

VOLKSWAGEN DIESEL SETTLEMENT ENVIRONMENTAL MITIGATION TRUST SEMIANNUAL REPORT TO THE TRUSTEE

Beneficiary: State of Tennessee

Reporting Period: February 26, 2020 (Date of receipt of the first disbursement of Trust assets) – August 26, 2020

SUMMARY OF COSTS EXPENDED ON ELIGIBLE MITIGATION ACTION CATEGORIES THROUGH AUGUST 19, 2020

The following figures detail the allocation of funds by Eligible Mitigation Action category, as outlined within the State's Beneficiary Mitigation Plan (updated May 2019):¹

- **Class 4-8 School Buses, Shuttle Buses, and Transit Buses:** 60% of the initial allocation or \$27,455,948.64 (\$24,854,685.42 in eligible project funds [\$16,000,000 for Transit and Shuttle Buses and \$8,854,685.42 for School Buses], \$2,601,263.22 in eligible administration costs)
- **Class 4-7 Local Freight Trucks:** 15% of the initial allocation or \$6,863,987.16 (\$6,177,588.45 in eligible project funds, \$686,398.71 in eligible administration costs)
- **Class 8 Local Freight Trucks and Port Drayage Trucks:** 10% of the initial allocation or \$4,575,991.44 (\$4,118,392.30 in project funds, \$457,599.14 in eligible administration costs)
- **Light Duty Zero Emission Vehicle Supply Equipment:** 15% of the initial allocation or \$6,863,987.16 (\$6,177,588.45 in eligible project funds, \$686,398.71 in eligible administration costs)
- **Total:** \$45,759,914.40

The following figures represent costs expended by the Beneficiary through August 19, 2020; any costs expended from August 19-26, 2020 will hit the State's payment processing system after August 26, 2020 and will be captured in the next semiannual report.

- **Class 4-8 School Buses:** \$2,447,389.19 (\$34,644.43 in eligible administration costs, \$2,412,744.76 in Grantee reimbursements)
- **Class 4-8 Transit Buses:** \$19,889.26 (eligible administration costs)
- **Class 4-7 Local Freight Trucks:** \$3,629.17 (eligible administration costs)
- **Class 8 Local Freight Trucks and Port Drayage Trucks:** \$4,888.56 (eligible administration costs)
- **Light Duty Zero Emission Vehicle Supply Equipment:** \$8,404.52 (eligible administration costs)
- **Total:** \$2,484,200.70

SUMMARY OF PROGRESS IMPLEMENTING EACH ELIGIBLE MITIGATION ACTION FOR THE PERIOD OF FEBRUARY 26, 2020-AUGUST 26, 2020

A. Class 4-8 School Buses

On October 4, 2018, the Tennessee Department of Environment and Conservation (TDEC) released its first solicitation for projects under the Volkswagen Diesel Settlement Environmental Mitigation Trust (VW Settlement EMT). Under this solicitation, \$8,710,353.78 in EMT funding was made available for

¹ State of Tennessee's Beneficiary Mitigation Plan.

https://www.tn.gov/content/dam/tn/environment/energy/documents/vw-resources/TDEC_VW_EMT_BMP_Updated_5.22.19.pdf.

eligible Class 4-8 School Bus projects. The School Bus Replacement Grant Program, managed by TDEC's Office of Energy Programs (OEP), provides financial assistance to public, nonprofit and private fleets in Tennessee that apply to receive funding to replace a minimum of one eligible School Bus with any new diesel, Alternate Fueled or All-Electric School Bus. School Buses eligible for replacement include 2009 engine model year or older Class 4-8 School Buses sold or introduced into interstate commerce for purposes that include carrying students to and from school or related events. Applications were due by December 14, 2018.

On October 16, 2018, TDEC hosted an application workshop at the Wilson County Schools Administrative and Training Complex in Lebanon. Representatives of school districts, school bus contractors, and other interested persons were encouraged to attend to learn about the application process and program terms and conditions, including project eligibility, timelines for implementation, and reporting requirements. This workshop was recorded and posted to the TDEC VW Settlement website for applicant reference.

Once the application period was opened to the public, TDEC OEP began work to secure Delegated Grant Authority (DGA) for the School Bus Replacement Grant Program. The DGA is provided by TDEC Contracts to a TDEC office or division such that said office or division assumes some of the responsibilities associated with Grant Contract approval and execution, thereby streamlining the Grant Contracting process. To secure the DGA, TDEC OEP submitted a DGA request along with Grant Contract templates for both governmental entities and non-governmental entities (e.g., nonprofits, individuals, businesses, etc.). TDEC OEP received approval for the DGA and associated Grant Contract templates on February 14, 2019. The DGA for this program will remain in effect from March 1, 2019 to March 1, 2024.

By the close of the application period, 58 applications were submitted, representing \$20,186,910.73 in funding requests for 336 School Bus replacements. TDEC conducted a comprehensive review of all applications received.

On May 22, 2019, TDEC announced that 39 Grantees would receive approximately \$8.8 million in EMT funding to support School Bus replacement projects across Tennessee; since that time, three of the Grantees have requested termination of their Grant Contracts (two due to inability to provide required cost share, one due to loss of alternative fuel station access). TDEC OEP continues to manage 36 Grant Contracts representing \$8,330,826.94 in grant funding to support the replacement of a total of 136 engine model year 2009 or older School Buses with 67 new diesel, one All-Electric, 65 propane, and three compressed natural gas School Buses. These projects are expected to yield NOx emissions reductions of an estimated 112,751 pounds, or 56.37 tons, over the lifetime of the new vehicles.

