



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF  
ENVIRONMENT, GREAT LAKES, AND ENERGY  
LANSING



LIESL EICHLER CLARK  
DIRECTOR

July 30, 2021

VIA INTRA-LINKS

Volkswagen Diesel Emissions Environmental Mitigation Trust  
for State Beneficiaries, Puerto Rico, and the District of Columbia  
c/o Wilmington Trust, N.A. as Trustee  
Wilmington Trust, National Association  
Attention: Mr. Russell Crane, Assistant Vice President  
Capital Markets and Agency Services  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

Dear Mr. Crane:

SUBJECT: State of Michigan's Semi-annual Report

Enclosed with this letter is Michigan's semi-annual report that includes information as described in paragraph 5.3 of the Environmental Mitigation Trust Agreement for State Beneficiaries.

This report covers January 1, 2021, through June 30, 2021. The information is true and correct, and the submission is made under the penalty of perjury.

If you have any questions or concerns about this report, please contact Ms. Kathy Tetzlaff, Manager, Administration Section, Materials Management Division, Michigan Department of Environment, Great Lakes, and Energy (EGLE), at 517-290-6682 or TetzlaffK@Michigan.gov.

Sincerely,

Elizabeth M. Browne, Director  
Materials Management Division  
517-284-6551

Enclosure

cc: Mr. Robert Jackson, EGLE  
Ms. Julie Staveland, EGLE  
Ms. Kathy Tetzlaff, EGLE  
Mr. Chad Rogers, EGLE  
Ms. Debbie Swartz, EGLE

**Volkswagen Diesel Environmental Mitigation Trust for States  
Semi-Annual Report**

**Beneficiary: Michigan**  
**Lead Agency: Department of Environment, Great Lakes, and Energy**  
**Reporting Period: January 1, 2021 - June 30, 2021**

	2020	2021	Total
Class 4-8 School Bus	\$2,675,870	\$7,819,884	\$10,495,754
Lt Duty Zero Emission Vehicle Supply Equip	\$0	\$49,837	\$49,837
<b>Total Disbursements</b>	<b>\$2,675,870</b>	<b>\$7,869,721</b>	<b>\$10,545,591</b>

Summary of All Costs										
Project Description	VW Mitigation Funds			Match Funds			Total Project Cost			VW Funds Disbursed
	Obligated	Expended	Total	Obligated	Expended	Total	Obligated	Expended	Total	
Electric School Bus Pilot Project	\$0	\$4,197,194	\$4,197,194	\$0	\$1,798,798	\$1,798,798	\$0	\$5,995,992	\$5,995,992	\$4,197,194
Diesel and Propane School Bus	\$2,426,332	\$6,298,560	\$8,724,892	\$6,316,470	\$14,255,407	\$20,571,877	\$8,742,803	\$20,553,967	\$29,296,769	\$6,298,560
Light Duty EV Chargers - Ph 1	\$1,422,323	\$49,837	\$1,472,160	\$3,439,495	\$49,837	\$3,489,332	\$4,861,818	\$99,674	\$4,961,492	\$49,837
Light Duty EV Chargers - Ph 2	\$448,204	\$0	\$448,204	\$1,088,495	\$0	\$1,088,495	\$1,536,699	\$0	\$1,536,699	\$0
Light Duty EV Chargers - Ph 3	\$519,725	\$0	\$519,725	\$1,398,425	\$0	\$1,398,425	\$1,918,150	\$0	\$1,918,150	\$0
Light Duty EV Chargers - Ph 4	\$237,450	\$0	\$237,450	\$703,370	\$0	\$703,370	\$940,820	\$0	\$940,820	\$0
Program Administration	\$265,000	\$0	\$265,000	\$0	\$0	\$0	\$265,000	\$0	\$265,000	\$0
<b>Totals</b>	<b>\$5,319,034</b>	<b>\$10,545,591</b>	<b>\$15,864,625</b>	<b>\$12,946,256</b>	<b>\$16,104,042</b>	<b>\$29,050,297</b>	<b>\$18,265,290</b>	<b>\$26,649,632</b>	<b>\$44,914,922</b>	<b>\$10,545,591</b>

