



Missouri Department of dnr.mo.gov

NATURAL RESOURCES

Michael L. Parson, Governor

Carol S. Comer, Director

July 28, 2020

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

Dear Mr. Crane,

The Missouri Department of Natural Resources has enclosed 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. The department has collected the data relevant to reporting requirements for the six-month period of January 1, 2020, to June 30, 2019.

Thank you for attention to this matter. If you have any questions regarding this submission, please contact Emily Wilbur, with the department's Air Pollution Control Program at P.O. Box 176, Jefferson City, MO 65102 [REDACTED].

Sincerely,

AIR POLLUTION CONTROL PROGRAM

Darcy A. Bybee
Director

DAB:lbc

Enclosure



Environmental Mitigation Trust Agreement for State Beneficiaries:
Semi-Annual Report

Reporting Period:
January 1, 2020 through June 30, 2020

Submitted on July 30, 2020
Missouri Department of Natural Resources

Category 1: School Buses: EMA 2

The Department solicited applications from school districts and private bus contractors in March of 2020, and selected applications for funding through a lottery system. Due to concerns about COVID-19, this application period was extended through May 2020. The awarded projects have not yet submitted purchase orders and none have been paid or completed. Purchase orders and project completion are expected in late 2020. A project is complete when the new bus has been delivered, the old bus has been disabled, and proof of payment is verified.

Category 2: Government Owned Medium and Large Trucks: EMA 6, EMA 1

The Department selected Category 2 projects for funding using a ranking system based on NO_x reduction, cost effectiveness, and area of operation. The Department opened an application period in March 2020, and selected the highest scoring projects for funding. Due to concerns about COVID-19, this application period was extended through May 2020. The awarded projects have not yet submitted purchase orders and none have been paid or completed. Purchase orders and project completion are expected in late 2020. Some projects awarded in previous application periods have submitted documentation necessary for project completion, and have been paid out accordingly. A project is complete when the new truck has been delivered, the old truck has been disabled, and proof of payment is verified.

Category 3: Transit and Shuttle Buses: EMA 2

The Department selected Category 3 projects for funding using a ranking system based on NO_x reduction, cost effectiveness, and area of operation. The Department opened an application period in March of 2020, and selected the highest scoring projects for funding. Due to concerns about COVID-19, this application period was extended through May 2020. The Department did not receive any applications in this category during the 2020 application period. Several of the projects awarded in 2019 have submitted purchase orders and other documentation approaching project completion. A project is complete when the new bus has been delivered, the old bus has been disabled, and proof of payment is verified.

Category 4: Nongovernment Owned Medium and Large Trucks: EMA 6, EMA 1

The Department selected Category 4 projects for funding using a ranking system based on NO_x reduction, cost effectiveness, and area of operation. The Department opened an application period in March 2020, and selected the highest scoring projects for funding. Due to concerns about COVID-19, this application period was extended through May 2020. The awarded projects have not yet submitted purchase orders and none have been paid or completed. Purchase orders and project completion are expected in late 2020. Some projects awarded in previous application periods have submitted documentation necessary for project completion, and have been paid out accordingly. Completion of a project implies that the new vehicle has been delivered, the old vehicle has been disabled, and proof of payment is verified.

Category 5: Locomotive and Marine: EMA 3, EMA 4

The Department selected Category 5 projects for funding using a ranking system based on NO_x reduction, cost effectiveness, and area of operation. This category includes both EMA 3 for switch locomotives and EMA 4 for marine engine repowers; however the air program did not receive any applications for projects falling under EMA 3. The Department opened an application period in March

2020, and selected the highest scoring projects for funding. Due to concerns about COVID-19, this application period was extended through May 2020. The awarded projects have not yet submitted purchase orders and none have been paid or completed. Purchase orders and project completion are expected in late 2020. Some projects awarded in previous application periods have submitted documentation necessary for project completion, and have been paid out accordingly. Completion of a project implies that the new vehicle has been delivered, the old vehicle has been disabled, and proof of payment is verified.

Category 6: Airport and Cargo Handling Equipment: EMA 7, EMA 8

The Department selected Category 6 projects for funding using a ranking system based on NO_x reduction, cost effectiveness, and area of operation. This category includes both EMA 7 for airport ground support equipment and EMA 8 for forklifts and port cargo handling equipment; however the air program did not receive any applications for projects falling under EMA 7. The Department opened an application period in March 2020, and selected the highest scoring projects for funding. Due to concerns about COVID-19, this application period was extended through May 2020. The awarded projects have not yet submitted purchase orders and none have been paid or completed. Purchase orders and project completion are expected in late 2020. Some projects awarded in previous application periods have submitted documentation necessary for project completion, and have been paid out accordingly. Completion of a project implies that the new vehicle has been delivered, the old vehicle has been disabled, and proof of payment is verified.

Category 7: DERA Option: EMA 10

The Department opened an application period in October 2019, and selected Category 7 projects by lottery, with preference for projects which qualify for DERA grants, but which do not qualify for other Volkswagen Trust Categories. The selected projects include both nonroad equipment replacements and repowers and school bus replacements. Some of the awarded projects have submitted purchase orders and have been paid and completed. Completion of a project implies that the new vehicle has been delivered, the old vehicle has been disabled, and proof of payment is verified.