On November 15, 2019, shortly after Grant Contract execution for all selected Grantees, TDEC held a mandatory compliance webinar on the School Bus Replacement Grant Program. This webinar provided guidance on a variety of program requirements and compliance processes, including bid submission and procurement, replaced vehicle scrappage, Title VI training, invoice submission, reporting, onsite monitoring, and reimbursement. The webinar was recorded and uploaded online for Grantee reference.

TDEC leverages its online Grants Management System (GMS) to track and store Grant Contract information, milestones, and associated documentation. Within the GMS, there are a variety of activities or modules that Grantees must complete over the course of the grant period (e.g., procurement, reporting, scrappage, reimbursement, etc.) to demonstrate their adherence to the VW Settlement EMT and Grant Contract requirements. As of August 19:

- OEP has reviewed and approved procurement activities for 31 of the 36 Grantees.

- 17 Grantees have submitted a total of 56 proof of scrappage activities, all of which have been reviewed and approved.
- 20 Grantees have taken delivery of buses; OEP is in communication with these Grantees to schedule monitoring visits. Several of these Grantees will take delivery of additional buses at a later date.
- OEP has conducted 19 monitoring visits of Grantees that have received buses; all associated monitoring reports have been finalized and submitted to the Division of Internal Audit.
- A cumulative total of \$2,412,744.76 has been paid to School Bus Grantees.

The following Grantee summaries provide additional detail for each approved Eligible Mitigation Action under the Class 4-8 School Bus category:

Bledsoe County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$324,825.00

Project Scope: The Grantee shall replace five 2009 engine model year or older Class 4-8 School Buses with five new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 11/5/2019

New Bus Delivery: Three buses (VIN: 4DRBUC8N5MB815606, 4DRBUC8N9MB815608, 4DRBUC8N2MB177752) were delivered on 2/20/2020, 5/12/2020, and 7/7/2020, respectively.

Scrappage: Scrappage of three buses (VIN: 1T88L4E2271276579, 1T88S4C2941137308, 1T88J4C2671284564) were completed on 1/27/2020, 7/6/2020, and 7/13/2020, respectively.

On-site Monitoring: One bus (VIN: 4DRBUC8N5MB815606) was monitored on 3/2/2020. Two buses (VIN: 4DRBUC8N9MB815608, 4DRBUC8N2MB177752) were monitored on 7/21/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 1T88L4E2271276579 in the amount of \$63,900.00 was paid on 4/17/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020 (Grantees are responsible for compiling and submitting annual reports on fuel usage and vehicle operations for a period of five years, to begin following vehicle procurement, delivery, and the placement of vehicles into service. These reports are due no later than 30 days after the close of the Grantee's fiscal year).

Modifications/Notes: N/A

Bradford Special School District

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$189,000.00

Project Scope: The Grantee shall replace four 2009 engine model year or older Class 4-8 School Buses with four new propane School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 10/24/2019

New Bus Delivery: Two buses (VIN: 1BAKJCBA8MF372941, 1BAKJCBA3MF376511) were delivered on 2/13/2020 and 6/11/2020, respectively.

Scrappage: Scrappage of two buses (VIN: 1HVBGAN01A932256, 1BAKGCKAX7F241108) were completed on 2/12/2020 and 7/11/2020, respectively.

On-site Monitoring: One bus (VIN: 1BAKJCBA8MF372941) was monitored on 4/1/2020. One bus (VIN: 1BAKJCBA3MF376511) was monitored on 7/28/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 1HVBGAN01A932256 in the amount of \$43,305.50 was paid on 6/8/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

Campbell County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$42,000

Project Scope: The Grantee shall replace one 2009 engine model year or older Class 4-8 School Buses with one new diesel School Bus.

Approval of Grantee Procurement Process and Selected Vendor: 4/27/2020

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Carroll County Department of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$275,700.00

Project Scope: The Grantee shall replace six 2009 engine model year or older Class 4-8 School Buses with six new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 3/5/2020

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Clarksville-Montgomery County School System

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$625,000.00

Project Scope: The Grantee shall replace ten 2009 engine model year or older Class 4-8 School Buses with ten new propane School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 12/11/2020.

New Bus Delivery: Five buses (VIN: 1BAKJCBAXMF373928, 1BAKJCBAXMF373927, 1BAKJCBAXMF373930, 1BAKJCBAXMF373931, 1BAKJCBAXMF373929) were delivered on 6/16/2020.

Scrappage: Scrappage of five buses (VIN: 1BAKJCBAXMF373928, 1BAKJCBAXMF373927, 1BAKJCBAXMF373930, 1BAKJCBAXMF373931, 1BAKJCBAXMF373929) was completed on 8/17/2020.

On-site Monitoring: Five buses (VIN: 1BAKJCBA8MF373928, 1BAKJCBA8MF373927, 1BAKJCBA8MF373930, 1BAKJCBA8MF373931, 1BAKJCBA1MF373929) were monitored on 7/8/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 1BAKJCBA8MF373928, 1BAKJCBA8MF373927, 1BAKJCBA8MF373930, 1BAKJCBA8MF373931, and 1BAKJCBA1MF373929 in the amount of \$324,791.25 has been reviewed and approved by TDEC OEP; payment is pending approval by TDEC Fiscal and the Department of Finance and Administration.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

Clay County Schools

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$220,500.00

Project Scope: The Grantee shall replace three 2009 engine model year or older Class 4-8 School Buses with three new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 12/11/2020.

New Bus Delivery: One bus (VIN: 1T88X9D24K1138019) was delivered on 12/3/2019.

Scrappage: Scrappage of one bus (VIN: 1T88R3E2X71282770) was completed on 1/17/2020.

