

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Form EMT-1 (Rev. 1/10)

Lead Agency: Authorized to Act on Behalf of the Beneficiary: New York State Department of Environmental Conservation (DEC)

Eligible Mitigation Action Item: New York State Department of Transportation

Eligible Mitigation Action Item Description: The proposed project will consist of the construction of a new highway interchange at the intersection of Interstate 190 and Interstate 287 in the Town of

Albany, NY.

Action Item:	Eligible Mitigation Action Item: New York State Department of Transportation
Beneficiary's Project ID:	NYSDOT EMT-1 (Rev. 1/10)
Funding Request No.:	(Optional) 11
Request Type:	<input type="checkbox"/> Non-Financial
(Select one or more):	<input type="checkbox"/> Other (Specify):
Payment to be made to:	<input type="checkbox"/> Beneficiary
(Select one or more):	X Other (Specify): New York State Department of Transportation
Funding Request to:	X Attached to this Certification
Director (Attachment A):	<input type="checkbox"/> To be provided separately

APPENDIX D-4 Beneficiary Eligible Mitigation Action Certification

<p>Eligible Mitigation Action Type: Appendix D-4 Mitigation Action 6: Class 4-7 Local Freight Trucks (Medium Trucks)</p> <p>State of New York New York State Department of Environmental Conservation – New York State Department of Transportation Cooperative Agreement #CA11728 Eligible Mitigation Action Item 6: Class 4-7 Local Freight Trucks (Medium Trucks) Advance Funding Request #23</p>	<p>Detailed Description of Mitigation Action Item: The proposed project will consist of the construction of a new highway interchange at the intersection of Interstate 190 and Interstate 287 in the Town of Albany, NY. The new Class 4-7 eligible trucks will be equipped with engines certified to much lower emissions standards resulting in significantly decreased NOx emissions and improved fuel economy. The new Class 4-7 eligible trucks will be equipped with engines certified to much lower emissions standards resulting in significantly decreased NOx emissions and improved fuel economy. The new Class 4-7 eligible trucks will be equipped with engines certified to much lower emissions standards resulting in significantly decreased NOx emissions and improved fuel economy.</p>
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BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary: State of New York

Lead Agency Authorized to Act on Behalf of the Beneficiary: New York State Department of Environmental Conservation (NYSDEC)

(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:	NYCDOT: NYC Clean Trucks Program EMA 6: Class 4-7 Local Freight
Beneficiary's Project ID:	CA11728.MAI6
Funding Request No.	<i>(sequential)</i> 23
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 type="checkbox"/> Beneficiary <input checked="" type="checkbox"/> Other (specify): <u>New York City Department of Transportation</u>
Funding Request & Direction (Attachment A)	<input checked="" type="checkbox"/> Attached to this Certification <input type="checkbox"/> To be Provided Separately

SUMMARY

Eligible Mitigation Action Type Appendix D-2, Mitigation Action 6. Class 4-7 Local Freight Trucks (Medium Trucks)
Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1): VW funding will provide incentives to replace older diesel-powered trucks with new, all-electric, hybrid electric, alternative fueled, or new diesel trucks as stated in New York's Beneficiary Mitigation Plan (BMP). Up to \$8.75 million in New York's allocation from the VW Mitigation Trust has been proposed for EMA 6: Class 4-7 Local Freight Trucks (Medium Trucks). See: https://dec.ny.gov/sites/default/files/2024-11/nysvwmitigationplanrev.pdf (pp. 2, 17, and 21.)
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2): Truck replacement incentive funding made available through the New York City Department of Transportation (NYCDOT) New York City Clean Trucks Program (NYCCTP) will replace older trucks that often operate in Disadvantaged Communities. The new Class 4-7 replacement trucks will be equipped with engines certified to much lower emissions standards resulting in significantly decreased NOx emissions and improved local air quality. Existing, older NYS-registered diesel-powered trucks will be scrapped.

Estimate of Anticipated NOx Reductions (5.2.3): The projected 10-year vehicle lifetime NOx emission benefits from replacing an estimated 67 older diesel trucks with all-electric, CNG, propane, hybrid, and plug-in hybrid trucks, is estimated to be 22 tons. In addition, greenhouse gases will be reduced from these truck replacement projects. Final NOx emission reductions will be calculated based on projects completed under this mitigation action.

