

New Jersey eCHE

APPENDIX D-4
Beneficiary Eligible Mitigation Action Certification

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary State of New Jersey

Lead Agency Authorized to Act on Behalf of the Beneficiary New Jersey Department of Environmental Protection
(Any authorized person with delegation of such authority to direct the Trustee delivered to the Trustee pursuant to a Delegation of Authority and Certificate of Incumbency)

Action Title:	New Jersey eCHE
Beneficiary's Project ID:	2021VW-005
Funding Request No.	<i>(sequential)</i> 17
Request Type: (select one or more)	<input type="checkbox"/> Reimbursement <input checked="" type="checkbox"/> Advance <input type="checkbox"/> Other (specify): _____
Payment to be made to: (select one or more)	<input checked="" type="checkbox"/> Beneficiary <input type="checkbox"/> Other (specify): _____
Funding Request & Direction (Attachment A)	<input checked="" type="checkbox"/> Attached to this Certification <input type="checkbox"/> To be Provided Separately

SUMMARY

Eligible Mitigation Action	<input checked="" type="checkbox"/> Appendix D-2 item (specify): <u>Light Duty Zero Emission Vehicle Supply Equipment</u>
Action Type	<input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal):
Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1): Electrification is a priority for the Governor as stated in New Jersey's BMP.	
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2): See Summary Supplement	
Estimate of Anticipated NOx Reductions (5.2.3): Annual NOx reductions from all projects will be ~72 tons per year.	
Identification of Governmental Entity Responsible for Reviewing and Auditing Expenditures of Eligible Mitigation Action Funds to Ensure Compliance with Applicable Law (5.2.7.1): New Jersey Department of Environmental Protection Federal Funds Unit.	
Describe how the Beneficiary will make documentation publicly available (5.2.7.2). See Summary Supplement	
Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8). See summary supplement	
Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9). NJDEP, the lead agency notified U.S. Government Agencies as prescribed in 5.2.9 via email on February 14, 2018.	

If applicable, describe how the mitigation action will mitigate the impacts of NO_x emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions (5.2.10).
See summary supplement.

ATTACHMENTS
(CHECK BOX IF ATTACHED)

- Attachment A Funding Request and Direction.
- Attachment B Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4).
- Attachment C Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11).
- Attachment D Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000 (5.2.6). [Attach only if project involves vendor expenditures exceeding \$25,000.]
- Attachment E DERA Option (5.2.12). [Attach only if using DERA option.]
- Attachment F Attachment specifying amount of requested funding to be debited against each beneficiary's allocation (5.2.13). [Attach only if this is a joint application involving multiple beneficiaries.]

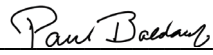
CERTIFICATIONS

By submitting this application, the Lead Agency makes the following certifications:

1. This application is submitted on behalf of Beneficiary State of New Jersey, and the person executing this certification has authority to make this certification on behalf of the Lead Agency and Beneficiary, pursuant to the Certification for Beneficiary Status filed with the Court.
2. Beneficiary requests and directs that the Trustee make the payments described in this application and Attachment A to this Form.
3. This application contains all information and certifications required by Paragraph 5.2 of the Trust Agreement, and the Trustee may rely on this application, Attachment A, and related certifications in making disbursements of trust funds for the aforementioned Project ID.
4. Any vendors were or will be selected in accordance with a jurisdiction's public contracting law as applicable. (5.2.5)
5. Beneficiary will maintain and make publicly available all documentation submitted in

support of this funding request and all records supporting all expenditures of eligible mitigation action funds subject to applicable laws governing the publication of confidential business information and personally identifiable information. (5.2.7.2)

DATED: _____



Digitally signed by Paul Baldauf
Date: 2021.04.05 14:46:59 -04'00'

Paul Baldauf, P.E.
Assistant Commissioner

New Jersey Department of Environmental Protection

[LEAD AGENCY]

for

State of New Jersey

[BENEFICIARY]

SUMMARY SUPPLEMENT TO APPENDIX D-4

Action Title: New Jersey eCHE

Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2)

