



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
LANSING



DANIEL EICHINGER
ACTING DIRECTOR

January 30, 2023

VIA INTRA-LINKS

Volkswagen Diesel Emissions Environmental Mitigation Trust
for State Beneficiaries, Puerto Rico, and the District of Columbia
c/o Wilmington Trust, N.A. as Trustee
Wilmington Trust, National Association
Attention: Mr. Russell Crane, Assistant Vice President
Capital Markets and Agency Services
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890

Dear Mr. Crane:

SUBJECT: State of Michigan's Semi-Annual Report

Enclosed with this letter is Michigan's semi-annual report that includes information as described in paragraph 5.3 of the Environmental Mitigation Trust Agreement for State Beneficiaries.

This report covers July 1, 2022, through December 31, 2022. The information is true and correct, and the submission is made under the penalty of perjury.

If you have any questions or concerns about this report, please contact Ms. Kathy Tetzlaff, Manager, Administration Section, Materials Management Division, Michigan Department of Environment, Great Lakes, and Energy (EGLE), at 517-290-6682 or TetzlaffK@Michigan.gov.

Sincerely,

Elizabeth M. Browne, Director
Materials Management Division
517-242-2746

Enclosure

cc: Robert Jackson, EGLE
Julie Staveland, EGLE
Kathy Tetzlaff, EGLE
Emily Freeman, EGLE

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

Beneficiary: Michigan
Lead Agency: Department of Environment, Great Lakes, and Energy
Reporting Period: July 1, 2022 - December 31, 2022

	2020	2021	2022	Total
Class 4-8 School Bus	\$2,675,870	\$8,391,274	\$1,149,570	\$12,216,715
Lt Duty Zero Emission Vehicle Supply Equip	\$0	\$1,057,361	\$1,554,621	\$2,611,982
Program Administration	\$0	\$154,034	\$109,973	\$264,006
Total Disbursements	\$2,675,870	\$9,602,669	\$2,814,164	\$15,092,703

Project Description	Summary of All Costs									
	VW Mitigation Funds			Match Funds			Total Project Cost			VW Funds Disbursed
	Obligated	Expended	Total	Obligated	Expended	Total	Obligated	Expended	Total	
Electric School Bus Pilot Project ¹	\$0	\$4,197,194	\$4,197,194	\$0	\$1,798,798	\$1,798,798	\$0	\$5,995,992	\$5,995,992	\$4,197,194
Diesel and Propane School Bus Projects	\$586,516	\$8,138,377	\$8,724,892	\$1,385,535	\$19,186,343	\$20,571,877	\$1,972,050	\$27,324,719	\$29,296,769	\$8,138,377
Light Duty EV Chargers - Ph 1	\$73,881	\$1,374,085	\$1,447,966	\$133,756	\$3,151,423	\$3,285,178	\$207,637	\$4,525,507	\$4,733,145	\$1,374,085
Light Duty EV Chargers - Ph 2	\$54,477	\$393,727	\$448,204	\$92,046	\$976,449	\$1,068,495	\$146,523	\$1,370,176	\$1,516,699	\$393,727
Light Duty EV Chargers - Ph 3	\$71,595	\$398,130	\$469,725	\$169,506	\$1,049,049	\$1,218,555	\$241,101	\$1,447,179	\$1,688,280	\$398,130
Light Duty EV Chargers - Ph 4	\$195,750	\$181,700	\$377,450	\$736,033	\$643,476	\$1,379,509	\$931,783	\$825,176	\$1,756,959	\$181,700
Light Duty EV Chargers - Ph 5	\$532,869	\$70,000	\$602,869	\$1,287,583	\$191,310	\$1,478,893	\$1,820,452	\$261,310	\$2,081,762	\$70,000
Light Duty EV Chargers - Ph 6	\$664,598	\$73,221	\$737,819	\$705,039	\$158,063	\$863,102	\$1,369,636	\$231,284	\$1,600,920	\$73,221
Light Duty EV Chargers - Ph 7	\$167,930	\$66,124	\$234,054	\$94,517	\$150,857	\$245,374	\$262,447	\$216,981	\$479,428	\$66,124
Light Duty EV Chargers - Ph 8	\$404,663	\$0	\$404,663	\$283,342	\$0	\$283,342	\$688,005	\$0	\$688,005	\$0
Light Duty EV Chargers - Ph 9	\$684,309	\$0	\$684,309	\$1,329,527	\$0	\$1,329,527	\$2,013,836	\$0	\$2,013,836	\$0
Light Duty EV Chargers - Ph 10	\$564,949	\$0	\$564,949	\$1,462,915	\$0	\$1,462,915	\$2,027,863	\$0	\$2,027,863	\$0
Class 8 Trucks - Part 1	\$4,838,254	\$0	\$4,838,254	\$7,234,881	\$0	\$7,234,881	\$12,073,135	\$0	\$12,073,135	\$0
Shuttle / Transit Buses - Part 1	\$500,000	\$0	\$500,000	\$750,000	\$0	\$750,000	\$1,250,000	\$0	\$1,250,000	\$0
Class 4-7 Local Freight Trucks - Part 1	\$1,600,001	\$0	\$1,600,001	\$2,345,539	\$0	\$2,345,539	\$3,945,539	\$0	\$3,945,539	\$0
Program Administration	\$130,994	\$264,006	\$395,000	\$0	\$0	\$0	\$130,994	\$264,006	\$395,000	\$264,006
Totals	\$11,070,783	\$15,156,563	\$26,227,347	\$18,010,218	\$27,305,767	\$45,315,985	\$29,081,001	\$42,462,330	\$71,543,332	\$15,156,563