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 York City Department of Transportation

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

New York State submitted an Appendix D-3, Certification for Beneficiary Status Under Environmental Trust Agreement, on November 1, 2017, in which the State of New York (NYS) agreed to maintain and make publicly available all documentation and records:

- (i) submitted by it in support of each funding request; and
- (ii) supporting all expenditures of the Trust Fund by the State of New York, each until the Termination Date of the Trust pursuant to Paragraph 6.8 of the Trust Agreement. These records will be made accessible to the public through the lead agency, New York State Department of Environmental Conservation (NYSDEC), website at: <http://www.dec.ny.gov/chemical/109784.html>

Documentation will be available to the public in an easy to access, publicly available webpage. Links to the documents will be contained in a table developed by the NYSDEC utilizing Appendix D-2 eligible mitigation action categories in chronological order based on DEC submission date to the Trustee. All expenditures made by the Trustee to designated NYS recipients will be formatted in a similar manner. DEC will update the webpage within 10 days of a funding request made to the Trustee, or receipt of a Trustee payment. All necessary or publicly available records associated with DEC funding requests and Trustee payments will be provided in Adobe PDF format or equivalent as determined by the DEC website administrator.

The DEC website will make these records available to the public through a link on the NYSDEC main webpage. The NYSDEC VW Settlement site can also be easily located through a search engine result of entering "NYSDEC VW Settlement."

Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8). VW funding, provided through the NYCCTP, will fund a portion the cost of an eligible, new replacement truck. The level of VW funding will depend on the NYS county of vehicle registration, vehicle type (e.g., fuel type, weight class), and/or availability of alternate funding sources (e.g., CMAQ).

A NYCCTP incentive schedule (e.g., table) will be established prior to the program launch and will be displayed on NYCDOT's public NYCCTP website. The vehicle-specific (by make/model) incentive amount will be based on, the lesser of either:

- i) a percentage of the new vehicle incremental cost (for non-all-electric replacements), or
- ii) 75% of an actual dealer sales invoice (for all-electric replacements), or
- iii) a weight class-based (i.e., Classes 4-7) cap.

New vehicle incremental cost is defined as the cost difference between a new diesel truck and the equivalent eligible new, all-electric, CNG, propane, hybrid, or plug-in hybrid truck. The outstanding balance of the new replacement vehicle after the NYCCTP incentive will be provided by the vehicle owner or lessee.

Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9).

NYSDEC (lead agency) notified the U.S. Government agencies as prescribed in 5.2.9 via email on February 9, 2018. See attached Notice of Availability of Mitigation Action Funds.

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 York State's Beneficiary Mitigation Plan, Clean Transportation NY, describes the overall goals of improving air quality and accelerating the transition to zero emission transportation through funding made available under the Volkswagen Trust. These air quality improvement goals include reducing nitrogen oxides (NOx), greenhouse gases, particulate matter, hydrocarbon, and mobile source air toxics emissions throughout the state. Funding those projects described in the Plan will result in significant NOx reductions while accelerating the transformation to a zero-tailpipe emission transportation system. Projects will be located throughout New York State, with a particular focus on communities and neighborhoods subject to a disproportionate amount of air pollution from diesel-powered vehicles and equipment. NYCDOT completed targeted outreach to fleets with trucks domiciled in, or operated near, NYSERDA defined Disadvantaged Communities and will report on the award of incentives for trucks in these areas.

This Class 4-7 truck replacement project will lower NOx emissions and improve local air quality by replacing older diesel powered, higher emitting trucks that frequent residential areas. These replacement trucks are certified to much lower emission standards and will improve local air quality in communities that have historically borne a disproportional share of the adverse impact of diesel exhaust emissions.

ATTACHMENTS
(CHECK BOX IF ATTACHED)

- | | | |
|-------------------------------------|---------------------|---|
| <input checked="" type="checkbox"/> | Attachment A | Funding Request and Direction. |
| <input checked="" type="checkbox"/> | Attachment B | Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4). |
| <input type="checkbox"/> | Attachment C | Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11). |
| <input checked="" type="checkbox"/> | 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.] |
| <input type="checkbox"/> | Attachment E | DERA Option (5.2.12). [Attach only if using DERA option.] |
| <input type="checkbox"/> | 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

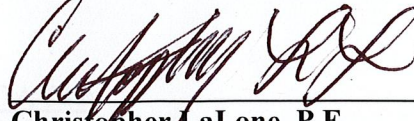
By submitting this application, the Lead Agency makes the following certifications:

1. This application is submitted on behalf of Beneficiary State of New York, 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:

12/20/2024



Christopher LaLone, P.E.