VW Funding will replace existing forklifts and cargo handling equipment

1. **AE Cargo Group, Inc.** – AE Cargo group will purchase an all-electric yard tractor and charging station for use at its facility in Newark, N.J.
2. **Bettaway Beverage Distributors, Inc.** – This project will fund the purchase of two (2) Electric 4x2 Distribution Tractors. These electric yard switchers will be put in service at a new state of the art Arizona Iced Tea manufacturing plant in Edison, NJ. The site has a 700,000 square foot solar panel farm on the building roof. These two electric switcher vehicles will be recharged via solar power.
3. **Builders First Source (Berlin, NJ)** – This project proposes to eliminate one diesel forklift with one electric forklift. The project also includes installation of one (1) workplace Level two charger at the Berlin, NJ location.
4. **Builders First Source (Elizabeth, NJ)** – This project proposes to eliminate three (3) diesel forklifts and two (2) gasoline forklifts with five (5) electric forklifts. This project will also install five (5) workplace Level two chargers at the Elizabeth, N.J. location.
5. **Builders First Source (Pleasantville, NJ)** – This project proposes to eliminate three (3) diesel forklifts and replace them with three all-electric forklifts and install three (3) level two chargers at the Pleasantville N.J. location.
6. **Harbor Freight Transportation Corp.** – This project involves the replacement of a 2005 33,000 lbs. lift capacity Yale diesel powered forklift with battery electric forklift having a 36,000 lbs lift capacity. In addition, this project includes the purchase of two (2) electric yard tractors, each of which carries a 217 kwhr battery pack.
7. **International Motor Freight (IMF)** - IMF proposes replacing two (2) diesel-powered terminal tractors with two (2) battery all-electric terminal tractors and installing the electric charging infrastructure. This project would begin a transition of diesel to electric equipment at their IMF facilities and more broadly at the Port Newark-Elizabeth area.
8. **Lemcor Solid Waste Transfer Station** – The project consists of the purchase of a zero-emission yard tractor and electric materials handling unit along with installation of the charging stations. Equipment will be operated at the Lemcor facility in Newark.
9. **Maher Terminals LLC** – Maher will purchase an electric straddle carrier and necessary infrastructure and charging equipment. This project will result in the first electric straddle carrier in operation in North America.
10. **Port Authority of New York and New Jersey** – This project will repower a diesel mobile harbor crane to electric at Port Newark's Red Hook Barge Depot operation.
11. **Port Newark Container Corporation (PNCT)** – This project will repower 2 older diesel-powered straddle carriers to hybrid electric straddle carriers.
12. **South Jersey Port Corporation (SJPC)** – This project will replace 23 units of diesel- and propane-powered port cargo handling equipment and forklifts with electric equivalents. This project also includes infrastructure and charging stations.

13. **Wakefern Food Corporation** - Wakefern will purchase four (4) all-electric terminal tractors and charging stations. The deployment of four (4) zero-emission terminal tractors will support local goods movement and food distribution in Elizabeth, NJ.

All projects will benefit the surrounding communities by eliminating harmful diesel emissions while providing the same service using cleaner zero emission electric options. All projects operate in and around disadvantaged communities.

Describe how the Beneficiary will make documentation publicly available (5.2.7.2)

The State of New Jersey will make all documentation submitted in support of the funding request and all records supporting all expenditures of Eligible Mitigation Action funds available to the public in the following ways, subject to applicable laws governing the publication of confidential business information and personally identifiable information:

- Members of the public will be able to access documentation and records submitted in support of each funding request and supporting all expenditures of Trust Funds by New Jersey pursuant to the Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries by using an Online Request Form found at <http://www.nj.gov/dep/opra/index.html> or by contacting:

NJDEP Office of the Records Custodian
P.O. Box 442
401 East State Street
Trenton, NJ 08625-0442 Phone: 609-341-3121
E-mail: records.custodian@dep.nj.gov

