


VW Environmental Mitigation Trust to Reduce Diesel Emissions  
Semi-Annual Report

<b>Grant Recipient</b>	<b>OR Dept of Environmental Quality</b>
<b>Reporting Period</b>	January 1, 2023 - June 30, 2023

	Total
<b>Total VW Funds Received</b>	\$42,280,127.00
<b>Total VW Funds Expended</b>	\$17,052,202.00
<b>Total VW Funds Obligated</b>	\$9,038,111.00
<b>Interest Earned</b>	\$1,109,141.00
<b>Available VW Cash Balance</b>	\$17,298,955.00

Project	Summary of All Costs			Notes
	VW Mitigation Funds			
	Received	Obligated	Expended	
School Bus Projects	\$22,130,354.00	\$4,099,498.00	\$13,217,398.00	
Heavy Duty Trucks	\$10,053,393.00	\$1,914,446.00	\$640,568.00	
Medium Duty Trucks	\$6,920,355.00	\$2,953,300.00	\$22,995.00	
DERA Option	\$3,176,025.00	See DERA Q Report	See DERA Q Report	
Administrative Costs			\$2,034,806.00	
<b>TOTALS</b>	<b>\$42,280,127.00</b>	<b>\$8,967,244.00</b>	<b>\$15,915,767.00</b>	

Project Description		
Project Title: Phase	EMA	Project Status
School Bus Projects	2	All 450 bus retrofits and replacements are complete and under grant agreement. There are no modifications to the existing project plan.
Heavy Duty Trucks	1	Replacement projects underway with Titan Freight (13), Sysco Portland (21), R.A. Anderson Group, Iron Oxen, Humbert Refuse, City of Newberg (1), City of Portland (3).
Medium Duty Trucks	6	Replacement projects underway with the City of Newberg (1), DeVry Construction (1), City of Portland (9) and All Service Moving (4).
School Bus Projects: DERA Option	10	See attached quarterly DERA report.
Nonroad Equipment: DERA Option	10	See attached quarterly DERA report.

This information is true and correct and the submission is made under penalty of perjury.	 _____ Ali Mirzakhali, Air Quality Administrator	07/26/2023 _____ Date
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**U. S. Environmental Protection Agency  
DERA National Grant Report  
Financial and Narrative Summary - Year 2**

<b>Grant Recipient</b>	Oregon Department of Environmental Quality	<b>Total Federal Funds Expended: Year 2</b>	\$ 27,886
<b>Grant Number</b>	01J94601	<b>Project Reporting Period</b>	Jan. to Mar. 2023
<b>Project Title</b>	1 Diesel Engine Replacement and Retrofit P		

Table 11. Year 5 Annual Rate of Expenditure										
Record and update project expenses quarterly. Previous quarters should remain and edits should be made to the quarterly report being submitted.										
Financial Summary	Quarter 1					Quarter 2				
	Please select reporting quarter.					Please select reporting quarter.				
	Federal Funds Expended the Reporting Period	Mandatory Cost Share Expended the Reporting Period	Voluntary Match Expended this Reporting Period		Total Project Cost	Federal Funds Expended the Reporting Period	Mandatory Cost Share Expended the Reporting Period	Voluntary Match Expended this Reporting Period		Total Project Cost
VW Mitigation Funds			Other Funds	VW Mitigation Funds				Other Funds		
Personnel	\$ 2,418				\$ 2,418	\$ 628		\$ 780		\$ 1,408
Fringe Benefits	\$ 1,216				\$ 1,216	\$ 346		\$ 237		\$ 583
Travel					\$ -					\$ -
Equipment					\$ -					\$ -
Supplies					\$ -					\$ -
Contractual					\$ -					\$ -
Other	\$ 154		\$ 97		\$ 251	\$ 21,980		\$ 5		\$ 21,985
Direct Cost Total	\$ 3,788	\$ -	\$ 97	\$ -	\$ 3,885	\$ 22,954	\$ -	\$ 1,022	\$ -	\$ 23,976
Indirect Charges	\$ 906				\$ 906	\$ 239		\$ 251		\$ 490
<b>TOTALS</b>	<b>\$ 4,694</b>	<b>\$ -</b>	<b>\$ 97</b>	<b>\$ -</b>	<b>\$ 4,790</b>	<b>\$ 23,193</b>	<b>\$ -</b>	<b>\$ 1,273</b>	<b>\$ -</b>	<b>\$ 24,466</b>
Financial Summary	Quarter 3					Quarter 4				
	Please select reporting quarter.					Please select reporting quarter.				
	Federal Funds Expended this Reporting Period	Mandatory Cost Share Expended this Reporting Period	Voluntary Match Expended this Reporting Period		Total Project Cost	Federal Funds Expended this Reporting Period	Mandatory Cost Share Expended this Reporting Period	Voluntary Match Expended this Reporting Period		Total Project Cost
VW Mitigation Funds			Other Funds	VW Mitigation Funds				Other Funds		
Personnel					\$ -					\$ -
Fringe Benefits					\$ -					\$ -
Travel					\$ -					\$ -
Equipment					\$ -					\$ -
Supplies					\$ -					\$ -
Contractual					\$ -					\$ -
Other					\$ -					\$ -
Direct Cost Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Indirect Charges					\$ -					\$ -
<b>TOTALS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Table 12. Project Updates - Narrative Responses**

