Windsor (Windsor): A grant of \$27,500.00 is being awarded to Windsor to use towards the replacement of one MY 2008, diesel-powered large-area mower with one 2021 MY Toro Groundsmaster 5900 with a Tier 4, diesel-powered Yanmar engine. The grant amount represents 25% of the \$110,000.00 cost of the new mower. Because of scheduling issues related to the town budget process, an extension to October 31, 2021 was requested and approved. Windsor reported that delays in the delivery of parts/equipment has delayed delivery of the new mower; therefore a second extension, to December 31, 2021, was requested and approved. The project was completed ahead of the extended deadline at a cost of \$103,254.50, which was below the original estimate, so the grant is being reduced to \$25,813.63. An extension to January 31, 2022 was requested for compilation of reimbursement documents. On May 19, 2022, Windsor submitted its request for reimbursement, which is currently under internal review.</p>
<p>Did you award any rebates or subawards during the reporting period? If so, list the recipients and how much funding they received.</p>	<p>ACES: ACES submitted a reimbursement request for \$213,750.00 for the replacement of one model year 2005, diesel-powered Class 5 school bus with an EV equivalent, including EV charging infrastructure, which was approved for payment on April 13, 2022. Funds were drawn down on June 13, 2022.</p> <p>Coastal Carriers: On March 7, 2022, Coastal Carriers submitted a reimbursement request for \$34,200.75 toward the replacement of a EMY 1999 Class 8 diesel-powered fuel delivery truck with a 2022 Class 8 diesel-powered equivalent. The reimbursement package was approved for payment and submitted to Wilmington Trust, which authorized payment on May 4, 2022.</p> <p>CWPM: On November 18, 2021, CWPM’s reimbursement request for \$24,664.35 toward the replacement of one MY 2007 Class 6 truck, with a MY 2020 diesel-powered equivalent was submitted for internal review. The reimbursement package was approved for payment and submitted to Wilmington Trust, which authorized payment on May 4, 2022.</p> <p>New Milford: New Milford submitted a reimbursement request for \$108,602.98 for the replacement of three Class 8 snowplowing dump trucks, MY2000-2004, with MY2020 diesel powered equivalents. The reimbursement request was approved for payment December 20, 2021; funds were drawn down on May 6, 2022.</p>
<p>Provide a comparison of actual accomplishments with the anticipated outputs/outcomes and timelines/milestones specified in the project Work Plan.</p>	<p>Cariati: Cariati’s vendor is waiting for parts (microchips, etc.) delayed by Covid-related supply issues and now projects that the vehicles cannot be delivered until after September 2022. In the tenth quarter, Cariati submitted a request for an extension to December 31, 2022, accompanied by a note from the vendor, confirming the delay. DEEP has discussed a no-cost extension with EPA to cover this project and approved the request. In the eleventh quarter, Cariati has reported that the vendor is not confident that delivery can be made this year, but an additional extension request has not been submitted.</p> <p>All other 2019 projects have been completed; the 2020 projects are on or ahead of their original or revised schedules.</p>
<p>If anticipated outputs/outcomes and/or timelines/milestones are not met, why not? Did you encounter any problems during the reporting period which may interfere with meeting the project objectives?</p>	<p>Cariati: Cariati’s vendor is waiting for parts (microchips, etc.) delayed by Covid-related supply issues and now projects that the vehicles cannot be delivered until after September 2022. In the tenth quarter, Cariati submitted a request for an extension to December 31, 2022, accompanied by a note from the vendor, confirming the delay. DEEP has discussed a no-cost extension with EPA to cover this project and approved the request. In the eleventh quarter, Cariati has reported that the vendor is not confident that delivery can be made this year, but an additional extension request has not been submitted.</p> <p>All 2019 projects have been completed; the remaining 2020 projects are on or ahead of their original or revised schedules.</p>