Project Narrative		
Project Description	Environmental Mitigation Action #	Project Status
Electric School Bus Pilot Project	2	As part of the Michigan Association for Pupil Transportation Electric School Bus Pilot Project, 17 diesel school buses were replaced with 17 new all-electric school buses and charging stations in a total of seven school districts. The old diesel buses were decommissioned and scrapped. Emission reductions were calculated. During this reporting period data has been collected to help track energy useage, vehicle operation, maintenance, and the total cost of operation. The grant agreement closed on December 31, 2022, and the final report is pending. All reimbursements have been completed for this project.
Diesel and Propane School Bus Projects	2	Twenty-one of the 25 projects have been completed and reimbursements have been made. Three of the four remaining projects were completed during this period but are waiting on final reimbursement. The last project is expected to close on May 31, 2023. Once all projects have been completed, a total of 295 buses will have been replaced with new diesel or propane school buses.

Project Narrative		
Project Description	Environmental Mitigation Action #	Project Status
Request for Proposal (Multiple Projects, Parts 1, 2 and 3)	1, 2, 3, 4, 5, 6, 7, 8	The multi-year, three part, \$30 Million Request for Proposal for Class 4-8 Local Freight Trucks, Port Drayage Trucks, Shuttle and Transit Buses, Freight Switchers, Ferries and Tugs, Shorepower, Airport Ground Support Equipment, Forklifts, and Port Cargo Handling Equipment was announced on February 23, 2021. During this reporting period applications were accepted for Part Two where up to \$9 million was available for projects involving Freight Switchers, Great Lakes Ferries and Tugs, and Great Lakes Vessels Shore Power. A recommendation package was submitted for approval to award funds to successful applications. Part Three is scheduled to open on March 1, 2023, and will offer up to \$5 million for projects involving Airport Ground Support Equipment, Forklifts and Port Cargo Handling Equipment.
Request for Proposal Part 1	1	During this reporting period the last two of a total of ten grants in EMA #1 were awarded to replace Class 8 trucks with new, diesel, CNG, propane or all-electric versions. All projects are expected to be completed by 2025.
Request for Proposal Part 1	2	During this reporting period the one grant in EMA #2 to replace two transit buses with two new CNG transit buses remained on schedule. This project is expected to be completed by 2024.
Request for Proposal Part 1	6	During this reporting period the last of five grants in EMA #6 was awarded. All projects are expected to be completed by 2025.
Request for Proposal Part 2	3, 4, 5	Part Two of the Request For Proposal closed September 23, 2022, and offered up to \$9 million to replace or repower freight switchers, repower ferries and tugs, and install shore power for vessels that operate within the Great Lakes. During this reporting period stakeholders were made aware of the RFP through stakeholder meetings and presentations. Applications were reviewed and evaluated and a recommendation package for successful applicants was prepared for approval.
Light Duty EV Chargers - Phase 1	9	The Light Duty EV Chargers - Phase 1 (Charge Up Michigan program) received 58 applications for the installation of EV Chargers along Michigan's transportation corridors. As of the date of this report, there are 20 grantees awarded funding. These awards will result in the installation of 60 DC fast chargers and 12 level 2 chargers. There are 58 DC fast chargers and 12 level 2 chargers online in this phase. All projects are expected to be completed by September 30, 2022.
Light Duty EV Chargers - Phase 2	9	The Light Duty EV Chargers - Phase 2 (Charge Up Michigan program) received 9 applications for the installation of EV Chargers along Michigan's transportation corridors. Of these applications all were evaluated and awarded with 9 grantees. These awards will result in the installation of 17 DC fast chargers. There are 15 DC fast chargers online in this phase. All projects are expected to be completed by September 30, 2022.
Light Duty EV Chargers - Phase 3	9	The Light Duty EV Chargers - Phase 3 (Charge Up Michigan program) received 10 applications for the installation of EV Chargers along Michigan's transportation corridors. Of these applications all were evaluated and awarded with 10 grantees. These awards will result in the installation of 23 DC fast chargers. There are 15 DC fast chargers online in this phase. All projects are expected to be completed by December 31, 2022.
Light Duty EV Chargers - Phase 4	9	The Light Duty EV Chargers - Phase 4 (Charge Up Michigan program) received 12 applications for the installation of EV Chargers along Michigan's transportation corridors. Of these applications all were evaluated and awarded with 8 grantees. These awards will result in the installation of 28 DC fast chargers. There are 10 DC fast chargers online in this phase. All projects are expected to be completed by December 31, 2022.

