

**VW Environmental Mitigation Trust  
Semiannual Report**

<b>Beneficiary</b>	California
<b>Lead Agency</b>	California Air Resources Board (CARB)
<b>Reporting Period</b>	July 2023 - December 2023

Year	2019	2020	2021	2022	2023
<b>Total Trust Funds Received*</b>	\$ 31,850,000.00	\$ 74,453,450.17	\$ 115,732,499.98	\$ 152,758,937.68	\$ 190,946,637.68
<b>Interest Earned on Funds Received</b>	\$ 165,631.85	\$ 711,365.81	\$ 1,764,822.71	\$ 2,950,096.34	\$ 6,013,767.21
<b>Funds Expended*</b>	\$ 1,646,122.15	\$ 5,501,503.94	\$ 13,374,404.91	\$ 33,630,489.74	\$ 51,905,648.82
<b>Remaining Balance</b>	\$ 30,369,509.70	\$ 69,663,312.04	\$ 104,122,917.78	\$ 122,078,544.28	\$ 145,054,756.07

Project	Total Funds Budgeted	Total Funds Received*	Interest Earned	Interest Expended	Equipment Funds		Administrative Funds		Notes
					Received*	Expended*	Received*	Expended*	
					Zero-Emission Transit, School, and Shuttle Buses (EMA 2)	\$ 147,687,937.00	\$ 105,941,688.71	\$ 3,366,595.51	
Zero-Emission Class 8 Freight and Port Drayage Trucks (EMA 1)	\$ 102,283,160.00	\$ 30,316,307.33	\$ 1,155,053.97	\$ -	\$ 27,000,000.00	\$ 3,000,000.00	\$ 3,316,307.33	\$ 3,316,307.33	
Zero-Emission Freight and Marine Projects	\$ 79,624,433.00	\$ 20,136,481.70	\$ 514,489.15	\$ 5,316.14					
EMA 4					\$ 2,528,200.00	\$ -	\$ 104,705.93	\$ 91,311.52	The breakdown of funds received and expended by EMA are estimated per the D-4 due to multiple EMA's in one bin.
EMA 5					\$ 8,503,250.00	\$ -	\$ 421,838.49	\$ 363,023.20	
EMA 7					\$ 1,158,300.00	\$ -	\$ 447,794.43	\$ 395,736.02	
EMA 8					\$ 4,748,200.00	\$ 175,000.00	\$ 2,224,192.84	\$ 1,976,622.57	
Combustion Freight and Marine Projects	\$ 68,271,847.00	\$ 23,426,905.20	\$ 713,425.79	\$ -					
EMA 1					\$ 15,805,126.00	\$ 1,234,962.50	\$ 2,481,600.41	\$ 2,431,103.96	The breakdown of funds received and expended by EMA are estimated per the D-4 due to multiple EMA's in one bin.
EMA 3					\$ 375,000.00	\$ -	\$ 172,333.36	\$ 168,826.65	
EMA 4					\$ 1,225,000.00	\$ -	\$ 103,400.01	\$ 101,295.98	
EMA 6					\$ 2,575,112.00	\$ -	\$ 689,333.43	\$ 664,460.36	
Light-Duty Zero-Emission Vehicle Infrastructure (EMA 9)	\$ 11,339,585.00	\$ 11,125,254.74	\$ 264,202.79	\$ 759.37	\$ 10,000,000.00	\$ 3,756,196.80	\$ 1,125,254.74	\$ 770,136.98	
<b>TOTALS</b>	\$ 409,206,962.00	\$ 190,946,637.68	\$ 6,013,767.21	\$ 6,075.51	\$ 175,638,188.00	\$ 39,242,028.65	\$ 15,308,449.68	\$ 12,657,544.66	

\* Refers to cumulative Trust funds received or expended by third party administrators and CARB based on information available at the time of this reporting.

Eligible Mitigation Action #	Beneficiary Mitigation Plan Project Title	Project Status
2	Zero-Emission Transit, School, and Shuttle Buses	The San Joaquin Valley Air Pollution Control District (SJVAPCD) reported awarding funds for 205 zero-emission buses statewide (90 school buses, 82 transit buses, and 33 shuttle buses) through October 31, 2023. Contracts continue to be executed; reimbursements occur after buses are delivered. SJVAPCD reported expending \$31.1 million on delivered buses. Applications for the second installment of funding have also been solicited. SJVAPCD has updated the program to incorporate the modifications approved by the California Air Resources Board in April 2023. Applications for school bus funding have been oversubscribed and closed; however, applications continue to be accepted for zero-emission transit buses and shuttle buses. This project is expected to terminate by May 2028.
1	Zero-Emission Class 8 Freight and Port Drayage Trucks	As of September 2023, the South Coast Air Quality Management District (South Coast AQMD) has received 288 applications for Zero-Emission Class 8 Trucks. From the 288 applications, 67 contracts have been executed for a total amount of \$16.3 million. South Coast AQMD will be implementing changes to reflect the California Air Resources Board memo program modifications approved in April, 2023 in March 2024. It is expected that the changes will bring in a significant number of applications allowing for more opportunities to fund projects. This project is expected to terminate by May 2028.
4	Zero-Emission Freight and Marine Projects	Bay Area Air Quality Management District (Bay Area AQMD) selected eligible projects for funding and as of September 30, 2023 has executed 17 contracts totaling \$15 million with a few more projects in the contracting phase. Bay Area AQMD is currently working on updating the program to incorporate the modifications approved by the California Air Resources Board in April 2023, by May of 2024. This project is expected to terminate by May 2028.
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Eligible Mitigation Action #	Beneficiary Mitigation Plan Project Title	Project Status
1	Combustion Freight and Marine Projects	South Coast AQMD opened the competitive solicitation for this project category in December 2019, and reopened as a first-come, first served solicitation for the remaining \$26 million in June 2021. As of April 30, 2023, 57 contracts from the first solicitation remain active after 7 withdrew post contracting, and 7 trucks have been delivered. In the second solicitation, applications for 401 trucks have been submitted, 201 trucks have been withdrawn or deemed ineligible, 104 contracts have been executed, 89 are in contracting or are undergoing evaluation, and 7 trucks have been delivered. In addition, applications for 4 marine engine replacements have executed contracts and 6 more are under evaluation. Combined, this category has \$18.4 million in project funds under contract with \$1.2 million invoiced for vehicles delivered, and \$12.3 million in applications in contracting or undergoing evaluation. South Coast AQMD is currently working on updating the program to incorporate the modifications approved by the California Air Resources Board in April 2023. South Coast will begin implementing the changes March 2024. This project is expected to terminate by May 2028.
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9	Light-Duty Zero-Emission Vehicle Infrastructure	The California Energy Commission continues to build the 5 hydrogen fueling stations co-funded with VW Environmental Mitigation Trust funding (\$5 million). Of the 5 stations 4 have been approved to build and 1 is in the approval process. Bay Area AQMD staff awarded another \$5 million in funding for light-duty zero-emission vehicle charging infrastructure. Bay Area AQMD entered into nine contracts for a total of \$4.96 million to build 114 vehicle charging sites. Bay Area AQMD is in the process of evaluating additional sites to allocate the remaining funds. This project is expected to terminate by May 2028.
This information is true and correct, and the submission is made under penalty of perjury.		 Sydney Vergis Ph.D. Deputy Executive Officer Mobile Sources and Incentives
		Date <u>2/12/24</u>