<p>How do you propose to remedy any problems? Identify how and the date you will get back on course to meet the anticipated outputs/outcomes and/or timelines/milestones specified in the project work plan.</p>	<p>Cariati: Cariati's Vendor is waiting for parts (microchips, etc.) delayed by Covid-related supply issues and now projects that the vehicles cannot be delivered until after September 2022. In the tenth quarter, Cariati submitted a request for an extension to December 31, 2022, accompanied by a note from the vendor, confirming the delay. DEEP has discussed a no-cost extension with EPA to cover this project and approved the request. In the eleventh quarter, Cariati has reported that the vendor is not confident that delivery can be made this year, but an additional extension request has not been submitted.</p> <p>All 2019 projects have been completed; the other 2020 projects are on or ahead of their original or revised schedules.</p>
<p>If any cost-shares are reported for this Reporting Period in Table 1 above, identify the source of the funds.</p>	<p>Blue Earth: In the eleventh quarter, Blue Earth paid its vendors \$111,933.14, of which \$60,438.23 represents the balance of its \$62,938.23 mandatory cost share for the project.</p>
<p>Was any program income generated during the reporting period? Identify amount of program income, how it was generated, and how the program income was/will be used.</p>	<p>No project income was generated this quarter.</p>
<p>Did any public relations events regarding this grant take place during the reporting period?</p>	<p>On, April 29, 2022, DEEP participated in a Grand Opening and dedication ceremony at Blue Earth Compost, LLC in Hartford. Blue Earth was dedicating an electric step van purchased through the 2020 State DERA program.</p> <p>Throughout this quarter, DEEP participated in a number of informational webinars and events, some in conjunction with Region 1, related to the promotion of the Bilateral Infrastructure Bill Clean School Bus Incentive program. DEEP has also shared information about such informational webinars with interested parties in Connecticut.</p>
<p>What is the URL for the state website listing the total number and dollar amount of subawards, rebates, or loans provided, as well as a breakdown of the technologies funded? Please also list any other state websites used for outreach related to the State DERA Grant Program.</p>	<p>DEEP maintains a website for Diesel Grants and Funding. Information about this and other diesel grant programs administered by DEEP's Bureau of Air Management can be found on the DEEP website at: https://portal.ct.gov/DEEP/Air/Mobile-Sources/DERA-Grants</p> <p>In addition, DEEP has established a website for its Volkswagen NO_x Mitigation Program. DERA Option awards are listed under "Administrative Archive" at https://portal.ct.gov/DEEP/Air/Mobile-Sources/VW/VW-Settlement--Home</p> <p>DEEP also maintains a Facebook page, Drive Clean CT, on which DERA announcements and awards are posted. You can link to the site at: https://www.facebook.com/DriveCleanCT/</p>
<p>What project activities are planned for the next reporting period?</p>	<p>DEEP State DERA Administrative Activities: In the twelfth quarter, DEEP will continue to monitor the progress of the projects, providing advice and assistance as required. DEEP will prepare a workplan revision for the 2019-2020 grant requesting an extension and describing projects to be covered by those funds. In addition, DEEP will begin preparing implementation documents for the newly selected project and working on the D-4 filings for that DERA Option project.</p> <p>Winkle Bus: Winkle Bus will be working with its contractor to develop a Scope of Work for the project and complete the eligibility statement required for the new DERA projects.</p> <p>ACES: ACES's project has been completed and its reimbursement request approved. The funds were drawn down in the eleventh quarter. No further work is required.</p> <p>Blue Earth: In the twelfth quarter, Blue Earth's reimbursement request will be approved and submitted to Wilmington Trust for payment.</p> <p>Cariati: Cariati will continue to track the manufacturing of its new trucks. Vendors have already advised Cariati that delivery is likely at the end of 2022. The need for an additional extension will be assessed.</p> <p>Coastal Carriers: The reimbursement documents have been approved and payment made with DERA Option funds from WT in the eleventh quarter. No further work is required.</p> <p>CWPM: In the eleventh quarter, CWPM's project was approved for payment and DERA Option funds transferred from WT. No further work is required.</p> <p>D. Brake Marine: D. Brake Marine's project has been completed and reimbursement has been received. Funds were drawn down in the tenth quarter. No further work is required.</p> <p>E.A. Quinn: In the tenth quarter, E.A. Quinn's project was approved for payment and DERA Option funds transferred from Wilmington Trust. No further work is required.</p> <p>Elate Moving: Elate has withdrawn from the program. No further work is required.</p> <p>Joel Lizza: Lizza's project has been completed and reimbursement has been received. Funds were drawn down in the tenth quarter. No further work is required.</p> <p>Murphy Road Recycling: Murphy Road's reimbursement request was approved for payment and DERA Option funds transferred from Wilmington Trust. No further work is required.</p> <p>North Stonington: North Stonington has withdrawn from the program. No further work is required.</p> <p>Ryder: Ryder has withdrawn from the program. No further work is required.</p> <p>West Hartford 2020: West Hartford's project has been completed and reimbursement has been received. Funds were drawn down in the eleventh quarter. No further work is required.</p> <p>Windsor: Windsor's project has been completed. In the twelfth quarter, Windsor's reimbursement request will be approved and payment made.</p> <p>Burlington: Burlington's project has been completed and reimbursement has been received. Funds were drawn down in the fifth quarter. No further work is required.</p>

Canaan: Canaan's project has been completed and reimbursement has been received. Funds were drawn down in the fifth quarter. No further work is required.