On-site Monitoring: One bus (VIN: 1T88X9D24K1138019) was monitored on 2/25/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 1T88R3E2X71282770 in the amount of \$68,445.75 was paid on 5/18/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

Fentress County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$146,916.00

Project Scope: The Grantee shall replace two 2009 engine model year or older Class 4-8 School Buses with two new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 2/25/2020.

New Bus Delivery: Two buses (VIN: 4DRBUC8N8MB537834, 4DRBUC8N6MB537833) were delivered on 4/14/2020.

Scrappage: Scrappage of two buses (VIN: 1BABKCPA27F244608, 1BABHCPAX7F244628) was completed on 5/13/2020.

On-site Monitoring: Two buses (VIN: 4DRBUC8N8MB537834, 4DRBUC8N6MB537833) were monitored on 5/8/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 1BABKCPA27F244608 and 1BABHCPAX7F244628 in the amount of \$127,800.00 was paid on 6/11/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

Greene County Schools

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$273,195.72

Project Scope: The Grantee shall replace six 2009 engine model year or older Class 4-8 School Buses with six new propane School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 12/16/2019.

New Bus Delivery: Six buses (VIN: 1BAKJCBA3MF374208, 1BAKJCBA6MF374204, 1BAKJCBA8MF374205, 1BAKJCBA4MF374203, 1BAKJCBA1MF374207, 1BAKJCBAXMF374206) were delivered on 4/22/2020.

Scrappage: Scrappage of six buses (VIN: 1T88R32961268843, 1T88R3E2771283438, 1T88R3E2861268848, 1T88R3E2X71283434, 1T88R3D2751152086, 1T88R3E2271283430) was completed on 5/27/2020.

On-site Monitoring: Six buses (VIN: 1BAKJCBA3MF374208, 1BAKJCBA6MF374204, 1BAKJCBA8MF374205, 1BAKJCBA4MF374203, 1BAKJCBA1MF374207, 1BAKJCBAXMF374206) were monitored on 5/8/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 1T88R32961268843, 1T88R3E2771283438, 1T88R3E2861268848, 1T88R3E2X71283434, 1T88R3D2751152086, and 1T88R3E2271283430 in the amount of \$259,833.00 was paid on 7/14/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

Grundy County Department of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$539,600.25

Project Scope: The Grantee shall replace seven 2009 engine model year or older Class 4-8 School Buses with seven new propane School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 11/1/2020.

New Bus Delivery: Four buses (VIN: 1BAKJCBA0MF373002, 1BAKJCBA9MF373001, 1BAKJCBA2MF373003, 1BAKJCBA7MF373000) were delivered on 2/27/2020, 2/27/2020, 5/12/2020, and 5/12/2020, respectively.

Scrappage: Scrappage of four buses (VIN: 1HVBBAAN21H305256, 1HVBBAAN9YH305572, 4DRBUAFN17A456711, 4DRBUAFN37A456712) was completed on 3/3/2020, 4/19/2020, 6/11/2020, and 6/18/2020, respectively.

On-site Monitoring: Four buses (VIN: 1BAKJCBA0MF373002, 1BAKJCBA9MF373001, 1BAKJCBA2MF373003, 1BAKJCBA7MF373000) were monitored on 5/26/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 1HVBBAAN21H305256 and 1HVBBAAN9YH305572 in the amount of \$139,471.50 was paid on 6/18/2020. A reimbursement request for the replacement of VIN: 4DRBUAFN17A456711 and 4DRBUAFN37A456712 in the amount of \$139,471.50 was paid on 7/14/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

Hancock County School System

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$238,440.50

Project Scope: The Grantee shall replace three 2009 engine model year or older Class 4-8 School Buses with three new propane School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 11/1/2019.

New Bus Delivery: Three buses (VIN: 1BAKGCBA5MF372961, 1BAKGCBA3MF372960, 1BAKBCBA9MF372962) were delivered on 3/31/2020.

Scrappage: Scrappage of three buses (VIN: 4UZ6CFAA6YCB78791, 4UZ6CJAAXXCB74695, 4UZAAXCS54CM88370) was completed on 5/18/2020.

On-site Monitoring: Three buses (VIN: 1BAKGCBA5MF372961, 1BAKGCBA3MF372960, 1BAKBCBA9MF372962) were monitored on 6/1/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 4UZ6CFAA6YCB78791, 4UZ6CJAAXXCB74695, and 4UZAAXCS54CM88370 in the amount of \$194,373.00 was paid on 6/30/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

Hardeman County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$318,720.75

Project Scope: The Grantee shall replace five 2009 engine model year or older Class 4-8 School Buses with five new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 10/29/2019.

New Bus Delivery: Three buses (VIN: 4UZABRFCXLCCMC9774, 4UZABRFC1LCCMC9775, 4UZABRFC3LCCMC9776, 4UZABRFC5LCCMC9777, 4UZABRFC7LCCMC9778) were delivered on 12/17/2019.

Scrappage: Scrappage of five buses (VIN: 1T88R4C2171281368, 1T88R4C2171281369, 1T88R4C2X71281370, 1T88R3C2451148871, 1T88R3C2151148875) was completed on 2/14/2020.

On-site Monitoring: Five buses (VIN: 4UZABRFCXLCCMC9774, 4UZABRFC1LCCMC9775, 4UZABRFC3LCCMC9776, 4UZABRFC5LCCMC9777, 4UZABRFC7LCCMC9778) were monitored on 3/24/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 4UZ6CFAA6YCB78791, 4UZ6CJAAXXCB74695, and 4UZAAXCS54CM88370 in the amount of \$318,720.75 was paid on 5/27/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

Henderson County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$42,000

Project Scope: The Grantee shall replace one 2009 engine model year or older Class 4-8 School Bus with one new diesel School Bus.

