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July 29, 2020

Volkswagen Environmental Mitigation Trust  
C/O Wilmington Trust  
Attn: Russel Crane  
1100 North Market Street  
Wilmington, DE 19890

Dear Mr. Crane:

Attached to this letter is Minnesota's 4th "Report to the Trustee." The requirements of this report are described in paragraph 5.3 of the VW Environmental Mitigation Trust.

This report covers the time from January 1, 2020 through June 30, 2020.

Please contact Rocky Sisk, of my staff, if you have any questions or concerns about this report. He can be reached at 651-757-2173, or by e-mail at [rocky.sisk@state.mn.us](mailto:rocky.sisk@state.mn.us).

Sincerely,

A handwritten signature in black ink that reads "David J. Benke". The signature is written in a cursive style and is set against a light gray rectangular background.

*This document has been electronically signed.*

David J. Benke  
Division Director  
Resource Management and Assistance Division

DJB:cbg

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

<b>Beneficiary</b>	Minnesota
<b>Lead Agency</b>	Minnesota Pollution Control Agency
<b>Reporting Period</b>	January 1, 2020 - June 30, 2020

MPCA Funds	2018	2019	2020	Total
<b>Total VW Funds Received</b>	\$2,350,000	\$7,401,110	\$1,871,242	\$11,622,352
<b>Interest Earned</b>	\$4,423	\$33,680	\$58,933	\$97,037
<b>Disbursements</b>	\$213,172	\$1,364,903	\$2,189,604	\$3,767,679
<b>Total Cash Balance</b>	\$2,141,251	\$6,069,887	-\$259,428	\$7,951,710

Project Description	Summary of All Costs									VW Funds Received
	VW Mitigation Funds			Match Funds			Total Project Cost			
	Obligated	Expended	Total	Obligated	Expended	Total	Obligated	Expended	Total	
Phase 1 School Bus	\$ 985,000	\$ 1,105,000	\$ 2,090,000	\$ 3,439,726	\$ 4,657,649	\$ 8,097,375	\$ 4,424,726	\$ 5,762,649	\$ 10,187,375	\$ 2,115,000
Phase 1 EV Fast Chargers	\$ 1,266,773	\$ 121,171	\$ 1,387,944	\$ 571,864	\$ 54,106	\$ 625,970	\$ 1,838,637	\$ 175,277	\$ 2,013,914	\$ 1,390,500
Phase 1 DERA 1	\$ 3,662	\$ 699,802	\$ 703,464	\$ 429,312	\$ 5,168,398	\$ 5,597,710	\$ 432,974	\$ 5,868,200	\$ 6,301,174	\$ 779,764
Phase 1 Level 2 Chargers	\$ 178,139	\$ 15,300	\$ 193,439	\$ 78,976	\$ 25,519	\$ 104,495	\$ 257,115	\$ 40,819	\$ 297,934	\$ 195,750
Phase 2 School Bus	\$ 560,000	\$ -	\$ 560,000	\$ 2,300,114	\$ -	\$ 2,300,114	\$ 2,860,114	\$ -	\$ 2,860,114	\$ 580,500
Phase 1 Heavy Duty On Road Class 8	\$ 2,114,728	\$ 644,472	\$ 2,759,200	\$ 9,135,761	\$ 2,303,281	\$ 11,439,042	\$ 11,250,489	\$ 2,947,753	\$ 14,198,242	\$ 2,772,066
Phase 1 Heavy Duty On Road Class 4-7	\$ 833,766	\$ 107,934	\$ 941,700	\$ 2,692,025	\$ 530,586	\$ 3,222,611	\$ 3,525,791	\$ 638,520	\$ 4,164,311	\$ 929,184
Phase 1 DERA 2	\$ 1,158,341	\$ -	\$ 1,158,341	\$ 4,328,678	\$ -	\$ 4,328,678	\$ 5,487,019	\$ -	\$ 5,487,019	\$ 1,210,965
Phase 1 Heavy Duty Electric Vehicle 1	\$ 300,000	\$ -	\$ 300,000	\$ 393,333	\$ -	\$ 393,333	\$ 693,333	\$ -	\$ 693,333	\$ 300,000
Phase 1 Heavy Duty Electric Vehicle 2	\$ 100,000	\$ -	\$ 100,000	\$ 276,396	\$ -	\$ 276,396	\$ 376,396	\$ -	\$ 376,396	\$ 100,000
Phase 1 Heavy Duty Electric Vehicle 3	\$ 94,250	\$ -	\$ 94,250	\$ 104,722	\$ -	\$ 104,722	\$ 198,972	\$ -	\$ 198,972	\$ 94,250
Phase 1 Heavy Duty Electric Vehicle 4	\$ 100,000	\$ -	\$ 100,000	\$ 203,381	\$ -	\$ 203,381	\$ 303,381	\$ -	\$ 303,381	\$ 100,000
Contractor Administration	\$ 5,706	\$ -	\$ 5,706	\$ -	\$ 13,743	\$ 19,449	\$ 11,412	\$ 13,743	\$ 25,155	\$ 19,449
Program Administration	\$ -	\$ 1,074,000	\$ 1,074,000	\$ -	\$ -	\$ -	\$ -	\$ 1,074,000	\$ 1,074,000	\$ 1,034,924
<b>Totals</b>	<b>\$ 7,700,365</b>	<b>\$ 3,767,679</b>	<b>\$ 11,468,044</b>	<b>\$ 23,959,994</b>	<b>\$ 12,753,282</b>	<b>\$ 36,713,276</b>	<b>\$ 31,660,359</b>	<b>\$ 16,520,961</b>	<b>\$ 48,181,320</b>	<b>\$ 11,622,352</b>