F&F Concrete: F&F Concrete's project has been completed and reimbursement has been received from WT. No further work is required.

Kay's: Kay's project has been completed and reimbursement has been received from WT. No further work is required.

New Milford: New Milford's project has been completed and reimbursement has been received. Funds were drawn down in the eleventh quarter. No further work is required.

Stamford: Stamford's project has been completed and the reimbursement request package approved. Payment was made June 6, 2021 and funds were drawn down in the seventh quarter. No further work is required.

Target: Target's project has been completed and reimbursement has been received from WT. No further work is required.

West Hartford 2019: West Hartford's 2019 project has been completed and reimbursement has been received. Funds were drawn down in the fifth quarter. No further work is required.

Weston: Weston's project has been completed and approved for payment. Reimbursement has been received from WT and DEEP. DERA funds were drawn down in the fifth quarter. No further work is required.

Table 3. Subaward Reporting Requirements

Requirement	Response
Summaries of results of reviews of financial and programmatic reports	DEEP operates its State DERA Program exclusively as a rebate program; no subawards are granted.
Summaries of findings from site visits and/or desk reviews to ensure effective subrecipient performance	
Environmental results the subrecipient achieved	
Summaries of audit findings and related pass-through entity management decisions	
Actions the pass-through entity has taken to correct deficiencies such as those specified at 2 CFR 200.331(e), 2 CFR 200.207 and the 2 CFR Part 200.338 Remedies for Noncompliance	



79 Elm Street • Hartford, CT 06106-5127

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Affirmative Action/Equal Opportunity Employer

July 27, 2022

Ms. Pujarini Maiti
U.S. EPA Region 1
5 Post Office Square – Suite 100
ORA 01-1
Boston, MA 02109-3912

Re: Third Quarterly Report on the FY 2021 State DERA Grant, Connecticut DS 00A00773 - 0

Dear Ms. Maiti:

The Connecticut Department of Energy and Environmental Protection (DEEP) is pleased to submit its third quarterly report for the State Diesel Emission Reduction Act (DERA) Grant, Connecticut DS 00A00773 - 0. This report covers work performed between April 1, 2022 and June 30, 2022 on the Connecticut Clean Diesel Program. Five projects have been selected to receive FY 2021 funding, which DEEP has augmented with Volkswagen NOx Mitigation Trust funds under the DERA Option. During this reporting quarter:

- DEEP prepared a workplan revision for EPA's approval of the projects selected for FY 2021 funding; these were approved July 5, 2022 and posted on the DEEP website;
- One school bus replacement project (electric), two municipal electric refuse truck projects, one marine repower project (two vessels), and one electric yard spotter replacement project were selected and approved; DEEP began assisting the grantees in developing Scopes of Work (SOWs) for their projects along with Purchase Orders and contracts to implement the projects;
- DEEP submitted its Notice of Intent to Participate in the 2022 State DERA Program; and
- DEEP prepared and submitted its 2022 Narrative Workplan and fleet sheet to Region 1 for approval prior to its submission to grants.gov on June 17, 2022.

If you have additional questions regarding this report or the status of the Connecticut's Clean Diesel Program, please contact Patrice Kelly (patrice.kelly@ct.gov) or Jennifer Arienti (jennifer.arianti@ct.gov).

Yours truly,

A handwritten signature in black ink that reads "Paul E. Farrell". The signature is written in a cursive style with a large, stylized initial "P".

Paul E. Farrell
Director
Planning & Standards Division
Bureau of Air Management

**U. S. Environmental Protection Agency
 State Clean Diesel Grant Program - Quarterly Report**

Grant Recipient	Connecticut Department of Energy & Environmental Protection
Grant #	DS 00A00773-0
Reporting Period	April 1-June 30, 2022

WORKPLAN BUDGET	FY21	FY22
Total EPA Funds Awarded	\$516,111.00	
Total Mandatory Cost-Share		
Total Voluntary Matching Funds	\$344,074.00	
Total Project Costs	\$860,185.00	\$0.00

Table 1. Rate of Expenditure. Record all funds expended for each budget category.

