


VW Environmental Mitigation Trust to Reduce Diesel Emissions
Semi-Annual Report

Grant Recipient	OR Dept of Environmental Quality
Reporting Period	July 1, 2023 - December 31, 2023

	Total
Total VW Funds Received	\$51,982,827.00
Total VW Funds Expended	\$23,508,606.00
Total VW Funds Obligated	\$10,632,016.00
Interest Earned	\$1,610,248.00
Available VW Cash Balance	\$19,452,453.00

Project	Summary of All Costs			Notes
	VW Mitigation Funds			
	Received	Obligated	Expended	
School Bus Projects	\$22,130,354.00	\$2,132,939.00	\$15,135,920.00	
Heavy Duty Trucks	\$17,715,958.00	\$2,849,242.00	\$3,052,432.00	
Medium Duty Trucks	\$8,638,504.00	\$3,803,300.00	\$1,494,659.00	
DERA Option	\$3,946,511.00	See DERA Q Report	See DERA Q Report	
Administrative Costs			\$2,683,247.00	
TOTALS	\$52,431,327.00	\$8,785,481.00	\$22,366,258.00	

Project Description		
Project Title: Phase	EMA	Project Status
School Bus Projects	2	All 450 bus retrofits and replacements are complete and under grant agreement. There are no modifications to the existing project plan.
Heavy Duty Trucks	1	Replacement projects underway with City of Newberg, City of Portland, MTR Western, All Service Moving, Pride Disposal, and others.
Medium Duty Trucks	6	Replacement projects underway with Shaver Transportation, City of Portland, All Service Moving, and Iron Oxen.
School Bus Projects: DERA Option	10	See attached quarterly DERA report.
Nonroad Equipment: DERA Option	10	See attached quarterly DERA report.

This information is true and correct and the submission is made under penalty of perjury.	 _____ Ali Mirzakhali, Air Quality Administrator	01/30/2024 _____ Date
---	---	-----------------------------

U. S. Environmental Protection Agency
DERA National Grant Report
Financial and Narrative Summary - Year 3

Grant Recipient	Oregon Department of Environmental Quality	Total Federal Funds Expended: Year 3	\$ 14,639
Grant Number	01J94601	Project Reporting Period	Oct. to Dec. 2023
Project Title	Diesel Engine Replacement and Retrofit P		

Table 11. Year 5 Annual Rate of Expenditure										
<i>Record and update project expenses quarterly. Previous quarters should remain and edits should be made to the quarterly report being submitted.</i>										
Financial Summary	Quarter 1					Quarter 2				
	Please select reporting quarter.					Please select reporting quarter.				
	Federal Funds Expended the Reporting Period	Mandatory Cost Share Expended the Reporting Period	Voluntary Match Expended this Reporting Period		Total Project Cost	Federal Funds Expended the Reporting Period	Mandatory Cost Share Expended the Reporting Period	Voluntary Match Expended this Reporting Period		Total Project Cost
		VW Mitigation Funds	Other Funds				VW Mitigation Funds	Other Funds		
Personnel	\$ 11,527				\$ 11,527					\$ -
Fringe Benefits					\$ -					\$ -
Travel					\$ -					\$ -
Equipment					\$ -					\$ -
Supplies	\$ 236				\$ 236					\$ -
Contractual					\$ -					\$ -
Other		\$ 237,644	\$ 214,872		\$ 452,516					\$ -
Direct Cost Total	\$ 11,763	\$ 237,644	\$ 214,872	\$ -	\$ 464,279	\$ -	\$ -	\$ -	\$ -	\$ -
Indirect Charges	\$ 2,876				\$ 2,876					\$ -
TOTALS	\$ 14,639	\$ 237,644	\$ 214,872	\$ -	\$ 467,155	\$ -	\$ -	\$ -	\$ -	\$ -
Financial Summary	Quarter 3					Quarter 4				
	Please select reporting quarter.					Please select reporting quarter.				
	Federal Funds Expended this Reporting Period	Mandatory Cost Share Expended this Reporting Period	Voluntary Match Expended this Reporting Period		Total Project Cost	Federal Funds Expended this Reporting Period	Mandatory Cost Share Expended this Reporting Period	Voluntary Match Expended this Reporting Period		Total Project Cost
		VW Mitigation Funds	Other Funds				VW Mitigation Funds	Other Funds		
Personnel					\$ -					\$ -
Fringe Benefits					\$ -					\$ -
Travel					\$ -					\$ -
Equipment					\$ -					\$ -
Supplies					\$ -					\$ -
Contractual					\$ -					\$ -
Other					\$ -					\$ -
Direct Cost Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Indirect Charges					\$ -					\$ -
TOTALS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Table 12. Project Updates - Narrative Responses
Record and update project updates quarterly.

Please paste the planned activities, outputs, and outcome from the submitted workplan information. Provide updates and if any changes occurred, please provide that information accordingly. In the 'Progress to Date' column, please use the dropdown to indicate if the activity is 1) Not yet started, 2) In progress, or 3) Completed. Please indicate the fiscal year of DERA grant funds used for the activity described within the table.

