

Semi Annual Report to the Trustee ~Commonwealth of Pennsylvania~

January 1, 2025, through July 31, 2025

Overview: The Commonwealth of Pennsylvania ('Pennsylvania') was designated as a beneficiary of the Environmental Mitigation Trust Agreement for State Beneficiaries (Trust Agreement) on January 29, 2018. The Pennsylvania Department of Environmental Protection ('PA DEP') was designated as the lead agency responsible for disbursing Pennsylvania's allocation of the trust fund monies. Pennsylvania is one of the few beneficiaries that has vehicles and equipment eligible for repower or replacement under all Eligible Mitigation Actions ('EMAs') 1 through 9. Pennsylvania participated in the State Clean Diesel Grant Program for many years prior to the establishment of the trust fund and plans to continue participating, using Volkswagen settlement funds as match funding for Diesel Emission Reduction Act ('DERA') projects in EMA 10.

PA DEP created a suite of funding programs under the Driving PA Forward Initiative, which includes eight grant and rebate programs to disburse the trust fund monies. All ten EMAs were originally included across these eight funding programs, which is consistent with PA DEP's stated goal in its Beneficiary Mitigation Plan to offer funding for all EMAs. However, after five years of offering funding for EMA 5, the Oceangoing Vessel (OGV) Shorepower Grant Program, eligible entities did not apply for this funding opportunity. Therefore, Pennsylvania discontinued the OGV Shorepower Grant Program in the second half of calendar year 2022.

In addition to discontinuing the OGV grant, PA DEP developed an additional grant for on-road vehicles – the Medium- & Heavy-Duty Zero Emission Vehicle ('MHDZEV') Fleet Pilot Grant, to fund the replacement of Class 4-8 local freight and port drayage trucks, with zero-emission trucks. Data for the MHDZEV program are included under the EMAs 1 and 6 sections of this report, as available.

Status of each EMA: PA DEP intends to offer funding under each remaining program so long as Volkswagen settlement funds remain available in Pennsylvania's Environmental Mitigation Trust account, although funding programs will be publicly offered for varying periods of time, depending upon interest and participation in each program.

Progress: In the sections below, PA DEP provides the following information describing the progress of implementing each EMA, required under Section 5.3 of the Trust Agreement:

- A summary of all costs expended through the end of the current reporting period
- An actual or projected termination date of the EMA
- A description of the development, implementation, and any modification of each approved EMA

Additionally, for each EMA, PA DEP identifies which funding program(s) support(s) the EMA, funding program details (open and close of application period, funding offered, etc.), projects completed under each program (per EMA), funds committed and expended, and other details.

EMA 1: Class 8 Local Freight Trucks and Port Drayage Trucks (Eligible Large Trucks)

PA DEP funds projects eligible under this EMA through three programs, the details for which are provided below:

- Truck and Bus Fleet Grant Program (formerly Class 8 Truck and Transit Bus Grant Program) (PROGRAM CLOSED TO NEW APPLICANTS)
- Medium- & Heavy-Duty Zero-Emission Vehicle Fleet Pilot Grant (PROGRAM CLOSED TO NEW APPLICANTS)
- Onroad Rebate Program (PROGRAM CLOSED TO NEW APPLICANTS)

Truck and Bus Fleet Grant Program / Class 8 Truck and Transit Bus Grant Program: Calendar Year(s) (CY) 2018-2019; CY2020; CY2021

* PROGRAM CLOSED TO NEW APPLICANTS*

Development

- As revised for CY2020, this program funds the repower or replacement of eligible Class 4-8 local freight trucks, school buses, shuttle buses, transit buses, and drayage trucks (EMAs 1, 2, and 6). When it was originally developed, this program only funded the repower or replacement of Class 8 local freight trucks (EMA 1) and transit buses (EMA 2). This program is a reimbursement grant program, meaning that project work must be completed, and all expenses paid, before the grant recipient applies for reimbursement from PA DEP. The period of performance for Truck & Bus Fleet Grant projects is two-years from the date of full contract execution.

Actual or Projected Termination Date

- Application periods: No application periods open during the reporting period.
- Next available funding: PROGRAM CLOSED TO NEW APPLICANTS – ALL REMAINING FUNDS RE-ALLOCATED TO THE MEDIUM- & HEAVY-DUTY ZERO-EMISSION VEHICLE FLEET PILOT (MHD-ZEV) GRANT

Implementation

- CY2018-2019 – **Total awarded grants: \$5,758,089.75** to eight EMA 1 projects (see EMA 2 for other projects). Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 18.0 to 74.9 percent for the non-government owned vehicle replacement projects,
 - 75.0 to 90.0 percent for government owned vehicle replacement projects.
- CY2020 – **Total awarded grants: \$1,706,788.00** to two EMA 1 projects (see EMA 2 for other projects). Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 25.0 percent for a non-government-owned vehicle replacement project,
 - 69.8 percent for a government-owned vehicle replacement project.
- CY2021 – **Total awarded grants: \$1,837,050.00** to two EMA 1 projects (see EMA 2 for additional two projects). Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 21.0 percent for a non-government-owned vehicle replacement project,
 - 37.2 percent for a government-owned vehicle replacement project.
- Anticipated cumulative grant award outcomes:
 - Total Class 8 vehicles to be replaced, after project completion = (186)
 - (164) freight trucks (diesel)
 - (7) terminal tractors (electric)
 - (2) bulk refuse collection trucks (diesel)

