

IKEA - Electric Terminal Tractors

APPENDIX D-4

Beneficiary Eligible Mitigation Action Certification

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary State of New Jersey

Lead Agency Authorized to Act on Behalf of the Beneficiary New Jersey Department of Environmental Protection
(Any authorized person with delegation of such authority to direct the Trustee delivered to the Trustee pursuant to a Delegation of Authority and Certificate of Incumbency)

Action Title:	IKEA - Electric Terminal Tractors
Beneficiary's Project ID:	2019VW-006
Funding Request No.	<i>(sequential)</i> 6
Request Type: (select one or more)	<input type="checkbox"/> Reimbursement <input checked="" type="checkbox"/> Advance <input type="checkbox"/> Other (specify): _____
Payment to be made to: (select one or more)	<input checked="" type="checkbox"/> Beneficiary <input type="checkbox"/> Other (specify): _____
Funding Request & Direction (Attachment A)	<input checked="" type="checkbox"/> Attached to this Certification <input type="checkbox"/> To be Provided Separately

SUMMARY

Eligible Mitigation Action Type	<input checked="" type="checkbox"/> Appendix D-2 item (specify): <u>Mitigation Action 1 - Class 8 Local Freight Trucks and Port Dayage Trucks</u> <input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal):
Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1): Electrification is a priority for the Governor as stated in New Jersey's BMP.	
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2): IKEA Distribution Services North America will replace 4 diesel terminal tractors with all electric tractors. They will operate in IKEA's Westampton location which is next to a residential neighborhoods.	
Estimate of Anticipated NOx Reductions (5.2.3): Annual NOx Benefits are projected to be 1.55 tons per year.	
Identification of Governmental Entity Responsible for Reviewing and Auditing Expenditures of Eligible Mitigation Action Funds to Ensure Compliance with Applicable Law (5.2.7.1): New Jersey Department of Environmental Protection Federal Funds Unit	
Describe how the Beneficiary will make documentation publicly available (5.2.7.2): See summary supplement	
Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8): IKEA Distribution Services North American will receive approximately 75% of the cost from VW funds and will cost share the remainder. VW funds for this project will not exceed \$960,000.	
Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9): NJDEP, the lead agency notified U.S. Government Agencies as prescribed in 5.2.9 via email on February 14, 2018.	

If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions (5.2.10).
See summary supplement

ATTACHMENTS
(CHECK BOX IF ATTACHED)

- Attachment A Funding Request and Direction.
- Attachment B Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4).
- Attachment C Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11).
- Attachment D Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000 (5.2.6). [Attach only if project involves vendor expenditures exceeding \$25,000.]
- Attachment E DERA Option (5.2.12). [Attach only if using DERA option.]
- Attachment F Attachment specifying amount of requested funding to be debited against each beneficiary's allocation (5.2.13). [Attach only if this is a joint application involving multiple beneficiaries.]

CERTIFICATIONS

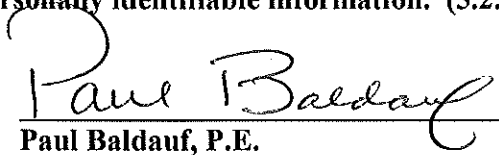
By submitting this application, the Lead Agency makes the following certifications:

1. This application is submitted on behalf of Beneficiary State of New Jersey, and the person executing this certification has authority to make this certification on behalf of the Lead Agency and Beneficiary, pursuant to the Certification for Beneficiary Status filed with the Court.
2. Beneficiary requests and directs that the Trustee make the payments described in this application and Attachment A to this Form.
3. This application contains all information and certifications required by Paragraph 5.2 of the Trust Agreement, and the Trustee may rely on this application, Attachment A, and related certifications in making disbursements of trust funds for the aforementioned Project ID.
4. Any vendors were or will be selected in accordance with a jurisdiction's public contracting law as applicable. (5.2.5)
5. Beneficiary will maintain and make publicly available all documentation submitted in

support of this funding request and all records supporting all expenditures of eligible mitigation action funds subject to applicable laws governing the publication of confidential business information and personally identifiable information. (5.2.7.2)

DATED:

7/2/19



Paul Baldauf, P.E.
Assistant Commissioner

New Jersey Department of Environmental Protection

[LEAD AGENCY]

for

State of New Jersey

[BENEFICIARY]

SUMMARY SUPPLEMENT TO APPENDIX D-4

Action Title: IKEA – Electric Terminal Tractors

Describe how the Beneficiary will make documentation publicly available (5.2.7.2)

The State of New Jersey will make all documentation submitted in support of the funding request and all records supporting all expenditures of Eligible Mitigation Action funds available to the public in the following ways, subject to applicable laws governing the publication of confidential business information and personally identifiable information:

- Members of the public will be able to access documentation and records submitted in support of each funding request and supporting all expenditures of Trust Funds by New Jersey pursuant to the Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries by using an Online Request Form found at <http://www.nj.gov/dep/opra/index.html> or by contacting:

NJDEP Office of the Records Custodian
P.O. Box 442
401 East State Street
Trenton, NJ 08625-0442 Phone: 609-341-3121
E-mail: records.custodian@dep.nj.gov

- Documentation and records submitted in support of each funding request and supporting all expenditures of Trust Funds by New Jersey pursuant to the Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries are subject to all applicable laws governing the publication of confidential business information and personally identifiable information. The primary law governing the release of public information is New Jersey's Open Public Records Act, N.J.S.A. 47: 1A-1 to 13 (OPRA). Confidential business information and certain private personal information, as defined by statute and regulation, are exempt from disclosure under OPRA. See, N.J.S.A. 47: 1A-1. I, N.J.A.C. 7:1D-3.2. OPRA specifically obligates a public agency to protect a citizen's personal information that is in the possession of a public agency when disclosure of that information would violate the citizen's reasonable expectation of privacy. N.J.S.A. 47: 1A-1. Other applicable laws include the New Jersey Court Rules, which govern disclosure of confidential business information and personally identifiable information in civil disputes, and the common law right of access to public records. Under New Jersey common law, public records containing confidential business information or personally identifiable information will remain confidential unless a requestor can demonstrate a legally recognized interest in the material, and that the individual's right of access outweighs the State's interest in preventing disclosure.
- A publicly facing webpage was established as New Jersey signed on to the