Project Narrative		
Project Description	Environmental Mitigation Action #	Project Status
Light Duty EV Chargers - Phase 5	9	The Light Duty EV Chargers - Phase 5 (Charge Up Michigan program) received 9 new applications for the installation of EV Chargers along Michigan's transportation corridors. Of these applications all were evaluated and awarded with 7 grantees. These awards will result in the installation of 23 DC fast chargers. There are 8 DC fast chargers online in this phase. All projects are expected to be completed by December 31, 2022.
Light Duty EV Chargers - Phase 6	9	The Light Duty EV Chargers - Phase 6 (Charge Up Michigan program) received 8 new applications for the installation of EV Chargers along Michigan's transportation corridors. Of these applications all were evaluated and awarded with 8 grantees. However, 2 of these awards has since been cancelled due to the awardees falling through. The remaining awards will result in the installation of 10 DC fast chargers. There are 4 DC fast chargers online in this phase. All projects are expected to be completed by December 31, 2022.
Light Duty EV Chargers - Phase 7	9	The Light Duty EV Chargers - Phase 7 (Charge Up Michigan program) received 7 new applications for the installation of EV Chargers along Michigan's transportation corridors. Of these applications all were evaluated and awarded with 6 grantees. However, 1 of these awards has since been cancelled due to the awardee falling through. The remaining awards will result in the installation of 3 DC fast chargers and 8 level 2 chargers. There are 2 DC fast chargers online and 8 level 2 chargers online in this phase. All projects are expected to be completed by December 31, 2022.
Light Duty EV Chargers - Phase 8	9	The Light Duty EV Chargers - Phase 8 (Charge Up Michigan program) received 4 new applications for the installation of EV Chargers along Michigan's transportation corridors. Of these applications all were evaluated and awarded with 4 grantees. The awards will result in the installation of 7 DC fast chargers. All projects are expected to be completed by December 31, 2022.
Light Duty EV Chargers - Phase 9	9	The Light Duty EV Chargers - Phase 9 (Charge Up Michigan program) received 9 new applications for the installation of EV Chargers along Michigan's transportation corridors. Of these applications all were evaluated and awarded with 9 grantees. The awards will result in the installation of 18 DC fast chargers. There are 2 DC fast chargers online in this phase. All projects are expected to be completed by December 31, 2023.
Light Duty EV Chargers - Phase 10	9	The Light Duty EV Chargers - Phase 10 (Charge Up Michigan program) received 8 new applications for the installation of EV Chargers along Michigan's transportation corridors. Of these applications all were evaluated and awarded with 8 grantees. The awards will result in the installation of 13 DC fast chargers. All projects are expected to be completed by December 31, 2023.
Light Duty EV Chargers - Phase 11	9	The Light Duty EV Chargers - Phase 11 (Charge Up Michigan program) received 6 new applications for the installation of EV Chargers along Michigan's transportation corridors. Of these applications all were evaluated and awarded with 6 grantees. The awards will result in the installation of 10 DC fast chargers. All projects are expected to be completed by December 31, 2023.

¹ Funds adjusted to reflect actual expenditures on the projects. Grantee payments are final.

This information is true and correct and the submission is made under penalty of perjury.



This document has been electronically signed.

January 30, 2023
 Date

Materials Management Division, Director