Project Narrative		
Project Description	Environment al Mitigation	Project Status
Electric School Bus Pilot Project	2	The Michigan Association for Pupil Transportation Electric School Bus Pilot Project has scrapped 17 eligible diesel school buses and replaced them with 17 new all-electric school buses and Level 2 charging stations in a total of seven school districts. Eleven new all-electric Lion Electric school buses were delivered in 2019 and were used to transport school children and/or distribute meals to school children during the pandemic. 5 schools were reimbursed in full for all eligible expenses related to the Lion Electric School buses and charging stations in 2020. 6 new all-electric Thomas Built school buses and DC fast charging stations were delivered and installed between November 2020 and January 2021. They were also used to transport school children and/or distribute meals to school children during the pandemic. During this reporting period, 2 schools were reimbursed in full for all eligible expenses related to the 6 Thomas Built school buses and DCFC charging stations. Using no Volkswagen settlement funds, project partners will work together over the next 18 months to conduct vehicle to grid and vehicle to building studies, track energy usage and vehicle performance, and develop K-12 educational teaching and learning materials. The project is scheduled to be completed and the grant agreement closed by December 31, 2022.
Diesel and Propane School Bus Projects	2	Fourteen of the 25 projects have been completed involving the purchase of 136 new buses and the decommissioning of 136 eligible buses. The school districts involved with these buses have been reimbursed in full for all eligible expenses. Six schools have partially completed their projects involving the purchase of 77 new school buses and decommissioning of 77 eligible school buses. These schools will collectively purchase an additional 55 buses to complete their projects. Five projects have not requested any reimbursement and are in the process of ordering a total of 30 new buses. The 11 projects that are ongoing will collectively purchase a total of 85 new buses to complete their projects and close their grant agreements no later than December 31, 2022.

Project Narrative		
Project Description	Environmental Mitigation	Project Status
Request for Proposal (Multiple Projects, Parts 1, 2 and 3)	1, 2, 3, 4, 5, 6, 7, 8	The multi-year 3 part \$30 Million Request for Proposal for Class 4-8 Local Freight Trucks, Port Drayage Trucks, Shuttle and Transit Buses, Freight Switchers, Ferries and Tugs, Shore power, Airport Ground Support Equipment, Forklifts, and Port Cargo Handling Equipment was announced on February 23, 2021. Part 1 is accepting applications in 2021 and is offering up to \$16 million to replace Class 4-8 Local Freight Trucks, Port Drayage Trucks, Shuttle and Transit Buses. Part 2 is scheduled to open on February 23, 2022, and will offer up to \$9 million in grants for projects involving Freight Switchers, Great Lakes Ferries and Tugs, and Great Lakes Vessels Shore Power. Part 3 is scheduled to open on March 1, 2023 and will offer up to \$5 million for projects involving Airport Ground Support Equipment, Forklifts and Port Cargo Handling Equipment.
Request for Proposal Part 1	1, 2, 6	Part 1 is offering up to \$16 million to replace Class 4-8 Local Freight Trucks, Port Drayage Trucks, Shuttle and Transit Buses. Part 1, Round 1 opened on February 23, 2021 and closed on April 22, 2021. To date, a total of 21 applications have been received. Part 1 Round 2 opened June 22, 2021, and will close August 20, 2021. If all \$16 million are not awarded by the end of Round 2, Round 3 will open on October 19, 2021 and close December 17, 2021. The 21 applications received in Round 1 are being reviewed and evaluated. Once successful applicants are awarded funds, project amounts and end dates will be established.
Light Duty EV Chargers - Phase 1	9	The Light Duty EV Chargers - Phase 1 (Charge Up Michigan program) received 58 applications for the installation of EV Chargers along Michigan's transportation corridors. As of the date of this report, there are 21 grantees awarded funding. These awards will result in the installation of 59 DCFC and 6 Level-2 charging outlets. There are 53 DC fast chargers and 6 Level-2 chargers are online and running in this phase. The remaining 2 projects with 4 DC fast chargers are expected to be completed by September 30, 2021, and one project with 2 DC fast chargers are expected to be completed by March 31, 2022.
Light Duty EV Chargers - Phase 2	9	The Light Duty EV Chargers - Phase 2 (Charge Up Michigan program) received 21 additional applications for the installation of EV Chargers along Michigan's transportation corridors. Of new applications and the prior applications, 9 were evaluated and awarded with 9 grantees. These awards will result in the installation of 18 DC fast chargers. There are 14 DC fast chargers online in this phase. All projects are expected to be completed by September 30, 2021.
Light Duty EV Chargers - Phase 3	9	The Light Duty EV Chargers - Phase 3 (Charge Up Michigan program) received 10 additional applications for the installation of EV Chargers along Michigan's transportation corridors. Of new applications and the prior applications, 11 were evaluated and awarded with 11 grantees. One project was withdrawn later. These awards will result in the installation of 23 DC fast chargers. There are 13 DC fast chargers online in this phase. All projects are expected to be completed by March 31, 2022.
Light Duty EV Chargers - Phase 4	9	The Light Duty EV Chargers - Phase 4 (Charge Up Michigan program) received 19 additional applications for the installation of EV Chargers along Michigan's transportation corridors. Of new applications and the prior applications, 12 were evaluated and awarded with 8 grantees. These awards will result in the installation of 28 DC fast chargers. There are 8 DC fast chargers online in this phase. All projects are expected to be completed by March 31, 2022.

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

  
 \_\_\_\_\_  
*This document has been electronically signed.*

July 30, 2021  
 \_\_\_\_\_  
 Date

Materials Management Division, Director