Volkswagen Settlement as a Beneficiary to educate its residents about the Partial Consent Decrees and Environmental Mitigation Trust, including the steps NJ plans to take beginning with public listening sessions and the Beneficiary Mitigation Plan. All solicited proposals received for mitigation action items 1 – 9 and the DERA option are publicized. Also available is a summary of the number of proposals and total funding requested, organized by mitigation action number. The webpage contains links to additional resources, frequently asked questions about NJ and the Settlement, and how to join an e-mail list to receive notifications and information about VW. Progress reports and final costs of projects funded with VW Trust money will be posted for the public as well. The webpage address is www.state.nj.us/dep/vw/.

If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions. (5.2.10)

New Jersey's Beneficiary Mitigation Plan (the Plan), states that the primary goal of the Plan is to improve ambient air quality by using the Trust allocation to implement projects that reduce NOx, benefit disproportionately affected communities, and expedite deployment and widespread adoption of zero emission vehicles. The Plan reinforces New Jersey's commitment to reducing harmful transportation emissions in communities that suffer disproportionate impacts from air pollution. Low income communities and communities of color have been historically overburdened by harmful emissions and their attendant health impacts. Transportation is the largest source of NOx in New Jersey, accounting for 71% of NJ's statewide NOx emissions in 2017. Thus, promoting the use of zero emission vehicles is a key component of NJ's efforts to mitigate NOx emissions.

IKEA Distribution Services North America operates in Westampton, NJ. The warehouse is next to a state highway and a residential community. Within 2 miles there are numerous other residential areas which are affected by the mobile source pollution in the area. The replacement of the diesel terminal tractors to electric tractors will provide immediate emission benefits to the local residents. These tractors run all day for most of the week. Not only will this project provide relief from excess NOx reductions, but PM and greenhouse gas reductions will be realized.

ATTACHMENT B TO APPENDIX D-4

Action Title: IKEA – Electric Terminal Tractors

Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline. (5.2.4)

Implementation and Expenditures Timeline

MILESTONE	DATE
Submit Beneficiary Mitigation Plan to the Trustee	December 13, 2018
NJDEP eligible to making funding request	January 14, 2019
Submit funding request to the Trustee	July 2019
Draft grant agreement	September 2019
Place order for tractors/chargers	October 2019
Electric charging infrastructure installation	January/February 2020
Delivery of the tractors	June 2020
Submit semiannual reports to the Trustee in accordance with section 5.3 of the Consent Decree	No later than 6 months after receiving first disbursement, and thereafter no later than January 1st and July 1st of each year.

Project Budget

Budget Category	Total Approved Budget	Share of Total Budget to be funded by the Trust	Estimated Cost Chare
Subrecipient Support. Eligible costs include equipment purchase, installation and administrative costs.	\$1,280,000	\$960,000	\$320,000

ATTACHMENT C TO APPENDIX D-4

Action Title: IKEA – Electric Terminal Tractors

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

The New Jersey Department of Environmental Protection will meet the requirements of Appendix D to the Partial Consent Decree, section 5.3:

5.3 Beneficiary Reporting Obligations: *For each Eligible Mitigation Action, no later than six months after receiving its first disbursement of Trust Assets, and thereafter no later than January 1 and July 1 of each year, each Beneficiary shall serve upon the Trustee, a semiannual report describing the progress implementing each Eligible Mitigation Action during the six-month period leading up to the reporting date (including a summary of all costs expended on the Eligible Mitigation Action through the reporting date). Such reports shall include a complete description of the status (including actual or projected termination date), development, implementation, and any modification of each approved Eligible Mitigation Action. Beneficiaries may group multiple Eligible Mitigation Actions and multiple sub-beneficiaries into a single report. These reports shall be signed by an official with the authority to submit the report for the Beneficiary and must contain an attestation that the information is true and correct and that the submission is made under penalty of perjury. To the extent a Beneficiary avails itself of the DERA Option described in Appendix D-2, that Beneficiary may submit its DERA Quarterly Programmatic Reports in satisfaction of its obligations under this subparagraph as to those Eligible Mitigation Actions funded through the DERA Option. The Trustee shall post each semiannual report on the Trust's public-facing website upon receipt.*

The Department will post all its semiannual reports to the Trustee on the public-facing website for New Jersey's Volkswagen Settlement at www.state.nj.us/dep/vw.

ATTACHMENT D TO APPENDIX D-4
Action Title: IKEA – Electric Terminal Tractors

Detailed Cost Estimates from Selected or Potential Vendors for Each Proposed Expenditure Exceeding \$25,000 (5.2.6)

IKEA Distribution Services North America will purchase 4 electric terminal tractors and 4 electric charging stations. State procurement processes will be followed. Cost estimates from the selected vendor will be part of the Grant Agreement with the Department. Preliminary cost estimates are provided in the table below.

Category	# of units	Cost range per unit	Total cost range
Estimated electric terminal tractors costs	4	\$290,000-\$350,000	\$1,160,000-\$1,400,000
Estimated electric chargers	4	\$15,000-\$25,000	\$60,000-100,000
		Total cost range	\$1,220,000-1,500,000
		Total Approved Budget	\$1,280,000