- Documentation and records submitted in support of each funding request and supporting all expenditures of Trust Funds by New Jersey pursuant to the Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries are subject to all applicable laws governing the publication of confidential business information and personally identifiable information. The primary law governing the release of public information is New Jersey's Open Public Records Act, N.J.S.A. 47: IA-1 to 13 (OPRA). Confidential business information and certain private personal information, as defined by statute and regulation, are exempt from disclosure under OPRA. See, N.J.S.A. 47: IA-1. I, N.J.A.C. 7:1D-3.2. OPRA specifically obligates a public agency to protect a citizen's personal information that is in the possession of a public agency when disclosure of that information would violate the citizen's reasonable expectation of privacy. N.J.S.A. 47: IA-1. Other applicable laws include the New Jersey Court Rules, which govern disclosure of confidential business information and personally identifiable information in civil disputes, and the common law right of access to public records. Under New Jersey common law, public records containing confidential business information or personally identifiable information will remain confidential unless a requestor can

demonstrate a legally recognized interest in the material, and that the individual's right of access outweighs the State's interest in preventing disclosure.

- A publicly facing webpage was established as New Jersey signed on to the Volkswagen Settlement as a Beneficiary to educate its residents about the Partial Consent Decrees and Environmental Mitigation Trust, including the steps NJ plans to take beginning with public listening sessions and the Beneficiary Mitigation Plan. All solicited proposals received for mitigation action items 1 – 9 and the DERA option are publicized. Also available is a summary of the number of proposals and total funding requested, organized by mitigation action number. The webpage contains links to additional resources, frequently asked questions about NJ and the Settlement, and how to join an e-mail list to receive notifications and information about VW. Progress reports and final costs of projects funded with VW Trust money will be posted for the public as well. The webpage address is www.state.nj.us/dep/vw/.

Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8).

The following table shows the breakdown of funding by project along with any cost share.

Name	VW Share	Cost share
AE Cargo Group, Inc.	\$361,770	\$120,590
Bettaway Beverage Distributors, Inc.	\$498,750	\$166,250
Builders First Source - Berlin	\$75,588	\$21,910
Builders First Source - Elizabeth	\$438,191	\$109,548
Builders First Source - Pleasantville	\$214,977	\$62,312
Harbor Freight	\$1,052,306	\$337,402
International Motor Freight (IMF)	\$562,500	\$187,500
Lemcor Solid Waste Transfer Station	\$765,919	\$252,273
Maher Terminals	\$1,590,490	\$530,164
PANYNJ	\$856,293	\$0
Port Newark Container Terminal	\$735,000	\$1,715,000
South Jersey Port Corporation	\$6,594,814	\$0
Wakefern	\$1,050,000	\$350,000
Total Budget for All Projects	\$14,796,598	\$3,852,949

If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions. (5.2.10)

New Jersey's Beneficiary Mitigation Plan (the Plan), states that the primary goal of the Plan is to improve ambient air quality by using the Trust allocation to implement projects that reduce NOx, benefit disproportionately affected communities, and expedite deployment and widespread adoption of zero emission vehicles. The Plan reinforces New Jersey's commitment to reducing harmful transportation emissions in communities that suffer disproportionate impacts from air pollution. Low income communities and communities of color have been historically overburdened by harmful emissions and their attendant health impacts. Transportation is the largest source of NOx in New Jersey, accounting for 71% of NJ's statewide NOx emissions in 2017. Thus, promoting the use of zero emission vehicles is a key component of NJ's efforts to mitigate NOx emissions.

Emission benefits from these projects will have direct benefit to the citizens throughout state but primarily in higher populated areas surrounding NJ's two largest marine ports. These projects provide relief from excess NOx reductions as well as PM and greenhouse gas reductions. The entire State of New Jersey, including the towns and areas where these NOx reductions will occur, is designated as not attaining the federal health standard for ozone in the outside air. Implementation of these projects will assist the State in meeting and maintaining the ozone air quality standards in ambient air. These projects will bring a significant decrease in NOx emissions in areas that have seen their disproportionate share of poor air quality.

ATTACHMENT B TO APPENDIX D-4

Action Title: New Jersey eCHE

Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline. (5.2.4)

Implementation and Expenditures Timeline

MILESTONE	DATE
Submit funding request to the Trustee	April 2021
Draft grant agreements	April/May 2021
Draft RFP for equipment	July 2021
Advertise RFP for equipment	August 2021
Award contract for equipment	October 2021
Place order for equipment and chargers	December 2021
Electric charging infrastructure installation	January 2022
Deliver/Install equipment	February 2022-December 2025
Submit semiannual reports to the Trustee in accordance with section 5.3 of the Consent Decree	No later than 6 months after receiving first disbursement, and thereafter no later than January 1st and July 1st of each year.