	Federal Funds Expended this Reporting Period	Mandatory Cost-Share Expended this Reporting Period	Voluntary Match Expended this Reporting Period		Cumulative Federal Funds Expended	Cumulative Mandatory Cost-Share Expended	Cumulative Voluntary Match Expended	
			VW Mitigation Funds	Other Funds			VW Mitigation Funds	Other Funds
Personnel	\$12,421.52				\$12,421.52			
Fringe Benefits	\$11,674.78				\$11,674.78			
Travel								
Equipment								
Supplies								
Contractual								
Subawards								
Participant Support Costs (e.g., Rebates)	\$0.00				\$0.00			
Other								
Indirect Charges	\$4,582.30				\$4,582.30			
TOTALS	\$28,678.60	\$0.00	\$0.00	\$0.00	\$28,678.60	\$0.00	\$0.00	\$0.00

Table 2. Narrative Responses

Question	Answer
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What actual accomplishments occurred during the reporting period?

CT Dept. of Energy & Environmental Protection (DEEP) State DERA Administrative Activities: In the third quarter, DEEP completed its selection of projects for 2021 State DERA grants and prepared a workplan revision, covering the project selection, for submission to DEEP's EPA Project Officer for review and approval. Since some funds from the 2019-2020 State DERA grant were awarded with the 2021 solicitation, a revision of the 2019-2020 workplan will also be prepared and submitted. DEEP began working with the new grantees to draft Scopes of Work, Purchase Requisitions, and the DERA Option D-4 form for the selected projects. DEEP also began collecting signed eligibility statements as required under the 2021 State DERA program. DEEP will continue to monitor the progress of the projects, providing advice and assistance as required. On May 3, 2022, DEEP submitted its Notice of Intent to Participate (NOIP) in the 2022 State DERA Program. The Workplan Narrative and Fleet sheet were prepared and submitted to Region 1 for EPA review on June 2, 2022, prior to the grants.gov submission on June 17, 2022.

Town of Enfield (Enfield): DEEP is granting a total of \$287,719.54 to Enfield for the scrappage and replacement of one engine model year (EMY) 2007 diesel-powered automated side load refuse truck with an MY 2022 EV equivalent. Grant funding will include the electric vehicle charging infrastructure. The funds will come from the 2021 "DERA Option" under VW NOx Mitigation Trust Agreement. This award represents just under 45% of the cost of the new truck and infrastructure, which is \$645,788.00.

F & G Recycling, LLC (F & G Recycling): A grant of \$122,653.71 awarded to F & G Recycling will be used to scrap and replace of one engine model year (EMY) 2005 diesel-powered yard spotter with a MY 2023 EV equivalent. Grant funding will include the electric vehicle charging infrastructure. The yard spotter will operate in Waterbury, CT, an environmental justice community. \$65,863.46 will come from the 2021 "DERA Option" under VW NOx Mitigation Trust Agreement, and \$56,790.25 from FY 2021 State DERA allocation and bonus. The projected cost is \$275,296.88 and the grant represents just under 45% of the projected cost of the 2023 MY replacement vehicle and charging infrastructure.

Hidden Empire Leasing, LLC (Hidden Empire): Hidden Empire plans to use its grant of \$127,809.41 in 2021 State DERA allocation funds for the scrappage and replacement of:

- One 1997 engine model year (EMY) Isuzu 4BD1, Tier 0 auxiliary diesel pump engine in the *FV American Dream* with an EMY 2021 or 2022 John Deere 4045TFM85 or comparable EPA-certified Tier 3 diesel-powered equivalent, and
- One 2001 EMY John Deere 4045DM, Tier 0 auxiliary diesel pump engine and one 2001 EMY John Deere 6081AFM01 Tier 0 propulsion engine in the *FV Joseph Julius* with an EMY 2021 or 2022 John Deere or comparable EPA certified Tier 3 diesel-powered equivalent.

The total project cost is \$322,728.00 of which the grant is just under 40%.

City of New Haven (New Haven): DEEP is granting a total of \$238,215.34 in 2021 State DERA allocation funds to New Haven for the scrappage and replacement of one engine model year (EMY) 2011 diesel-powered refuse truck with an MY 2022 EV equivalent. Grant funding will include the electric vehicle charging infrastructure. This award represents just under 45% of the cost of the new truck and infrastructure, which is \$534,675.00.

