



Commonwealth of Massachusetts
Executive Office of Energy & Environmental Affairs

Department of Environmental Protection

One Winter Street Boston, MA 02108 • 617-292-5500

Charles D. Baker
Governor

Karyn E. Polito
Lieutenant Governor

Kathleen A. Theoharides
Secretary

Martin Suuberg
Commissioner

MassDEP VW Settlement Semiannual Report

January 1, 2020 – June 30, 2020

This information is available in alternate format. Contact Michelle Waters-Ekanem, Director of Diversity/Civil Rights at 617-292-5751.

TTY# MassRelay Service 1-800-439-2370

MassDEP Website: www.mass.gov/dep

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Massachusetts is a beneficiary under the Volkswagen (VW) *Environmental Mitigation Trust Agreement for State Beneficiaries* (VW Settlement). The Massachusetts Department of Environmental Protection (MassDEP) is the designated Lead Agency for Massachusetts under the VW Settlement and is responsible for, among other duties, developing the beneficiary mitigation plan (BMP) for Massachusetts, which describes how the Commonwealth will spend its funding allocation. The VW Settlement contains provisions requiring semiannual reporting:

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 30 (for the preceding six-month period of July 1 to December 31) and July 30 (for the preceding six-month period of January 1 to June 30) of each year, each Beneficiary shall submit to 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.

MassDEP submitted its first semiannual report to the trustee, Wilmington Trust (WT), on February 12, 2020, which covered the period of October 28, 2019 to December 31, 2019. This second semiannual report covers the period of January 1, 2020 to June 30, 2020.

MassDEP issued a *Final Massachusetts Volkswagen Settlement Beneficiary Mitigation Plan* (BMP),¹ submitted to WT on December 10, 2018, and an *Amendment* to the BMP,² submitted to WT on December 17, 2019, which established plans for \$40,759,665.16 of the \$75,064,424.40 Massachusetts allocation of the VW Settlement. The current status of Massachusetts' VW implementation is summarized below.

¹ <https://www.mass.gov/doc/massachusetts-volkswagen-settlement-beneficiary-mitigation-plan-december-2018/download>

² <https://www.mass.gov/doc/amendment-to-massachusetts-volkswagen-settlement-beneficiary-mitigation-plan-december-2019/download>

Eligible Mitigation Action (EMA)	December 2018 BMP Equipment and Installation	Additional December 2019 BMP Amendment Equipment and Installation	Total Equipment and Installation	Status
EMA 2: Electric transit buses	\$11 million	\$11 million	\$22 million	D-4 form submitted to WT October 3, 2019 ³ reserved \$10,977,992 for electric transit buses, charging infrastructure, installation and administrative costs. ⁴ Payments of \$3 million and \$0.9 million were made to BYD Coach and Bus LLC for six electric transit buses delivered to Martha’s Vineyard Transit Authority. An additional four electric transit buses are expected to be delivered to Pioneer Valley Transit Authority (PVTA) in December 2020; PVTA received 6 charging stations in June 2020. Procurements are in process for additional transit buses for PVTA, and buses and charging stations for Greater Attleboro Taunton Transit Authority.
EMA 9: Light duty electric vehicle supply equipment (EVSE)	\$5 million	\$6,259,665.16	The maximum allowed 15%. (15% of the \$75,064,424.40 initial allocation is \$11,259,663.66; the final amount spent may be higher due to investment earnings on the balance of funds in the Trust, but not more than the allowed 15%.)	D-4 form submitted to WT August 28, 2019 reserved \$5,750,000 for EVSE, installation and administrative costs for the three Massachusetts Electric Vehicle Incentive Program (MassEVIP) offerings detailed below. D-4 form submitted to WT February 21, 2020 ⁵ increased reserved amount to \$12,948,613.21 (\$11,259,663.66 for EVSE and installation and \$1,688,949.55 for administration), and liquidated a \$3,459,157.95 portion for estimated 2020 grants (\$3 million for EVSE and installation and \$459,157.95 for administration).

³ <https://www.vwenvironmentalmitigationtrust.com/sites/default/files/2020-02/VW%20EMA02%20electric%20transit%20buses%20D-4%20CommishSigned%2010-3-2019%20%28web%29.pdf>

⁴ As indicated in the December 2018 BMP, p.4, “Trust Funds can be used for the actual administrative expenditures associated with implementing an eligible mitigation project, but not to exceed 15% of the total cost of such eligible mitigation project. The Commonwealth will review each mitigation project to determine the appropriate level of administrative expenditure and does not expect to use the entire 15% for this purpose.”

