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

July 28, 2021

Dear Mr. Crane,

Attached to this letter is Minnesota's 6th "Report to the Trustee". The requirements of this report are described in paragraph 5.3 of the VW Environmental Mitigation Trust.

This report covers the time from January 1, 2021 through June 30, 2021.

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.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dave Benke', with a long horizontal flourish extending to the right.

Dave Benke
Division Director
MPCA

Volkswagen Diesel Emission Environmental Mitigation Trust for States

Beneficiary	Minnesota
Lead Agency	Minnesota Pollution Control Agency
Reporting Period	January 1, 2021 - June 30, 2021

MPCA Funds	2018	2019	2020	2021	Total
Total VW Funds Received	\$ 2,350,000	\$ 7,401,110	\$ 1,871,242	\$ 6,475,586	\$ 18,097,938
Total VW Funds Returned	\$ -	\$ -	\$ (122,304)	\$ (86,278)	\$ (208,582)
Interest Earned	\$ 4,423	\$ 86,837	\$ 79,480	\$ 110,348	\$ 281,088
Interest Returned	\$ -	\$ (53,157)	\$ (102,257)	\$ -	\$ (155,413)
Disbursements	\$ (213,172)	\$ (1,364,903)	\$ (6,475,919)	\$ (1,082,889)	\$ (9,136,884)
Total Cash Balance	\$ 2,141,251	\$ 6,069,887	\$ (4,749,758)	\$ 5,416,767	\$ 8,878,147

Summary of All Costs										
Project Description	VW Mitigation Funds			Match Funds			Total Project Cost			VW Funds Received
	Obligated	Expended	Total	Obligated	Expended	Total	Obligated	Expended	Total	
Phase 1 School Bus	\$ 390,000	\$ 1,660,000	\$ 2,050,000	\$ 1,755,726	\$ 6,533,066	\$ 8,288,792	\$ 2,145,726	\$ 8,193,066	\$ 10,338,792	\$2,115,000
Phase 1 EV Fast Chargers	\$ 375,630	\$ 1,012,314	\$ 1,387,944	\$ 554,231	\$ 472,369	\$ 1,026,600	\$ 929,861	\$ 1,484,683	\$ 2,414,544	\$1,390,500
Phase 1 DERA 1	\$ -	\$ 700,652	\$ 700,652	\$ -	\$ 5,599,781	\$ 5,599,781	\$ -	\$ 6,300,433	\$ 6,300,433	\$881,110
Phase 1 Level 2 Chargers	\$ 107,547	\$ 78,105	\$ 185,652	\$ 159,106	\$ 84,065	\$ 243,171	\$ 266,653	\$ 162,170	\$ 428,823	\$195,750
Phase 2 School Bus	\$ 280,000	\$ 280,000	\$ 560,000	\$ 1,498,500	\$ 1,216,692	\$ 2,715,192	\$ 1,778,500	\$ 1,496,692	\$ 3,275,192	\$580,500
Phase 1 Heavy Duty On Road Class 8	\$ 694,394	\$ 2,045,296	\$ 2,739,690	\$ 3,981,647	\$ 8,333,311	\$ 12,314,958	\$ 4,676,042	\$ 10,378,607	\$ 15,054,648	\$2,772,066
Phase 1 Heavy Duty On Road Class 4-7	\$ 362,974	\$ 527,791	\$ 890,765	\$ 1,583,478	\$ 2,083,504	\$ 3,666,982	\$ 1,946,452	\$ 2,611,295	\$ 4,557,746	\$929,184
Phase 1 DERA 2	\$ -	\$ 1,124,687	\$ 1,124,687	\$ -	\$ 5,258,789	\$ 5,258,789	\$ -	\$ 6,383,476	\$ 6,383,476	\$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
Phase 2 Electric School Bus	\$ 2,573,269	\$ -	\$ 2,573,269	\$ 857,757	\$ -	\$ 857,757	\$ 3,431,026	\$ -	\$ 3,431,026	\$2,573,269
Phase 2 DERA 3	\$ 727,480	\$ -	\$ 727,480	\$ 6,070,621	\$ -	\$ 6,070,621	\$ 6,798,100	\$ -	\$ 6,798,100	\$753,303
Phase 2 EV Fast Chargers	\$ 2,576,785	\$ -	\$ 2,576,785	\$ 746,650	\$ -	\$ 746,650	\$ 3,323,435	\$ -	\$ 3,323,435	\$2,576,786
Contractor Administration	\$ 697	\$ 4,634	\$ 5,331	\$ -	\$ -	\$ -	\$ 697	\$ 4,634	\$ 5,331	\$5,706
Program Administration	\$ -	\$ 1,601,149	\$ 1,601,149	\$ -	\$ -	\$ -	\$ -	\$ 1,601,149	\$ 1,601,149	\$1,519,549
Totals	\$ 8,683,026	\$ 9,034,627	\$ 17,717,653	\$ 18,713,770	\$ 29,581,577	\$ 48,295,348	\$ 27,396,797	\$ 38,616,204	\$ 66,013,001	\$ 18,097,938

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 were signed, for a total of 111 buses from around the state. Bus owners are in the process of purchasing new buses and destroying old buses. As of this date, 88 buses have been destroyed and replaced with new buses, 3 have been dropped out, leaving 20 to go. 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 contractes 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 2019. In the last Trustee reporting period, MPCA reported that 16 charging hubs had been built of the 22 originally funded. The grantee continues to work on securing the remaining site host agreements and site plan development although there is little tangible work to report this past 6 month period. The remaining 6 stations are planned for completion in 3rd and 4th quarter 2021.

Project Narrative		
Project Description	Environmental Mitigation Action #	Project Status
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. As of June 30, 2021, the MPCA has reimbursed the grantees for those 10 stations. The grantees have reported delays in the construction of their sites due to COVID and several of the contracts have been extended by 1 year to end summer of 2022.
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, 15 buses have been destroyed and replaced with new buses. One bus has dropped out, leaving 15 buses to go. 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 95 class 8 trucks. Truck owners in process of purchasing new trucks and destroying old ones. As of this date, 71 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 29 class 4-7 trucks. Truck owners in process of purchasing new trucks and destroying old ones. As of this date, 20 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. All 11 projects have been completed.
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 trucks 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.
Phase 2 Electric School Bus	2	Funds received from Trustee 4/9/21. Five bus replacement contracts have been signed for a total of 8 new electric school buses. Two contracts with one bus each are pending. All signed grantees are in the process of ordering their new electric buses. All buses must be on the road by August 2022.
Phase 2 DERA 3	10	Funds received from Trustee 4/9/21. 5 grant agreements have been signed for a total of 10 projects between VW and DERA funding. 1 project is complete and awaiting reimbursement. The remaining 9 projects are underway and must be complete by September 2022.
Phase 2 EV Fast Chargers	9	Funds received from Trustee 5/15/21. Contracts are in the process of being signed to install a total of 38 DC Fast chargers by 2024. These corridors will add 2,500 miles to the statewide network of EV charging corridors.

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



David Benke, Division Director

7/28/2021

Date