Category 1: School Buses	Allocation From Trust	Awarded Applications	New Fuel Type	Awarded Vehicles	Est. Lifetime NO _x Reduction (tons)	Funding Awarded	Funding Disbursed	Total Project Cost
Total:	\$0.00	40	Diesel, Electric	72	0	\$3,117,500.00	\$0.00	\$0.00
School Buses: Category 1		40	Diesel, Electric	72		\$3,117,500.00	\$0.00	

Category 2: Government Owned Trucks (Class 4-8)		Allocation From Trust	Awarded Applications	New Fuel Type	Awarded Vehicles	Est. Lifetime NO _x Reduction (tons)	Funding Awarded	Funding Disbursed	Total Project Cost
Total:		\$425,371.76	16	diesel	30	31.78	\$1,329,056.79	\$916,245.00	\$2,658,113.58
Medium (Class 4-7)	50% Cost Share Replacement	\$88,279.25	11	Diesel	9	8.195	\$378,211.60	\$163,279.25	\$756,423.20
Large (Class 8)	50% Cost Share Replacement	\$337,092.51	5	Diesel	21	23.585	\$950,845.19	\$752,965.75	\$1,901,690.38

Category 3: Transit Buses, Shuttle Buses		Allocation From Trust	Awarded Applications	New Fuel Type	Awarded Vehicles	Est. Lifetime NO _x Reduction (tons)	Funding Awarded	Funding Disbursed	Total Project Cost
Total:		\$342,300.00	0	0	0	0	\$0.00	\$342,300.00	\$0.00
Transit Buses	50% Cost Share Replacement	\$342,300.00	0		0	0	\$0.00	\$342,300.00	\$0.00

Category 4: Nongovernment Owned Trucks (Class 4-8)		Allocation From Trust	Awarded Applications	New Fuel Type	Awarded Vehicles	Est. Lifetime NO _x Reduction (tons)	Funding Awarded	Funding Disbursed	Total Project Cost
Total:		\$203,418.00	5		50	204.481	\$1,540,755.35	\$221,486.00	\$6,163,021.40
Medium (Class 4-7)	25% Cost Share Replacement		1	Diesel, Propane	1	1.215	\$1,527,167.35	\$0.00	\$6,108,669.40
Large (Class 8)	25% Cost Share Replacement	\$203,418.00	4	Diesel	49	203.266	\$13,588.00	\$221,486.00	\$54,352.00

Category 5: Locomotive and Marine*		Allocation From Trust	Awarded Applications	New Fuel Type	Awarded Vehicles	Est. Lifetime NO _x Reduction (tons)	Funding Awarded	Funding Disbursed	Total Project Cost
Total:		\$0.00	1	Diesel	1	81.45	\$580,000.00	\$0.00	\$1,450,000.00
Marine Repowers	40% Cost Share Repower		1	Diesel	1	81.45	\$580,000.00	\$0.00	\$1,450,000.00

*Though open to Locomotive projects, the department did not receive any applications for this type of project

Category 6: Airport and Cargo Equipment		Allocation From Trust	Awarded Applications	New Fuel Type	Awarded Vehicles	Est. Lifetime NO _x Reduction (tons)	Funding Awarded	Funding Disbursed	Total Project Cost
Total:		\$105,975.00	1	Electric	1	19.157	\$127,725.00	\$105,975.00	\$255,450.00

Cargo Equipment	50% Cost Share Replacement	\$105,975.00	1	Electric	1	19.157	\$127,725.00	\$105,975.00	\$255,450.00
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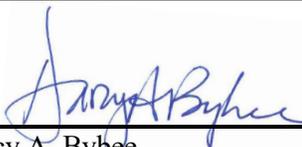
Category 7: DERA Option		Allocation From Trust	Disbursed Applications	New Fuel Type	Disbursed Vehicles/Equipment	Est. Lifetime NO _x Reduction (tons)	Funding Awarded	Funding Disbursed	Total Project Cost
Total:			6	Diesel	6	37	\$0.00	\$191,261.00	\$0.00
Nonroad Equipment		\$191,426.00	3	Diesel	3	36.221	\$0.00	\$191,261.00	\$0.00
School Buses			3	Diesel	3	1.1765	\$0.00	\$0.00	\$0.00

Eligible Mitigation Actions	Allocation From Trust	Awarded Applications	New Fuel Type	Awarded Vehicles	Est. Lifetime NO _x Reduction (tons)	Funding Awarded	Funding Disbursed	Total Project Cost
Total:		69	Diesel, Electric	160	374.2655	\$6,695,037.14	\$1,777,267.00	\$10,526,584.98
EMA 1	\$540,510.51	9	Diesel	70	226.851	\$964,433.19	\$974,451.75	\$1,956,042.38
EMA 2	\$342,300.00	40	Diesel, Electric	72	0	\$3,117,500.00	\$342,300.00	\$0.00
EMA 4		1	Diesel	1	81.45	\$580,000.00	\$0.00	\$1,450,000.00
EMA 6	\$88,279.25	12	Diesel	10	9.41	\$1,905,378.95	\$163,279.25	\$6,865,092.60
EMA 8	\$105,975.00	1	Electric	1	19.157	\$127,725.00	\$105,975.00	\$255,450.00
EMA 10	\$191,426.00	6	Diesel	6	37	\$0.00	\$191,261.00	\$0.00

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<u>Eligible Mitigation Action</u>	<u>Allocation from Trust</u>	<u>Administrative Costs</u>
EMA 1:	\$8,137.00	\$7,919.16
EMA 2:	\$0.00	\$19,274.72
EMA 3:		\$2,390.87
EMA 4:		\$30.62
EMA 6:	\$0.00	\$374.03
EMA 7:		\$982.18
EMA 8:	\$3,179.00	\$244.98
EMA 9:		\$4,010.38
EMA 10:	\$4,308.00	\$0.00
Total:	\$15,624.00	\$35,226.94

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

A handwritten signature in blue ink, appearing to read "Darcy A. Bybee".

Darcy A. Bybee,
Air Pollution Control Program Director