	<p>Winkle Bus Company (Winkle Bus): DEEP is granting \$213,750.00 to Winkle Bus toward the scrappage and replacement of one model year 2009, diesel-powered 71-passenger school bus with an electric equivalent. Grant funding will include the electric vehicle charging infrastructure. \$157,705.57 will come from the 2019-2020 “DERA Option” under VW NOx Mitigation Trust Agreement, and \$105,903.14 from FY 2019-2020 State DERA allocation and bonus. This award represents just under 45% of the cost of the new bus and infrastructure, which is \$592,115.00. The bus will operate in West Haven, CT, an environmental justice community. While this project was selected as part of the 2021 State DERA grant solicitation, it will also be reported as a revision to the 2019-2020 State DERA grant because that was the source of the funding. DEEP is also requesting a one-year extension of the 2019-2020 grant, DS 00A00174-2 to allow for completion of this project. Going forward, this project will only be included in the quarterly report for the 2019-2020 grant.</p>
<p>Did you award any rebates or subawards during the reporting period? If so, list the recipients and how much funding they received.</p>	<p>No rebates or subawards were awarded in this reporting period.</p>
<p>Provide a comparison of actual accomplishments with the anticipated outputs/outcomes and timelines/milestones specified in the project Work Plan.</p>	<p>While some grantees have not yet submitted workplans, those that have are on schedule.</p>
<p>If anticipated outputs/outcomes and/or timelines/milestones are not met, why not? Did you encounter any problems during the reporting period which may interfere with meeting the project objectives?</p>	<p>While some grantees have not yet submitted workplans, those that have are on schedule</p>
<p>How do you propose to remedy any problems? Identify how and the date you will get back on course to meet the anticipated outputs/outcomes and/or timelines/milestones specified in the project work plan.</p>	<p>While some grantees have not yet submitted workplans, those that have are on schedule</p>
<p>If any cost-shares are reported for this Reporting Period in Table 1 above, identify the source of the funds.</p>	<p>No cost shares are being reported in the third quarter.</p>
<p>Was any program income generated during the reporting period? Identify amount of program income, how it was generated, and how the program income was/will be used.</p>	<p>No program income has been generated in this reporting period.</p>
<p>Did any public relations events regarding this grant take place during</p>	<p>On, April 29, 2022, DEEP participated in a Grand Opening and dedication ceremony at Blue Earth Compost, LLC in Hartford. Blue Earth was dedicating an electric step van purchased through the 2020 State DERA program.</p>

the reporting period?	Throughout this quarter, DEEP participated in a number of informational webinars and events, some in conjunction with Region 1, related to the promotion of the Bilateral Infrastructure Bill Clean School Bus Incentive program. DEEP has also shared information about such informational webinars with interested parties in Connecticut.
What is the URL for the state website listing the total number and dollar amount of subawards, rebates, or loans provided, as well as a breakdown of the technologies funded? Please also list any other state websites used for outreach related to the State DERA Grant Program.	<p>DEEP maintains a website for Diesel Grants and Funding. Information about this and other diesel grant programs administered by DEEP's Bureau of Air Management can be found on the DEEP website at: https://portal.ct.gov/DEEP/Air/Mobile-Sources/DERA-Grants</p> <p>DEEP has also established a website for its Volkswagen NO_x Mitigation Program. DERA Option awards are listed under "Administrative Archive" at https://portal.ct.gov/DEEP/Air/Mobile-Sources/VW/VW-Settlement---Home</p> <p>DEEP also maintains a Facebook page, Drive Clean CT, on which DERA announcements and awards are posted. You can link to the site at: https://www.facebook.com/DriveCleanCT/</p>
What project activities are planned for the next reporting period?	<p>DEEP State DERA Administrative Activities: In the fourth quarter, DEEP will continue working with recipients to develop scopes of work, contracts and purchase orders for implementing the projects. DEEP will submit the revised workplan for this grant to EPA and will prepare a revised work plan for the 2019-2020 DERA grant for submission to EPA. Signed eligibility statements will be compiled from the grantees and submitted to EPA. DEEP will also prepare the D-4 forms to submit to Wilmington Trust for the DERA Option projects.</p>

Table 3. Subaward Reporting Requirements

Requirement	Response
Summaries of results of reviews of financial and programmatic reports	DEEP operates its State DERA Program exclusively as a rebate program; no subawards are granted.
Summaries of findings from site visits and/or desk reviews to ensure effective subrecipient performance	
Environmental results the subrecipient achieved	
Summaries of audit findings and related pass-through entity management decisions	
Actions the pass-through entity has taken to correct deficiencies such as those specified at 2 CFR 200.331(e), 2 CFR 200.207 and the 2 CFR 200.338 Remedies for Noncompliance	