**Record and update project updates quarterly.**

Please paste the planned activities, outputs, and outcome from the submitted workplan information. Provide updates and if any changes occurred, please provide that information accordingly. In the 'Progress to Date' column, please use the dropdown to indicate if the activity is 1) Not yet started, 2) In progress, or 3) Completed. Please indicate the fiscal year of DERA grant funds used for the activity described within the table.

Fiscal Year	Activities	Anticipated Outputs	Anticipated Outcomes	Progress to Date				Progress Notes
				Q1	Q2	Q3	Q4	
2021	Repowering commercial marine tugboat engines	Repower two main uncontrolled propulsion diesel	Annual emission reductions: 58,457 tons of reduced NOx; 1,211 tons of reduced PM	In Progress	In Progress			Anticipate meeting this goal. However, the main propulsion
2021	Replacement of one older diesel school bus	Replace one older model diesel school bus with a new	Annual emission reductions: 0.129 tons of reduced NOx; 0.009 tons of reduced PM	In Progress	In Progress			Anticipate meeting or exceeding this goal
2021	Replacement of one Heavy Duty diesel truck and one piece of non-road diesel construction equipment	Replace one older model heavy-duty diesel truck and	Annual emission reductions: 0.566 tons of reduced NOx; 0.029 tons of reduced PM	Not Yet Started	In Progress			Substituting this part of the project with the replacement of two older
2021	Retrofit two heavy-duty trucks and three pieces of non-road diesel construction equipment	Retrofit two older heavy-duty diesel trucks and three pieces	Annual emission reductions: 0 tons of reduced NOx; 0.141 tons of reduced PM	Not Yet Started	In Progress			New plan is to retrofit two older heavy-duty diesel dump trucks -

Please provide programmatic and narrative financial updates on the project. As quarterly reports are submitted, indicate updates or changes for each quarter. For each quarter, please indicate if there was a change from the previous quarter. If yes, please provide an explanation in the subsequent cell.

Question	Quarter 1 Update	Quarter 2 Update	Quarter 3 Update	Quarter 4 Update
Provide a comparison of accomplishments with the anticipated outputs/outcomes and timelines /milestones specified in the project Work Plan. Please include financial, technical, and programmatic.	Working on getting an agreement signed with Standard Equipment Co. to retrofit two dump trucks and replace two dump trucks. Agreement will be signed and funds obligated after the beginning of the new year. Also working on onboarding several truck retrofit projects.	Reimbursed Columbia River Contractors for retrofitting one 1992 heavy-duty truck with a diesel particulate filter (\$21,900.88). Signed grant agreements with Columbia River Contractors, Woodfold Manufacturing, Big Paul's Towing, Grimms Fuel Co. and Ecoshuttle to retrofit 14 trucks. Working on getting Northwest Earthmoves and Leo, LLC		
Have any vehicles in this project changed from the last quarter? (i.e. vehicles added to the Fleet Description or taken off the Fleet Description)	No.	Yes. Added to Fleet Description tab.		
Did you award any rebates or subawards during the reporting period? If so, list the recipients and how much funding they received.	No.	Yes. Columbia River Contractors was awarded \$21,900.88 to retrofit one heavy-duty truck.		
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 project objectives?	N/A	There continue to be ongoing delays associated with extended product delivery timelines from vehicle, engine and equipment manufacturers. We anticipate requesting a no-cost extension to this grant timeline and we are currently working		
If any cost-share or additional leveraged funds are reported for this Reporting Period in Table 3 above, identify the source of the funds.	None.	None.		