Division Director, Division of Air Resources

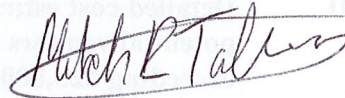
New York State Department of Environmental Conservation

[LEAD AGENCY]

for

State of New York

[BENEFICIARY]



ATTACHMENTS B AND D TO APPENDIX D-4**ATTACHMENT B TO APPENDIX D-4****Action Title: NYCDOT 'NYCCTP' – Class 4-7 Truck Replacements****Eligible Mitigation Action Management Plan including Detailed Budget and Implementation and Expenditures Timeline. (5.2.4)****Implementation and Expenditures Milestones and Timeline**

Milestone	Date
DEC provides Notice to Proceed	2/27/2020 (actual)
NYCDOT provides DEC with Project Budget Plan	2/10/2020 (actual)
NYCDOT provides DEC with Draft Community Outreach Plan	5/13/2020 (actual)
NYCDOT provides DEC with 1 st Advance Funding Request and Direction form, Schedule 2, Project Management Plan, and Schedule 3, Payment Request Forms	2/12/2020 (actual)
DEC submits Project Certification and Funding Direction request to Trustee for Advance Payment #1 (\$3,283,500)	3/2/2020 (actual)
Trustee Acknowledges Receipt of Project Certification and Funding Direction	3/2/2020 (actual)
Trustee allocates Advance Funding to NYCDOT	5/1/2020 (actual)
NYCDOT posts information and application material on NYCDOT website; NYCDOT provides outreach efforts to notify stakeholders of availability of funds	6/3/2020 (actual)
Review of submitted applications begins	6/4/2020 (actual)
NYCDOT completes projects representing 19% of total funding available under this Cooperative Agreement and submits documentation to DEC	7/22/2022 (actual)
NYCDOT provides DEC with 2 nd Advance Funding Request and Direction form, Schedule 2, Project Management Plan, and Schedule 3, Payment Request Forms	7/28/2022 (actual)
DEC submits Project Certification and Funding Direction request to Trustee for Advance Payment #2 (\$3,283,500)	8/2/2022 (actual)
DEC approves revision(s) to Schedule 7, Incentives	01/30/2024 (actual)
NYCDOT completes projects representing 23% of total funding available under this Cooperative Agreement and submits documentation to DEC	Date
NYCDOT provides DEC with 3 rd Advance Funding Request and Direction form, Schedule 2, Project Management Plan, and Schedule 3, Payment Request Forms	Date
DEC submits Project Certification and Funding Direction request to Trustee for Advance Payment #3 (\$6,083,500)	Date
NYCDOT completes projects representing 75% (\$9,862,875) of total funding available under this Cooperative Agreement and submits documentation to DEC	Date

NYCDOT provides DEC with 4th Advance Funding Request and Direction form, Schedule 2, Project Management Plan, and Schedule 3, Payment Request Forms	Date
DEC submits final Project Certification and Funding Direction request to Trustee for up to \$500,000	Date
End of 90-month Incentive Period for New Truck Replacement Projects (from Notice to Proceed)	8/27/2027 (actual)
NYCDOT provides detailed invoices for all claimed project costs, documentation for emission reduction estimates, emission reduction estimates required certification documents to DEC to support final project accounting	Date
NYCDOT returns any unused funds to Trustee	Date
NYCDOT certifies project completion	Date
DEC reports project completion	Date