Fiscal Year	Activities	Anticipated Outputs	Anticipated Outcomes	Progress to Date				Progress Notes Write below, as appropriate.
				Q1	Q2	Q3	Q4	
2021	Repowering commercial marine tugboat engines	Repower two main uncontrolled propulsion diesel	Annual emission reductions: 58,457 tons of reduced NOx; 1,211 tons of reduced PM	In Progress				
2021	Replacement of one older diesel school bus	Replace one older model diesel school bus with a new	Annual emission reductions: 0.129 tons of reduced NOx; 0.009 tons of reduced PM	Completed				
2021	Replacement of one Heavy Duty diesel truck and one piece of non-road diesel construction equipment	Replace one older model heavy-duty diesel truck and	Annual emission reductions: 0.566 tons of reduced NOx; 0.029 tons of reduced PM	Completed				
2021	Retrofit two heavy-duty trucks and three pieces of non-road diesel construction equipment	Retrofit two older heavy-duty diesel trucks and three pieces	Annual emission reductions: 0 tons of reduced NOx; 0.141 tons of reduced PM	Completed				
2022	Replacement of two older diesel buses with zero emission buses	Replace two diesel buses with two ZEV buses	Annual emission reductions: 0.163 tons of reduced NOx; 0.012 tons of reduced PM.	In Progress				
2022	Retrofit at least 25 heavy-duty diesel trucks to help with compliance of new Portland regional rules regarding older diesel truck registration phase out.	Retrofit older medium- and heavy duty trucks in the	Annual emission reductions: 0 tons of reduced NOx; 0.36 tons of reduced PM.	In Progress				

Please provide programmatic and narrative financial updates on the project. As quarterly reports are submitted, indicate updates or changes for each quarter. For each quarter, please indicate if there was a change from the previous quarter. If yes, please provide an explanation in the subsequent cell.

Question	Quarter 1 Update	Quarter 2 Update	Quarter 3 Update	Quarter 4 Update
Provide a comparison of accomplishments with the anticipated outputs/outcomes and timelines /milestones specified in the project Work Plan. Please include financial, technical, and programmatic.	All pending projects remain in progress during current reporting period. Reimbursed Grimm's Fuel Co. \$104,597 for the first 5 trucks in their project. Reimbursed Leo LLC \$9,702 for second portion of diesel retrofit. Reimbursed Estacada school district \$79,214.50 for school bus replacement.			
Have any vehicles in this project changed from the last quarter? (i.e. vehicles added to the Fleet Description or taken off the Fleet Description)	No.			
Did you award any rebates or subawards during the reporting period? If so, list the recipients and how much funding they received.	Reimbursed Grimm's Fuel Co. \$104,597 for the first 5 trucks in their project. Reimbursed Leo LLC \$9,702 for second portion of diesel retrofit. Reimbursed Estacada school district \$79,214.50 for school bus replacement.			
If anticipated outputs/outcomes and/or timelines/milestones are not met, why not? Did you encounter any problems during the reporting period which may interfere with meeting project objectives?	There continue to be ongoing delays associated with extended product delivery timelines from vehicle, engine and equipment manufacturers. With the pending no-cost extension DEQ amended existing grant agreements to new project deadlines in 2024, responding to delays in equipment			
If any cost-share or additional leveraged funds are reported for this Reporting Period in Table 3 above, identify the source of the funds.	Estacada School District: \$237,643.5			

Have there been any major personnel changes during this reporting period?	No.			
Did any public relations events regarding this grant take place during the reporting period?	No.			
Are you using websites or other tools used to relay information about this grant to the public?	Yes. https://www.oregon.gov/deq/aa/Documents/deraStateAllocGrantees.pdf . https://www.oregon.gov/deq/aa/programs/Pages/Diesel-Success-Stories.aspx			
What project activities are planned for the next reporting period?	Support program participants project implementation, reimburse completed projects, and amend projects as needed.			
Was any program income generated during the reporting period? Identify amount of program income, how it was generated, and how the program income was/will be used.	No.			
What is the URL for the state website listing the total number and dollar amount of subawards, rebates, or loans provided, as well as a breakdown of the technologies funded? Please also list any other state websites used for outreach related to the State DERA Grant Program.	https://www.oregon.gov/deq/aa/Documents/deraStateAllocGrantees.pdf . https://www.oregon.gov/deq/aa/programs/Pages/Diesel-Success-Stories.aspx			
Do you have any other comments or feedback?	I think we are still waiting for EPA approval for our no-cost extension, the process for approval has taken much, much longer than expected.			

Subaward Reporting Requirements

Please provide subaward updates on the project. As quarterly reports are submitted, indicate updates or changes for each quarter. For each quarter, please indicate if there was a change from the previous quarter. If yes, please provide an explanation in the subsequent cell.

Question	Quarter 1 Update	Quarter 2 Update	Quarter 3 Update	Quarter 4 Update
Summaries of results of reviews of financial and programmatic reports.	All subrecipient quarterly reports have been reviewed and any issues were discussed and amended if needed.			
Summaries of findings from site visits and/or desk reviews to ensure effective subrecipient performance.	None in this quarter.			
Environmental results the subrecipient achieved	Replacement of one older diesel school bus			
Summaries of audit findings and related pass-through entity management decisions	None in this quarter.			
Actions the pass-through entity has taken to correct deficiencies such as those specified at 2 CFR 200.332, 2 CFR 200.208 and the 2 CFR 200.339 Remedies for Noncompliance	None in this quarter.			