Approval of Grantee Procurement Process and Selected Vendor: N/A

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.
Reimbursement: The Grantee has not yet submitted any reimbursement requests.
Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.
Modifications/Notes: N/A

Hickman County School System

Grant Contract Begin Date: 10/15/2019
Grant Contract End Date: 10/14/2021
Obligated Grant Funding: \$604,500.00
Project Scope: The Grantee shall replace thirteen 2009 engine model year or older Class 4-8 School Buses with thirteen new propane School Buses.
Approval of Grantee Procurement Process and Selected Vendor: 4/15/2020.
New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.
Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.
On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.
Reimbursement: The Grantee has not yet submitted any reimbursement requests.
Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.
Modifications/Notes: N/A

Humphreys County Board of Education

Grant Contract Begin Date: 10/15/2019
Grant Contract End Date: 10/14/2021
Obligated Grant Funding: \$45,000.00
Project Scope: The Grantee shall replace one 2009 engine model year or older Class 4-8 School Buses with one new diesel School Bus.
Approval of Grantee Procurement Process and Selected Vendor: 12/4/2019.
New Bus Delivery: One bus (VIN: 1T88X9D24L1166050) was delivered on 11/12/2019.
Scrappage: Scrappage of one bus (VIN: 1T88R3C2151151825) was completed on 1/9/2020.
On-site Monitoring: One bus (VIN: 1T88X9D24L1166050) was monitored on 2/13/2020. There were no findings noted.
Reimbursement: A reimbursement request for the replacement of VIN: 1T88R3C2151151825 in the amount of \$45,000.00 was paid on 5/8/2020.
Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.
Modifications/Notes: N/A

Jackson County Board of Education

Grant Contract Begin Date: 10/15/2019
Grant Contract End Date: 10/14/2021
Obligated Grant Funding: \$63,000.00
Project Scope: The Grantee shall replace one 2009 engine model year or older Class 4-8 School Buses with one new diesel School Bus.
Approval of Grantee Procurement Process and Selected Vendor: 12/9/2019.
New Bus Delivery: One bus (VIN: 1BABLCSA3MF374431) was delivered on 4/30/2020.
Scrappage: Scrappage of one bus (VIN: 4DRAPSKK38A641882) was completed on 5/22/2020.
On-site Monitoring: One bus (VIN: 1BABLCSA3MF374431) was monitored on 6/8/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 4DRAPSKK38A641882 in the amount of \$63,000 was paid on 7/27/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

JLL Transport, LLC

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$96,166.16

Project Scope: The Grantee shall replace one 2009 engine model year or older Class 4-8 School Buses with one new diesel School Bus.

Approval of Grantee Procurement Process and Selected Vendor: 10/21/2019.

New Bus Delivery: One bus (VIN: 1BABNB6A8MF373533) was delivered on 5/26/2020.

Scrappage: Scrappage of one bus (VIN: 1BABNCKA15F224006) was completed on 5/12/2020.

On-site Monitoring: One bus (VIN: 1BABNB6A8MF373533) was monitored on 6/8/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 1BABNCKA15F224006 in the amount of \$93,038.76 was paid on 7/14/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

Johnson City, City of

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$234,375.00

Project Scope: The Grantee shall replace five 2009 engine model year or older Class 4-8 School Buses with five new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 7/10/2020.

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

KIPP East Nashville Preparatory (DBA KIPP Nashville)

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$188,325.00

Project Scope: The Grantee shall replace three 2009 engine model year or older Class 4-8 School Buses with three new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 4/22/2020

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Lake County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$125,550.00

Project Scope: The Grantee shall replace two 2009 engine model year or older Class 4-8 School Buses with two new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 11/13/2019

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Lynch Bus Lines, LLC

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$272,100.00

Project Scope: The Grantee shall replace four 2009 engine model year or older Class 4-8 School Buses with four new propane School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 10/21/2019.

New Bus Delivery: Four buses (VIN: 4DRBUP1N6MB085528, 4DRBUP1N4MB085530, 4DRBUP1N6MB085531, 4DRBUP1N8MB085529) were delivered on 10/23/2019.

Scrappage: Scrappage of four buses (VIN: 1BABHCKA75F223983, 1BABHCKA35F224127, 1T88R4C2851155876, 4DRBUAAN96B235504) was completed on 12/11/2019.

On-site Monitoring: Four buses (VIN: 4DRBUP1N6MB085528, 4DRBUP1N4MB085530, 4DRBUP1N6MB085531, 4DRBUP1N8MB085529) were monitored on 3/3/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 4DRBUP1N6MB085528, 4DRBUP1N4MB085530, 4DRBUP1N6MB085531, and 4DRBUP1N8MB085529 in the amount of \$272,100.00 was paid on 7/31/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: The Grantee mistakenly Scrapped one of the 2009 engine model year or older Class 4-8 School Buses to be replaced prior to the Grant Contract Begin Date and did not acquire adequate Proof of Scrappage documentation. The Grant Contract was amended in order to substitute the replacement of the prematurely Scrapped bus with an alternate bus of a similar annual mileage and engine model year; this Grant Contract amendment was approved and went into effect on 3/6/2020.

Metropolitan Nashville Public Schools

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$332,092.50

Project Scope: The Grantee shall replace five 2009 engine model year or older Class 4-8 School Buses with five new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: N/A

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Morgan County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$139,350.00

Project Scope: The Grantee shall replace two 2009 engine model year or older Class 4-8 School Buses with two new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 11/18/2019.

New Bus Delivery: Two buses (VIN: 1T88X9D20M1173448, 1T88X9D22M1173449) were delivered on 6/3/2019.

Scrappage: Two of four buses (VIN: 1BAKDCKA66F232428, 1BABHCKAX6F229942) was completed on 7/16/2020.