Date	Milestone
2/27/2020 (actual)	DEC provides Notice to Proceed
3/10/2020 (actual)	NYCDOT provides DEC with Project Budget Plan
3/12/2020 (actual)	NYCDOT provides DEC with Loan Commitment Outreach Plan
3/12/2020 (actual)	NYCDOT provides DEC with 1st Advance Funding Request and Direction form Schedule 2, Project Management Plan, and Schedule 3, Payment Request Forms
3/23/2020 (actual)	DEC submits Project Certification and Funding Direction request to Trustee for Advance Payment #1
3/23/2020 (actual)	Trustee issues Advance Funding to NYCDOT
3/23/2020 (actual)	Trustee issues Advance Funding to NYCDOT
3/23/2020 (actual)	NYCDOT provides information and application materials to NYCDOT which NYCDOT provides outreach efforts to meet standards of availability of funds
3/23/2020 (actual)	Review of submitted application begins
3/23/2020 (actual)	NYCDOT completes project representing 15% of total funding available under this Cooperative Agreement and submits documentation to DEC
3/23/2020 (actual)	NYCDOT provides DEC with 2nd Advance Funding Request and Direction form Schedule 2, Project Management Plan, and Schedule 3, Payment Request Forms
3/23/2020 (actual)	DEC submits Project Certification and Funding Direction request to Trustee for 2nd Advance Payment #2
3/23/2020 (actual)	DEC approves application to Schedule 2, Incentive
3/23/2020 (actual)	NYCDOT completes project representing 15% of total funding available under this Cooperative Agreement and submits documentation to DEC
3/23/2020 (actual)	NYCDOT provides DEC with 3rd Advance Funding Request and Direction form Schedule 2, Project Management Plan, and Schedule 3, Payment Request Forms
3/23/2020 (actual)	DEC submits Project Certification and Funding Direction request to Trustee for Advance Payment #3
3/23/2020 (actual)	NYCDOT completes project representing 15% of total funding available under this Cooperative Agreement and submits documentation to DEC

Project Budget

(Mitigation Action Item #6) – Class 4-7 Local Freight Trucks (Medium Trucks). Medium trucks eligible to be replaced include 1992-2009 engine model year Class 4-7 Local Freight trucks.

Item #6 Incentive Costs: \$6,705,000

Item #6 Administrative Costs (Capped at 10%): \$670,500

Funding Method: Advance

Procurement Method: Voucher Incentive/Aggregate Procurement

Amendment #4 to the Cooperative Agreement (CA11728) between DEC and NYCDOT for this project was approved on 12/10/2024. Amendment #4 made the following changes:

1. Increases the incentive period from 72 months to 90 months (revised incentive period end date of 8/27/2027)
2. Increases the term of the agreement from 11 years to 12.5 years (revised agreement term end date of 8/27/2032)
3. Revised the total project cost to \$7,375,500
4. Adds a fourth advance payment
5. Restricts funding to only all-electric replacement trucks
6. Increases the model year eligibility for new replacement vehicles to equal to the current calendar year, up to two calendar years newer, or up to two calendar years older (previously equal to the current calendar year, one calendar year newer, or up to one calendar year older)
7. Other minor revisions

DEC will direct VW Settlement funding to the NYCDOT 'NYCCTP' truck replacement program in four advance payments as project completion milestones are met. Approximately 25% of the CA11728 funding amount was available at the start of the truck replacement project, the next approximately 25% of the CA11728 funding amount became available when 19% of the truck replacement projects were complete, the next approximately 46% of the CA11728 funding amount becomes available when 23% of the truck replacement projects are complete, and the final approximately 4% of the CA11728 funding amount becomes available when 75% of the truck replacement projects are complete.

Total Project Budget

Project	Truck Funding Amount	Administrative Costs	Total Project Cost
EMA 6: Class 4-7 Trucks	\$6,705,000	\$670,500	\$7,375,500

Funding Milestones

Initial Advance Funding Amount	\$1,358,500
Second round of funding when 19% of projects completed	\$1,358,500
Third round of funding when 23% of projects completed	\$4,158,500
Fourth round of funding when 75% of projects completed	\$500,000
Total Project Cost	\$7,375,500

ATTACHMENT D to APPENDIX D-4**Action Title: NYCDOT 'NYCCTP' – Class 4-7 Truck Replacements****Detailed Costs Estimates from Selected Potential Vendors for Each Proposed Expenditure Exceeding \$25,000 (5.2.6)**

DEC will direct VW Trust funding to the NYCDOT 'NYCCTP' truck replacement program in the form of advance payments for Class 4-7 truck replacement project incentives. Preliminary cost estimates for Class 4-7 trucks (all-electric, CNG, diesel) are provided in the table below.

Preliminary Class 4-7 Truck Cost Estimates

Class 4-7 Truck Category	Number of Units	Cost per Unit	Total Cost
All-Electric	40	\$100,000-\$215,000	\$4,000,000-\$8,600,000
CNG	8	\$30,000-\$60,000	\$240,000-\$480,000
Diesel	19	\$12,000-\$30,000	\$228,000-\$570,000
		Total Budget	\$7,375,500