Project Budget

Name	Total	VW Share	Cost share
AE Cargo Group, Inc.	\$482,360	\$361,770	\$120,590
Bettaway Beverage Distributors, Inc.	\$665,000	\$498,750	\$166,250
Builders First Source - Berlin	\$97,497	\$75,588	\$21,910
Builders First Source - Elizabeth	\$438,191	\$328,643	\$109,548
Builders First Source - Pleasantville	\$277,289	\$214,977	\$62,312
Harbor Freight	\$1,386,708	\$1,049,306	\$337,402
International Motor Freight (IMF)	\$750,000	\$562,500	\$187,500
Lemcor Solid Waste Transfer Station	\$1,009,093	\$765,919	\$252,273
Maher Terminals	\$2,120,654	\$1,590,490	\$530,164
PANYNJ	\$856,293	\$856,293	\$0
Port Newark Container Terminal	\$2,450,000	\$735,000	\$1,715,000
South Jersey Port Corporation	\$6,592,314	\$6,592,314	\$0
Wakefern	\$1,400,000	\$1,050,000	\$350,000
Total Budget for All Projects	\$18,525,399	\$14,796,598	\$3,852,949

ATTACHMENT C TO APPENDIX D-4

Action Title: New Jersey eCHE

Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11)

The New Jersey Department of Environmental Protection will meet the requirements of Appendix D to the Partial Consent Decree, section 5.3:

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 1 and July 1 of each year, each Beneficiary shall serve upon 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. To the extent a Beneficiary avails itself of the DERA Option described in Appendix D-2, that Beneficiary may submit its DERA Quarterly Programmatic Reports in satisfaction of its obligations under this subparagraph as to those Eligible Mitigation Actions funded through the DERA Option. The Trustee shall post each semiannual report on the Trust's public-facing website upon receipt.*

The Department will post all its semiannual reports to the Trustee on the public-facing website for New Jersey's Volkswagen Settlement at www.state.nj.us/dep/vw.

ATTACHMENT D TO APPENDIX D-4

Action Title: New Jersey eCHE

Detailed Cost Estimates from Selected or Potential Vendors for Each Proposed Expenditure Exceeding \$25,000 (5.2.6)

Project Partner	Equipment type	# of equipment
AE Cargo Group Inc.	electric yard tractor	1
Bettaway Beverage Distributors Inc.	yard tractors	2
Builders First Source (Berlin)	electric forklift	1
Builders First Source (Elizabeth)	electric forklifts	5
Builders First Source (Pleasantville)	electric forklifts	3
Harbor Freight Transportation Corp.	electric forklift & and tractors	3
International Motor Freight (IMF)	electric yard tractors	2
Lemcor Solid Waste Transfer Station	electric yard tractor & material handling unit	2
Maher Terminals LLC	electric straddle carrier	1
Port Authority of New York and New Jersey	electric mobile harbor crane	1
Port Newark Container Terminal	hybrid electric straddle carriers	2
South Jersey Port Corporation	electric CHE	23
Wakefern Food Corp	electric yard tractors	4

State procurement processes will be followed. Cost estimates from the selected vendors will be part of the Grant Agreements with the Department. Preliminary cost estimates are provided in the table below. There are varying types/sizes of CHE that will be replaced which is why the estimated costs vary significantly.

Category	# of units	Cost range per unit	Total cost range
Estimated CHE costs (yard tractors)	36	\$248,000-\$600,000	\$8,928,000-\$21,600,000
Estimated forklift costs (various sizes)	10	\$62,000-\$90,000	\$620,000-\$900,000
Estimated CHE costs (straddle carriers & cranes)	3	\$1,200,000-\$2,100,000	\$3,600,000-\$6,300,000
Estimated crane repower	1	\$856,000	\$856,000
Estimated electric chargers	50	\$15,000-\$40,000	\$1,200,000-1,605,000
		Total cost range	\$15,204,000-\$31,261,000