⁵ <https://www.vwenvironmentalmitigationtrust.com/sites/default/files/2020-03/VW%20MassEVIP%20D-4%20revision%201%202-20-2020%20MS%20signed%20%28web%29.pdf>

Eligible Mitigation Action (EMA)	December 2018 BMP Equipment and Installation	Additional December 2019 BMP Amendment Equipment and Installation	Total Equipment and Installation	Status																																
Open Solicitation: was open to any EMA except EMA 9 (EVSE) and EMA 10 (Diesel Emissions Reduction Act (DERA))	\$7.5 million		\$7.5 million	<p>Through June 30, 2020, no D-4 forms have been submitted to reserve any funds for the Open Solicitation. Selected Grantees were announced on December 20, 2019.⁶ Grantee J&S Solutions LLC went out of business, and its grant was reallocated to an additional vehicle each in the City of Salem and Town of Arlington. No Grantees received VW disbursements during the time period covered by this semiannual report. The contracts between MassDEP and Grantees allow 18 months to complete projects. The distribution of grant amounts across EMA categories is as follows (no grants were selected for EMA 3):</p> <table border="1"> <thead> <tr> <th>EMA</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Large Trucks</td> <td>\$3,003,427.61</td> </tr> <tr> <td rowspan="3">2</td> <td>School Bus</td> <td>\$1,499,905.32</td> </tr> <tr> <td>Shuttle Bus</td> <td>\$697,504.00</td> </tr> <tr> <td>Transit Bus</td> <td>\$500,000.00</td> </tr> <tr> <td>4</td> <td>Ferries</td> <td>\$194,659.80</td> </tr> <tr> <td>5</td> <td>Ocean Going Vessel Shorepower</td> <td>\$100,000.00</td> </tr> <tr> <td>6</td> <td>Medium Trucks</td> <td>\$782,827.96</td> </tr> <tr> <td rowspan="2">7</td> <td>Airport Ground Support Equipment (GSE) (replacing gasoline)</td> <td>\$440,930.31</td> </tr> <tr> <td>Airport GSE (replacing diesel)</td> <td>\$169,140.00</td> </tr> <tr> <td>8</td> <td>Cargo Handling Equipment</td> <td>\$111,605.00</td> </tr> <tr> <td>Total</td> <td></td> <td>\$7,500,000.00</td> </tr> </tbody> </table>	EMA	Amount	1	Large Trucks	\$3,003,427.61	2	School Bus	\$1,499,905.32	Shuttle Bus	\$697,504.00	Transit Bus	\$500,000.00	4	Ferries	\$194,659.80	5	Ocean Going Vessel Shorepower	\$100,000.00	6	Medium Trucks	\$782,827.96	7	Airport Ground Support Equipment (GSE) (replacing gasoline)	\$440,930.31	Airport GSE (replacing diesel)	\$169,140.00	8	Cargo Handling Equipment	\$111,605.00	Total		\$7,500,000.00
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Total	\$23.5 million	\$17,259,665.16	\$40,759,665.16																																	

⁶ Press release at <https://www.mass.gov/news/baker-polito-administration-awards-75-million-in-grants-to-further-electrify-transportation> and list of selected Grantees at <https://www.mass.gov/doc/list-of-volkswagen-settlement-open-solicitation-grant-recipients-december-2019/download>

A number of grant programs were announced on January 18, 2019; see press release at <https://www.mass.gov/news/baker-polito-administration-announces-grant-programs-to-reduce-vehicle-air-pollution-under-the>. These programs include the following three MassEVIP offerings totaling \$5 million under EMA 9 EVSE, and a \$7.5 million Open Solicitation open to all EMAs except EMA 9 (EVSE) and EMA 10 (DERA). A matrix comparing details of the program features can be found at <https://www.mass.gov/doc/matrix-of-vw-massevip-grant-programs/download>.

- *MassEVIP: Public Access Charging (PAC)* (for \$2 million; opened January 18, 2019 with a March 18, 2019 application deadline): Application links and materials can be found at <https://www.mass.gov/how-to/apply-for-massevip-public-access-charging-incentives>. Selected Grantees were announced on November 20, 2019; see press release at <https://www.mass.gov/news/baker-polito-administration-awards-2-million-in-grants-to-support-public-access-charging-for>. Grantees for this program are in the process of implementing their projects; no Grantees received VW disbursements during the time period covered by this semiannual report. Grantees first receive an approval letter with contract forms to sign, then are sent an executed contract. The contracts between MassDEP and Grantees allow 180 days to complete projects. Due to the COVID-19 emergency, MassDEP has worked with Grantees to review and extend timelines where necessary. See the following table for project status through June 30, 2020.