Have there been any major personnel changes during this reporting period?	No.	No.		
Did any public relations events regarding this grant take place during the reporting period?	None.	None.		
Are you using websites or other tools used to relay information about this grant to the public?	Yes. <a href="https://www.oregon.gov/deq/aa/Documents/deraStateAllocGrantees.pdf">https://www.oregon.gov/deq/aa/Documents/deraStateAllocGrantees.pdf</a> <a href="https://www.oregon.gov/deq/aa/programs/Pages/Diesel-Success-Stories.aspx">https://www.oregon.gov/deq/aa/programs/Pages/Diesel-Success-Stories.aspx</a>	Yes. <a href="https://www.oregon.gov/deq/aa/Documents/deraStateAllocGrantees.pdf">https://www.oregon.gov/deq/aa/Documents/deraStateAllocGrantees.pdf</a> <a href="https://www.oregon.gov/deq/aa/programs/Pages/Diesel-Success-Stories.aspx">https://www.oregon.gov/deq/aa/programs/Pages/Diesel-Success-Stories.aspx</a>		
What project activities are planned for the next reporting period?	We anticipate signing a grant agreement with Standard Equipment Co to replace two dump trucks and retrofit two other dump trucks and are excited to be working on this construction-related project. We also anticipate signing a grant agreement with Klamath Falls City Schools and several other school districts. We are also actively looking to fund	Support subrecipients project implementation, reimburse completed projects, amend projects as needed.		
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.	None.	None.		
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.	<a href="https://www.oregon.gov/deq/aa/Documents/deraStateAllocGrantees.pdf">https://www.oregon.gov/deq/aa/Documents/deraStateAllocGrantees.pdf</a> <a href="https://www.oregon.gov/deq/aa/programs/Pages/Diesel-Success-Stories.aspx">https://www.oregon.gov/deq/aa/programs/Pages/Diesel-Success-Stories.aspx</a>	<a href="https://www.oregon.gov/deq/aa/Documents/deraStateAllocGrantees.pdf">https://www.oregon.gov/deq/aa/Documents/deraStateAllocGrantees.pdf</a> <a href="https://www.oregon.gov/deq/aa/programs/Pages/Diesel-Success-Stories.aspx">https://www.oregon.gov/deq/aa/programs/Pages/Diesel-Success-Stories.aspx</a>		
Do you have any other comments or feedback?	None.	None.		

**Subaward Reporting Requirements**

*Please provide subaward updates on the project. As quarterly reports are submitted, indicate updates or changes for each quarter. For each quarter, please indicate if there was a change from the previous quarter. If yes, please provide an explanation in the subsequent cell.*

<b>Question</b>	<b>Quarter 1 Update</b>	<b>Quarter 2 Update</b>	<b>Quarter 3 Update</b>	<b>Quarter 4 Update</b>
Summaries of results of reviews of financial and programmatic reports.	All subrecipient quarterly reports have been reviewed and any issues were discussed and amended if needed.	All subrecipient quarterly reports have been reviewed and any issues were discussed and amended if needed.		
Summaries of findings from site visits and/or desk reviews to ensure effective subrecipient performance.	None in this quarter.	None in this quarter.		
Environmental results the subrecipient achieved	None in this quarter.	Installed 2 diesel particulate filters.		
Summaries of audit findings and related pass-through entity management decisions	None in this quarter.	None in this quarter.		
Actions the pass-through entity has taken to correct deficiencies such as those specified at 2 CFR 200.332, 2 CFR 200.208 and the 2 CFR 200.339 Remedies for Noncompliance	None to date.	None to date.		