On-site Monitoring: Two buses (VIN: 1T88X9D20M1173448, 1T88X9D22M1173449) were monitored on 6/17/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 1T88X9D20M1173448 and 1T88X9D22M1173449 in the amount of \$139,350.00 has been reviewed and approved by TDEC OEP; payment is pending approval by TDEC Fiscal and the Department of Finance and Administration.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

Obion County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$87,740.00

Project Scope: The Grantee shall replace two 2009 engine model year or older Class 4-8 School Buses with two new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 10/24/2019.

New Bus Delivery: Two buses (VIN: 4DRBUC8N9LB122648, 4DRBUC8N9LB122651) were delivered on 10/14/2019.

Scrappage: Scrappage of two buses (VIN: 4DRBVAAN05A976402, 4DRBVAAN05A976402) was completed on 11/1/2019.

On-site Monitoring: Two buses (VIN: 4DRBUC8N9LB122648, 4DRBUC8N9LB122651) were monitored on 3/9/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 4DRBVAAN05A976402 and 4DRBVAAN05A976402 in the amount of \$84,740.00 was paid on 6/10/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

Oneida Special School District

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$371,250.00

Project Scope: The Grantee shall replace three 2009 engine model year or older Class 4-8 School Buses with three new propane School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 4/22/2020.

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrapage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: The Grantee was initially awarded funding to purchase three compressed natural gas School Buses. The Grantee requested a scope change to the Grant Contract to fund purchases of propane School Buses instead; this Grant Contract amendment was approved and went into effect on 3/27/2020.

Overton County Schools

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$159,588.00

Project Scope: The Grantee shall replace four 2009 engine model year or older Class 4-8 School Buses with four new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 3/2/2020.

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrapage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Perry County Schools

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$582,375.00

Project Scope: The Grantee shall replace eight 2009 engine model year or older Class 4-8 School Buses with eight new propane School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 10/21/2019.

New Bus Delivery: Eight buses (VIN: 1BAKCCBA2MF372959, 1BAKJCBA2MF372952, 1BAKJCBA4MF372953, 1BAKJCBA6MF372954, 1BAKJCBA8MF372955, 1BAKJCBA8MF372955, 1BAKJCBA8MF372955, 1BAKJCBA8MF372955, 1BAKJCBA1MF372957, 1BAKJCBA3MF372958) were delivered on 3/16/2020.

Scrapage: Scrapage of eight buses (VIN: 1BAKGCKA68F247487, 1BABKCKA37F244219, 1BABKCOAX4F217288, 1BABKCKA25F226209, 1BAKGCKA48F247488, 1BAKGCKA48F247486, 1BAKBCKA28F252927, 1BABNCKA56F233986) was completed on 7/6/2020.

On-site Monitoring: Eight buses (VIN: 1BAKCCBA2MF372959, 1BAKJCBA2MF372952, 1BAKJCBA4MF372953, 1BAKJCBA6MF372954, 1BAKJCBA8MF372955, 1BAKJCBA8MF372955, 1BAKJCBA8MF372955, 1BAKJCBA1MF372957, 1BAKJCBA3MF372958) were monitored on 4/21/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 1BAKCCBA2MF372959, 1BAKJCBA2MF372952, 1BAKJCBA4MF372953, 1BAKJCBA6MF372954, 1BAKJCBA8MF372955, 1BAKJCBA8MF372955, 1BAKJCBA8MF372955, 1BAKJCBA1MF372957, and 1BAKJCBA3MF372958 in the amount of

\$528,642.75 has been reviewed and approved by TDEC OEP; payment is pending approval by TDEC Fiscal and the Department of Finance and Administration.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: On 6/19/2020, the Grantee submitted a formal request to TDEC for an extension of the 60-day deadline to scrap the old vehicles to be replaced following delivery of the new vehicles to be funded. The Grantee cited COVID-19 related delays as the reason for the request. TDEC OEP granted the 60-day extension and notified the Grantee of the revised Scrapage deadline of 7/14/2020 (120 days following the 3/16/20 bus delivery date).

Putnam County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$260,565.00

Project Scope: The Grantee shall replace five 2009 engine model year or older Class 4-8 School Buses with five new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 4/24/2020.

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrapage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Roane County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$55,246.50

Project Scope: The Grantee shall replace one 2009 engine model year or older Class 4-8 School Bus with one new diesel School Bus.

Approval of Grantee Procurement Process and Selected Vendor: 2/28/2020.

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrapage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Robertson County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$249,438.80

Project Scope: The Grantee shall replace five 2009 engine model year or older Class 4-8 School Buses with five new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 12/10/2019.

New Bus Delivery: Five buses (VIN: 1T88Y9D25M1166766, 1T88Y9D27M1166767, 1T88Y9D29M1166768, 1T88Y9D27M1166770, 1T88Y9D20M1166769) were delivered on 1/10/2020.

Scrappage: Scrappage of five buses (VIN: 1T88Y9D25M1166766, 1T88Y9D27M1166767, 1T88Y9D29M1166768, 1T88Y9D27M1166770, 1T88Y9D20M1166769) was completed on 3/4/2020.
On-site Monitoring: Five buses (VIN: 1T88Y9D25M1166766, 1T88Y9D27M1166767, 1T88Y9D29M1166768, 1T88Y9D27M1166770, 1T88Y9D20M1166769) were monitored on 3/17/2020. There were no findings noted.
Reimbursement: A reimbursement request for the replacement of VIN: 1T88Y9D25M1166766, 1T88Y9D27M1166767, 1T88Y9D29M1166768, 1T88Y9D27M1166770, and 1T88Y9D20M1166769 in the amount of \$231,902.50 was paid on 6/30/2020.
Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.
Modifications/Notes: N/A