MassEVIP: PAC status through June 30, 2020	# of Projects	\$ Funding	# of Charging Ports
Projects with approvals issued but without executed contracts	12	\$148,432.00	24
Projects with both approvals and executed contracts	51	\$1,092,898.21	202
Projects that received approvals and/or executed contracts but were withdrawn	22	\$759,386.13	142
Total	85	\$2,000,716.34	368

- *MassEVIP: Multi-unit Dwelling (MUD) charging* (for \$1.5 million; opened January 18, 2019 and accepts applications on a rolling basis): Application links and materials can be found at <https://www.mass.gov/how-to/apply-for-massevip-multi-unit-dwelling-charging-incentives>. Grantees for this program are in the process of implementing their projects; no Grantees received VW disbursements during the time period covered by this semiannual report. Grantees first receive an approval letter with contract forms to sign, then are sent an executed contract. The contracts between MassDEP and Grantees allow 180 days to complete projects. Due to the COVID-19 emergency, MassDEP has worked with Grantees to review and extend timelines where necessary. See the following table for project status through June 30, 2020.


MassEVIP: MUD status through December 31, 2019	# of Projects	\$ Funding	# of Charging Stations
Projects with approvals issued but without executed contracts	3	\$22,084.20	9
Projects with both approvals and executed contracts	13	\$96,873.00	16
Projects that received approvals and/or executed contracts but were withdrawn	1	\$8,046.00	2
Total	17	\$127,003.20	27

- MassEVIP: Workplace Charging (WPC)* (for \$1.5 million; opened January 18, 2019 and accepts applications on a rolling basis): Application links and materials can be found at <https://www.mass.gov/how-to/apply-for-massevip-workplace-charging-incentives>. Some Grantees for this program have completed their projects, and some Grantees for this program are in the process of implementing their projects. Grantees first receive an approval letter with contract forms to sign, then are sent an executed contract. The contracts between MassDEP and Grantees allow 180 days to complete projects. Due to the COVID-19 emergency, MassDEP has worked with Grantees to review and extend timelines where necessary. All of the MassEVIP disbursements that have been issued for completed VW grant projects through June 30, 2020 were for EMA 9 projects under MassEVIP WPC, as detailed in the following tables.

MassEVIP: WPC status through June 30, 2020	# of Projects	\$ Funding	# of Charging Stations
Projects with approvals issued but without executed contracts	32	\$393,505.97	109
Projects with both approvals and executed contracts	84	\$544,535.87	119
Completed Projects	18	\$118,805.94	32
Projects that received approvals and/or executed contracts but were withdrawn	24	\$166,601.75	13
Total	158	\$1,223,449.53	273

Date Disbursed	Grantee	Charging Station Location	Charging Level	# of Stations	# of Ports	Amount
4/21/2020	The Porches Inn/Mohawk Hospitality LLC	231 River Street North Adams	2	2	2	\$771.60
4/21/2020	NDB PROPERTY OWNER 1, L.P. (35 Network Drive, Burlington)	35 Network Drive Burlington	2	2	4	\$7,737.00
4/21/2020	Trustees of Deerfield Academy	53 Old Main Street Deerfield	2	1	2	\$1,547.73
4/21/2020	Town of Granby	259 East State Street Granby	2	2	4	\$6,924.54
4/21/2020	Seaport Garage LP	157 Seaport Blvd Boston	2	1	2	\$3,893.40
4/21/2020	Seaport Garage LP	2 Seaport Lane Boston	2	1	2	\$3,893.40
4/21/2020	Second Needham DE, LLC	100 Second Avenue Needham	2	1	2	\$4,629.41
4/21/2020	First Needham DE, LLC	250 First Ave Newton	2	1	2	\$4,629.41
4/21/2020	1560 Trapelo Realty DE, LLC	1560 Trapelo Road Waltham	2	1	2	\$4,629.41
4/21/2020	Crawford Street DE, LLC	15-19 Crawford Street Needham	2	1	2	\$4,629.41
4/21/2020	117 Kendrick DE, LLC	117 Kendrick Street Needham	2	2	4	\$9,838.22
4/21/2020	Gould Street DE, LLC	144 Gould Street Needham	2	1	2	\$4,629.41
Total disbursed 1/1/2020 through 6/30/2020	12			16	30	\$57,752.94
Cumulative total disbursed through 6/30/2020	18			32	62	\$118,805.94

In accordance with Section 5.3 of the Volkswagen *Environmental Mitigation Trust Agreement for State Beneficiaries*, I attest that the information contained in this report is true and correct and that this submission is made under penalty of perjury.

Signature:  Date: 7/29/2020
MassDEP Commissioner Martin Suuberg