Project Description	Environmental Mitigation Action #	Project Narrative	
		Project Status	
Phase 1 School Bus	2	Funds received from Trustee 11/28/18. 21 bus replacement contracts have been signed, for a total of 111 buses from around the state. Bus owners in process of purchasing new buses and destroying old buses. As of this date, 60 buses have been destroyed and replaced with new buses. All new buses must be purchased, and old buses destroyed, by March, 2021 for this first round of school bus contracts.	
Phase 1 EV Fast Chargers	9	Funds received from Trustee 2/1/19. As of June 30, 2020, all four fast charging corridor grant contracts have been signed. The grantee is working to determine site locations along the designated EV charging corridors. At completion, there will be 22 EV fast charging stations along 4 designated highway corridors. Two fast charging stations have been built and funds reimbursed. The remaining 20 are at various stages of completion or signing site selection contracts. The installation company is taking advantage of the summer construction season and hopes to build the remaining stations in 2020.	
Phase 1 DERA 1	10	Funds received from Trustee 3/15/19. 13 total projects between VW and DERA funds. All 13 of these projects have been completed, with only 4 remaining to be reimbursed. Projects are all due September 2020.	
Phase 1 Level 2 Chargers	9	Funds received from Trustee 5/2/19. Nine contracts for a total of 25 dual port level 2 charging projects have been signed. As of June 30, 2020 one grantee has installed their 3 dual port stations and has been reimbursed.	
Phase 2 School Bus	2	Funds received from Trustee 12/1/19. 19 bus replacement contracts for Greater Minnesota have been signed, for a total of 31 buses. Bus owners in process of purchasing new buses and destroying old buses. As of this date, no buses have been destroyed and replaced with new buses. All buses must be purchased, and old buses destroyed, by 12/3/21, for this second round of school bus contracts.	
Phase 1 Heavy Duty On Road Class 8	1	Funds received from Trustee 12/1/19. 19 class 8 truck replacement contracts have been signed in Minnesota, for a total of 92 class 8 trucks. Truck owners in process of purchasing new trucks and destroying old ones. As of this date, 17 class 8 trucks have been destroyed and replaced with new ones. All new trucks must be purchased, and old ones destroyed, by November, 2021, for this round of truck replacement contracts.	
Phase 1 Heavy Duty On Road Class 4-7	6	Funds received from Trustee 12/1/19. 12 class 4-7 truck replacement contracts have been signed in Minnesota, for a total of 32 class 4-7 trucks. Truck owners in process of purchasing new trucks and destroying old ones. As of this date, 3 class 4-7 trucks have been destroyed and replaced with new ones. All new trucks must be purchased, and old ones destroyed, by November, 2021, for this round of truck replacement contracts.	
Phase 1 DERA 2	10	Funds received from Trustee 4/17/20. 5 grant agreements have been signed for a total of 11 projects between VW and DERA funding. These projects are underway and must be complete by September 2022, although most are on track to be complete in 2020. These projects are extremely cost-effective, reducing 23 tons of Particulate Matter, 115 tons of NOx, and 2,019 tons of greenhouse gases.	
Phase 1 Heavy Duty Electric Vehicle 1	1	Funds received from Trustee 1/15/20. One electric class 8 truck replacement contract has been signed in Minnesota, for a total of three class 8 electric trucks. Truck owner is in process of purchasing new truck and destroying old ones. All equipment must be purchased, and old equipment destroyed, by 4/26/22.	
Phase 1 Heavy Duty Electric Vehicle 2	2	Funds received from Trustee 1/15/20. 1 electric bus replacement contract has been signed for one bus. Bus owner is in the process of purchasing a new electric bus and destroying the old diesel bus. The electric bus must be purchased, and old diesel bus destroyed, by 4/26/22.	
Phase 1 Heavy Duty Electric Vehicle 3	6	Funds received from Trustee 1/15/20. One class 4-7 truck replacement contract has been signed for one truck. Truck owner is in the process of purchasing the new truck and destroying the old truck. All equipment must be purchased, and old equipment destroyed, by 4/26/22.	
Phase 1 Heavy Duty Electric Vehicle 4	7	Funds received from Trustee 1/15/20. One airport ground equipment replacement contract has been signed. Airline owner is in the process of purchasing new equipment and destroying old equipment. All equipment must be purchased, and old equipment destroyed, by 4/26/22.	

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

*David J. Benke*

This document has been electronically signed.

David Benke, Division Director

29-Jul-20

Date