Sequatchie County Board of Education

Grant Contract Begin Date: 10/15/2019
Grant Contract End Date: 10/14/2021
Obligated Grant Funding: \$94,420.50
Project Scope: The Grantee shall replace two 2009 engine model year or older Class 4-8 School Buses with two new diesel School Buses.
Approval of Grantee Procurement Process and Selected Vendor: 12/30/2019.
New Bus Delivery: Two buses (VIN: 1T88V9D23M1173465, 1T88Y9D22M1173898) were delivered on 6/1/2020.
Scrappage: Scrappage of two buses (VIN: 1BABNCXA35F220614, 1T88K4E26A1128350) was completed on 6/15/2020.
On-site Monitoring: Two buses (VIN: 1T88V9D23M1173465, 1T88Y9D22M1173898) were monitored on 6/17/2020. There were no findings noted.
Reimbursement: A reimbursement request for the replacement of VIN: 1BABNCXA35F220614 and 1T88K4E26A1128350 in the amount of \$94,420.50 was paid on 7/14/2020.
Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.
Modifications/Notes: N/A

Sevier County Board of Education

Grant Contract Begin Date: 10/15/2019
Grant Contract End Date: 10/14/2021
Obligated Grant Funding: \$313,125.00
Project Scope: The Grantee shall replace three 2009 engine model year or older Class 4-8 School Buses with three new natural gas School Buses.
Approval of Grantee Procurement Process and Selected Vendor: 12/19/2020
New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.
Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.
On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.
Reimbursement: The Grantee has not yet submitted any reimbursement requests.
Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.
Modifications/Notes: N/A

Stewart County Schools

Grant Contract Begin Date: 10/15/2019
Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$94,500.00

Project Scope: The Grantee shall replace two 2009 engine model year or older Class 4-8 School Buses with two new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: N/A

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Van Buren County Schools

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$80,696.25

Project Scope: The Grantee shall replace one 2009 engine model year or older Class 4-8 School Bus with one new diesel School Bus.

Approval of Grantee Procurement Process and Selected Vendor: N/A

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Warren County Schools

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$95,525.00

Project Scope: The Grantee shall replace two 2009 engine model year or older Class 4-8 School Buses with two new diesel School Buses.

Approval of Grantee Procurement Process and Selected Vendor: N/A

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Washington County Department of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$219,250.00

Project Scope: The Grantee shall replace one 2009 engine model year or older Class 4-8 School Bus with one new all-electric School Bus.

Approval of Grantee Procurement Process and Selected Vendor: 2/25/2020 (bus); 7/13/2020 (electric vehicle supply equipment); 7/20/2020 (electric vehicle supply equipment monitoring equipment)

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.

Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.

On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.

Reimbursement: The Grantee has not yet submitted any reimbursement requests.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020.

Modifications/Notes: N/A

Weakley County Board of Education

Grant Contract Begin Date: 10/15/2019

Grant Contract End Date: 10/14/2021

Obligated Grant Funding: \$330,750.00

Project Scope: The Grantee shall replace seven 2009 engine model year or older Class 4-8 School Buses with seven new propane School Buses.

Approval of Grantee Procurement Process and Selected Vendor: 2/3/2020.

New Bus Delivery: Four buses (VIN: 1BAKJCBA1MF372943, 1BAKJCBA3MF372944, 1BAKJCBA7MF372946, 1BAKJCBA5MF372945) were delivered on 2/20/2020.

Scrappage: Scrappage of four buses (VIN: 1T88R3D2941143937, 1T88R3D2941143940, 1T88R3D2041143941, 1T88N3B2321113974) was completed on 4/9/2020.

On-site Monitoring: Four buses (VIN: 1BAKJCBA1MF372943, 1BAKJCBA3MF372944, 1BAKJCBA7MF372946, 1BAKJCBA5MF372945) were monitored on 5/15/2020. There were no findings noted.

Reimbursement: A reimbursement request for the replacement of VIN: 1T88R3D2941143937, 1T88R3D2941143940, 1T88R3D2041143941, and 1T88N3B2321113974 in the amount of \$173,222.00 was paid on 6/18/2020.

Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q4 2019, Q1 2020, Q2 2020. The Grantee has also submitted an annual report for FY 2020.

Modifications/Notes: N/A

B. Class 4-8 Transit and Shuttle Buses

On September 10, 2019, TDEC announced its second solicitation for projects under the VW Settlement EMT. Under this solicitation, \$16 million in EMT funding was made available for eligible Class 4-8 Transit and Shuttle Bus projects. The Grant Program, managed by TDEC OEP, provides financial assistance to public, non-profit, and private fleets in Tennessee that apply to replace eligible Transit or Shuttle Buses with any new Alternate Fueled or All-Electric Transit or Shuttle Buses. Additionally, fleets may also apply to Repower Transit or Shuttle Buses with new All-Electric Transit or Shuttle Bus drivetrains. Transit or Shuttle Buses eligible for replacement or Repower include 2009 engine model year or older Class 4-8 diesel buses used for transporting people. For purposes of this solicitation, "Transit Buses" shall include all vehicles that provide public transportation, which shall mean regular and continuing shared-ride surface transportation services that are open to the general public. "Shuttle Buses" shall include vehicles that provide transportation services for one or more specific entities, intra-terminal or intra-facility transportation services, or mobility-on-demand services. Applications were due by November 19, 2019.

On September 17, 2019, TDEC hosted an application workshop. Representatives of transit agencies, shuttle bus contractors, and other interested persons were encouraged to attend to learn about the application process and program terms and conditions, including project eligibility, timelines for implementation, and reporting requirements. This workshop was recorded and posted to the TDEC VW Settlement website for applicant reference.

