



520 Lafayette Road North | St. Paul, Minnesota 55155-4194 | 651-296-6300

800-657-3864 | Use your preferred relay service | [info.pca@state.mn.us](mailto:info.pca@state.mn.us) | Equal Opportunity Employer

January 25, 2021

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 5<sup>th</sup> "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 July 1, 2020 through December 31, 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 positioned over a light gray rectangular background.

*This document has been electronically signed.*

David J. Benke  
Division Director  
Resource Management and Assistance Division

DJB:RS:cbg

Enclosure

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

<b>Beneficiary</b>	<b>Minnesota</b>
<b>Lead Agency</b>	<b>Minnesota Pollution Control Agency</b>
<b>Reporting Period</b>	<b>July 1, 2020 - December 31, 2020</b>

<b>MPCA Funds</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total</b>
<b>Total VW Funds Received</b>	\$ 2,350,000	\$ 7,401,110	\$ 1,871,242	\$ 11,622,352
<b>Total VW Funds Returned</b>	\$ -	\$ -	\$ (122,304)	\$ (122,304)
<b>Interest Earned</b>	\$ 4,423	\$ 86,837	\$ 79,480	\$ 170,740
<b>Interest Returned</b>	\$ -	\$ (53,157)	\$ (102,257)	\$ (155,413)
<b>Disbursements</b>	\$ (213,172)	\$ (1,364,903)	\$ (6,490,238)	\$ (8,068,313)
<b>Total Cash Balance</b>	\$ 2,141,251	\$ 6,069,887	\$ (4,764,076)	\$ 3,447,061

<b>Project Description</b>	<b>Summary of All Costs</b>									<b>VW Funds Received</b>
	<b>VW Mitigation Funds</b>			<b>Match Funds</b>			<b>Total Project Cost</b>			
	<b>Obligated</b>	<b>Expended</b>	<b>Total</b>	<b>Obligated</b>	<b>Expended</b>	<b>Total</b>	<b>Obligated</b>	<b>Expended</b>	<b>Total</b>	
Phase 1 School Bus	\$ 485,000	\$ 1,605,000	\$ 2,090,000	\$ 2,307,726	\$ 6,302,075	\$ 8,609,801	\$ 2,792,726	\$ 7,907,075	\$ 10,699,801	\$2,115,000
Phase 1 EV Fast Chargers	\$ 484,684	\$ 903,260	\$ 1,387,944	\$ 898,041	\$ 405,812	\$ 1,303,854	\$ 1,382,726	\$ 1,309,072	\$ 2,691,798	\$1,390,500
Phase 1 DERA 1	\$ -	\$ 700,652	\$ 700,652	\$ -	\$ 5,599,781	\$ 5,599,781	\$ -	\$ 6,300,433	\$ 6,300,433	\$779,764
Phase 1 Level 2 Chargers	\$ 147,547	\$ 48,105	\$ 195,652	\$ 227,215	\$ 57,873	\$ 285,088	\$ 374,762	\$ 105,978	\$ 480,740	\$195,750
Phase 2 School Bus	\$ 395,000	\$ 165,000	\$ 560,000	\$ 2,057,711	\$ 607,885	\$ 2,665,596	\$ 2,452,711	\$ 772,885	\$ 3,225,596	\$580,500
Phase 1 Heavy Duty On Road Class 8	\$ 766,166	\$ 1,973,524	\$ 2,739,690	\$ 4,827,197	\$ 7,456,584	\$ 12,283,781	\$ 5,593,363	\$ 9,430,108	\$ 15,023,471	\$2,772,066
Phase 1 Heavy Duty On Road Class 4-7	\$ 606,074	\$ 284,691	\$ 890,765	\$ 2,571,357	\$ 1,095,619	\$ 3,666,976	\$ 3,177,431	\$ 1,380,310	\$ 4,557,741	\$929,184
Phase 1 DERA 2	\$ 111,635	\$ 1,032,639	\$ 1,144,274	\$ 3,937,498	\$ 413,783	\$ 4,351,281	\$ 4,049,133	\$ 1,446,422	\$ 5,495,555	\$1,210,965
Phase 1 Heavy Duty Electric Vehicle 1	\$ 300,000	\$ -	\$ 300,000	\$ 660,000	\$ -	\$ 660,000	\$ 960,000	\$ -	\$ 960,000	\$300,000
Phase 1 Heavy Duty Electric Vehicle 2	\$ 100,000	\$ -	\$ 100,000	\$ 365,285	\$ -	\$ 365,285	\$ 465,285	\$ -	\$ 465,285	\$100,000
Phase 1 Heavy Duty Electric Vehicle 3	\$ 94,250	\$ -	\$ 94,250	\$ 188,500	\$ -	\$ 188,500	\$ 282,750	\$ -	\$ 282,750	\$94,250
Phase 1 Heavy Duty Electric Vehicle 4	\$ 100,000	\$ -	\$ 100,000	\$ 292,270	\$ -	\$ 292,270	\$ 392,270	\$ -	\$ 392,270	\$100,000
Contractor Administration	\$ 697	\$ 4,634	\$ 5,331	\$ 5,706	\$ 13,743	\$ 19,449	\$ 6,403	\$ 18,377	\$ 24,780	\$19,449
Program Administration	\$ -	\$ 1,350,808	\$ 1,350,808	\$ -	\$ -	\$ -	\$ -	\$ 1,350,808	\$ 1,350,808	\$1,034,924
<b>Totals</b>	<b>\$ 3,591,053</b>	<b>\$ 8,068,313</b>	<b>\$ 11,659,366</b>	<b>\$ 18,338,506</b>	<b>\$ 21,953,155</b>	<b>\$ 40,291,661</b>	<b>\$ 21,929,559</b>	<b>\$ 30,021,468</b>	<b>\$ 51,951,028</b>	<b>\$ 11,622,352</b>

Project Narrative		
Project Description	Environmental Mitigation Action #	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, 85 buses have been destroyed and replaced with new buses. Originally, new buses needed to be purchased, and old buses destroyed, by March, 2021 for this first round of school bus contracts. Due to COVID related delays, some contracts have been extended until December 2021.
Phase 1 EV Fast Chargers	9	The funds for this grant were received from the Trustee on 2/1/19. Reimbursement contracts were signed in the 2nd quarter of 2020. Fourteen charging hubs were installed between July 1, 2020 and December 31, 2020. Twelve of those have been reimbursed. This brings the total to 16 charging hubs installed to date and 6 remaining for year 2021.
Phase 1 DERA 1	10	Funds received from Trustee 3/15/19. A total of 13 projects were funded with these VW and DERA funds. All 13 of these projects have been completed.
Phase 1 Level 2 Chargers	9	Funds were received from the Trustee on 5/2/19. Nine contracts for a total of 25 dual port level 2 charging projects were signed. As of December 31, 2020 ten dual port EV Level 2 chargers have been installed. Seven of those have been reimbursed payment.
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, 8 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, 66 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, 11 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. As of 12/31/20, 10 of 11 of these projects have been completed. 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. One 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

25-Jan-21

Date