TDEC OEP then began work to secure a DGA for the Transit and Shuttle Bus Grant Program. To secure the DGA, TDEC OEP submitted a DGA request along with Grant Contract templates for both governmental entities and non-governmental entities (e.g., nonprofits, individuals, businesses, etc.). TDEC OEP received approval for the DGA and associated Grant Contract templates on March 17, 2020. The DGA for this program will remain in effect from April 1, 2020 to March 31, 2025.

Three applications were submitted, representing \$5,690,860.50 in funding requests for nine Transit Buses and six All-Electric vehicle chargers. TDEC conducted a comprehensive review of all applications received. Given that the three funding requests represented less than half the amount that was made available under the solicitation, OEP staff members conducted follow-up with other transit agencies and shuttle bus operators to better understand why more applications were not submitted. With regard to the transit agencies, many noted that they either 1) did not have any eligible vehicles for replacement, as their vehicles are all newer than 2009 or 2) they had received FTA funding recently to support the purchase of new electric buses and therefore did not have capacity or cost share to commit to more bus purchases at the time. With regard to shuttle bus operators, all of the organizations that OEP spoke with noted that their buses were either too small (less than 14,001 lbs.) or were powered by gasoline and were therefore ineligible for replacement or Repower.

TDEC notified selected recipients of their awards in the spring of 2020; three Grantees will receive \$5,690,860.50 in EMT funding to support Transit and Shuttle Bus projects across Tennessee. The Grantees will replace a total of nine engine model year 2009 or older diesel Transit Buses with six All-Electric and three diesel-Hybrid Transit Buses. These projects are expected to yield NOx emissions reductions of an estimated 17,027.46 pounds, or 8.51 tons, over the lifetime of the new vehicles. All nine Transit Buses funded will operate 70% or more of the time in former nonattainment areas for ozone and/or fine particulate matter (PM2.5) National Ambient Air Quality Standards and will collectively travel more than 400,000 miles each year. (Note that the public funding announcement for the Transit and Shuttle Bus Grant Program was not released until May 20, 2020, given TDEC's prioritization of communications and media releases pertaining to the ongoing COVID-19 pandemic earlier in the year.)

On May 13, 2020, in preparation of Grant Contract execution for all selected Grantees, TDEC held a mandatory compliance webinar on the Transit and Shuttle Bus Grant Program. This webinar provided guidance on a variety of program requirements and compliance processes, including bid submission and procurement, replaced vehicle scrappage, Title VI training, invoice submission, reporting, onsite monitoring, and reimbursement. The webinar was recorded and uploaded online for Grantee reference.

TDEC leverages its online GMS to track and store Grant Contract information, milestones, and associated documentation. Within the GMS, there are a variety of activities or modules that Grantees must complete over the course of the grant period (e.g., procurement, reporting, scrappage, reimbursement, etc.) to demonstrate their adherence to the VW Settlement EMT and Grant Contract requirements. As of August 15, OEP has reviewed and approved procurement activities for one of the three Grantees.

The following Grantee summaries provide additional detail for each approved Eligible Mitigation Action under the Class 4-8 Transit and Shuttle Bus category:

Chattanooga Area Regional Transportation Authority

Grant Contract Begin Date: 6/22/2020

Grant Contract End Date: 6/21/2022

Obligated Grant Funding: \$1,882,203.00

Project Scope: The Grantee shall replace three 2009 engine model year or older Class 4-8 Transit Buses with three new all-electric Transit Buses.

Approval of Grantee Procurement Process and Selected Vendor: The Grantee has not yet submitted a request for approval of procurement process or selected vendor.

New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.
Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.
On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.
Reimbursement: The Grantee has not yet submitted any reimbursement requests.
Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q2 2020.
Modifications/Notes: N/A

Knoxville, City of

Grant Contract Begin Date: 4/13/2020
Grant Contract End Date: 4/12/2022
Obligated Grant Funding: \$1,695,907.50
Project Scope: The Grantee shall replace three 2009 engine model year or older Class 4-8 Transit Buses with three new diesel-hybrid Transit Buses.
Approval of Grantee Procurement Process and Selected Vendor: 4/29/2020
New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.
Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.
On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.
Reimbursement: The Grantee has not yet submitted any reimbursement requests.
Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q2 2020.
Modifications/Notes: N/A

Memphis Area Transit Authority

Grant Contract Begin Date: 6/29/2020
Grant Contract End Date: 6/28/2022
Obligated Grant Funding: \$2,112,750.00
Project Scope: The Grantee shall replace three 2009 engine model year or older Class 4-8 Transit Buses with three new all-electric Transit Buses.
Approval of Grantee Procurement Process and Selected Vendor: The Grantee has not yet submitted a request for approval of procurement process or selected vendor.
New Bus Delivery: The Grantee has not yet taken delivery of any new vehicles.
Scrappage: As of August 23, the Grantee has not Scrapped any vehicles.
On-site Monitoring: On-site monitoring will be scheduled following new vehicle delivery.
Reimbursement: The Grantee has not yet submitted any reimbursement requests.
Reporting: The Grantee is current on all reporting requirements. The Grantee has submitted quarterly reports for the following quarters: Q2 2020.
Modifications/Notes: N/A

C. Class 4-7 Local Freight Trucks / Class 8 Local Freight Trucks and Port Drayage Trucks

TDEC plans to release its third solicitation for projects under the VW Settlement EMT during the week of 8/24/2020. Under this solicitation, \$6,177,588.45 in EMT funding will be made available for eligible Class 4-7 Local Freight Truck (Medium Truck) projects and \$ 4,118,392.30 in EMT funding will be made available for eligible Class 8 Local Freight Trucks and Port Drayage Truck (Large Truck) projects. Applicants will be able to apply for funds for Medium Truck projects, Large Truck projects, or both Medium and Large Truck projects within the same application. The Grant Programs, managed by TDEC OEP, will provide financial assistance to public, non-profit, and private fleets in Tennessee that apply to replace Eligible Medium and Large Trucks with new diesel, Alternate Fueled, or All-Electric trucks. Additionally, fleets may also apply to Repower Eligible Medium and Large Trucks with new diesel, Alternate Fueled, or All-Electric engines or drivetrains.

Medium and Large Trucks eligible for replacement or Repower will include 1992–2009 engine model year or older Class 4-7 Local Freight Trucks (Gross Vehicle Weight Rating (GVWR) between 14,001 lbs. and 33,000 lbs.) used to deliver cargo and freight and Class 8 Local Freight Trucks and Port Drayage Trucks (GVWR greater than 33,000 lbs.) used for port drayage and/or freight/cargo delivery. For purposes of this solicitation, “Cargo and Freight” shall mean goods transported in bulk; raw materials, feedstocks, and other commodities; heating and transportation fuels; construction materials; residential, commercial, and industrial waste; residential, commercial, and industrial goods transported via established moving services; mail and other packages; equipment that enables emergency response and other public services; and any other items that must be transported via truck to support commerce and safety. “Local” shall refer to vehicles that operate in Tennessee counties for 70% or more of the time.

The current, expected application deadline is October 30, 2020. TDEC will announce awards after conducting a comprehensive review and evaluation of all complete and eligible grant applications. Grant contracting efforts will occur shortly thereafter.

D. Light Duty Zero Emission Vehicle (ZEV) Supply Equipment

The State has allocated the maximum allowable percentage (15%) of its VW Settlement EMT allocation (\$6,177,588.45 in initial eligible project funds) to fund light duty electric vehicle charging infrastructure.

On November 1, 2019, TDEC issued a Request for Information (RFI) to solicit feedback to inform the program design for a forthcoming solicitation under the Light Duty ZEV Supply Equipment category. In particular, the RFI requested feedback as to how the State should consider allocating the funds within this EMA category between the following EMA sub-categories:

Light duty electric vehicle (EV) supply equipment that:

- will be available to the public;
- is available at a workplace but not to the general public; and
- is available at a multi-unit dwelling but not to the general public.

The RFI posed questions on best practices and preferences for specific EV charging use cases, including corridor, workplace, multi-unit dwelling, and community charging applications. Responses to the RFI were due on December 6, 2019. TDEC received 24 responses from a mix of industry organizations, charging equipment and network vendors, local governmental entities, utilities, non-profits, and individuals. The RFI was not a solicitation for projects; information obtained from the RFI has been used solely for planning purposes. Submitting a response to this RFI was voluntary and will not be a prerequisite for responding to any future solicitations issued by TDEC with regard to the State’s allocation under the VW Settlement EMT. The responses provide valuable feedback on topics such as DC fast charging corridor infrastructure and will inform ongoing planning efforts to deploy EV infrastructure across varying use cases in Tennessee.

TDEC has also leveraged program design insights from the recently completed Drive Electric Tennessee Statewide Electric Vehicle Charging Infrastructure Needs Assessment, which highlights the condition of Tennessee’s publicly available EV charging infrastructure, as well as identifies geographic areas where new infrastructure should be placed to promote electric vehicle adoption in TN and the goal of 200,000 light duty EVs in Tennessee by 2028.² Whereas high demand EV charging sites can attract private

² Drive Electric Tennessee Statewide Electric Vehicle Charging Infrastructure Needs Assessment. <https://www.tn.gov/content/dam/tn/environment/energy/documents/DET%20Tennessee%20EVSE%20Needs%20Assessment%20-%20Executive%20Summary.pdf>.

investment (e.g., retail charging, community charging), the Needs Assessment found that lower demand EV charging sites (e.g., corridor charging, rural charging) are not as appealing for private investors and may require investment from public institutions and/or utilities.

Given that DC fast charging corridor applications (and rural deployments in particular) create difficult business propositions for third parties and private businesses in the short term, TDEC has identified corridor charging infrastructure as a key opportunity area for public investment. Additionally, TDEC is exploring ways to partner with local utilities in the installation, ownership, and operation of public DC fast charging corridor equipment to reduce the overall cost of charging and to support long-term business models for operation and maintenance of such infrastructure.

With the goal of establishing a statewide corridor fast charging network that improves transportation efficiency, reduces vehicle emissions, drives EV adoption, strengthens the resiliency of the transportation sector, and connects both rural and urban areas in Tennessee, TDEC has identified key primary and secondary corridors for EV infrastructure development within a set of EV Charging Infrastructure Opportunity Maps.³ TDEC will seek to supplement existing public electric vehicle charging infrastructure to achieve what we are calling “Fast 50” designation on these corridors, such that non-proprietary fast charging sites (with minimum power levels of 50 kilowatts or higher) will be located no more than 50 miles apart along a given corridor or route.

TDEC OEP expects to release its first solicitation for projects under the Light Duty ZEV Supply Equipment category by 6/30/2021.

ATTESTATION AND SIGNATURE

I certify that the information included within this report is true and correct and that the submission is made under penalty of perjury.

Signature: Molly R. Cygan
Title: Director, Bureau of Environment Operations/Energy Programs/Emergency Response
and TDEC Compliance Coordinator
Date: 08-25-2020

³ EV Charging Infrastructure Opportunity Maps. <https://www.tn.gov/environment/program-areas/energy/state-energy-office--seo-/tennessee-and-the-volkswagen-diesel-settlement/project-solicitations/electric-vehicle-supply-equipment-grant/tennessee-electric-vehicle-charging-infrastructure.html>.