- (5) residential refuse collection trucks (compressed natural gas [CNG])
- (3) residential refuse collection trucks (electric)
- (4) municipal service/utility vehicles (diesel)
- (1) bulk fuel delivery truck (diesel, with hybrid battery idle mitigation)

➤ Total of Truck & Bus Fleet Grant Program EMA 1 awards = \$9,301,927.75

Summary of Costs Expended During Reporting Period

- Project disbursements: The following are the submitted, approved, and/or pending project reimbursements for the Truck & Bus Fleet Grant Program, requested by PA DEP in Funding Requests (FRs) to the Trustee under EMA 1, during the reporting period.
 - FR0018 = \$988,750.00
- Administrative expenditures: The following are the submitted, approved, and/or pending administrative expenditure reimbursements for the Truck & Bus Fleet Grant Program, requested by PA DEP in FRs for this EMA to the Trustee, during the reporting period.
 - N/A

Summary of Cumulative Costs, To-Date

- Project disbursements, to-date: The following are the total project reimbursements for the Truck & Bus Fleet Grant Program, requested by PA DEP in FRs for this EMA to the Trustee:
 - Total = \$7,084,286.55
 - FR0004: \$432,320.00
 - FR0007: \$1,323,179.00
 - FR0008: \$2,903,564.25
 - FR0010: \$684,121.30
 - FR0014: \$752,352.00
 - FR0018: \$988,750.00
- Administrative expenditures, to-date: The following are the total administrative expenditure reimbursements for the Truck & Bus Fleet Grant Program, requested by PA DEP in FRs for this EMA to the Trustee.
 - Total = \$171,685.83
 - FR0004: \$64,848.00
 - FR0007: \$22,903.25
 - FR0010: \$13,821.71
 - FR0014: \$70,112.87
 - FR0021: 8,639.19

Additional Administrative Expenses pending; not submitted = \$7,785.64 (145.93 hours)

Medium- & Heavy-Duty Zero-Emission Vehicle Fleet Pilot Grant: CYs 2022-2023

* PROGRAM CLOSED TO NEW APPLICANTS*

Development

- Designed to reduce diesel emissions from mobile sources in underserved, environmentally impaired areas such as Environmental Justice Areas, this new grant provides \$12.7 million from the VW settlement to fund the replacement of medium- and heavy-duty local freight and port drayage truck fleets with zero emission trucks. Additionally, data from successful projects will be used to produce a case study report for other fleet owners and operators in the Commonwealth of Pennsylvania to use as a framework reference for use in the planning of zero emission fleet transitions of their own.

Actual or Projected Termination Date

- Application periods: No application periods open during the reporting period.
- Next available funding: * PROGRAM CLOSED TO NEW APPLICANTS – FUNDS EXHAUSTED.*

Implementation

- CYs 2022-2023 – Awards announced on January 12, 2024 – **Total awarded grants: \$28,583,218.84** to (10) EMA 1 projects (see EMA 6 for other projects).
Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 59.1 to 75.0 percent for the non-government owned vehicle replacement projects,
 - 90.0 to 100 percent for government owned vehicle replacement projects.
- Anticipated cumulative grant award outcomes: Total Class 8 vehicles to be replaced, after project completion = (70)
 - (30) freight trucks (electric)
 - (35) refuse collection trucks (electric)
 - (5) refrigerated beverage delivery trucks

Summary of Costs Expended During Reporting Period

- Project disbursements to date: No reimbursements yet. The first grant reimbursement requests are being processed and re expected to be submitted for payment in Q1-2025.
 - Total = \$2,901,332.16
FR0020 = \$2,901,332.16
- Administrative expenditures to date: Early development expenses for this program were assigned to the general VW Mitigation Implementation fund. See the section titled Additional Administrative expenses on page 17 for additional information. Beginning in 2023, PA DEP establishing a specific work code to this grant program. The expenses assigned to this work code and submitted to the Trustee for payment are:
Total = \$20,734.05
FR0021: \$20,734.05

Pending; not submitted = \$147,177.51 (2,651.82 hours)

Onroad Rebate Program: CYs 2018-2019; CY2020; CY2021; CYs 2023-2024

* PROGRAM CLOSED TO NEW APPLICANTS *

Development

- As revised for CY2020, this program funds the repower or replacement of eligible Class 4-8 local freight trucks, school buses, shuttle, buses, transit buses, and drayage trucks (EMAs 1, 2, and 6). When it was originally developed, this program only funded repowers or replacements of Class 4-7 local freight trucks, school buses, shuttle buses, and port drayage trucks (EMAs 2, and 6). PA DEP has also revised the program to accept multiple vehicles per application and issue single rebate vouchers for a fleet of eligible vehicles (up to 5), where previously the program only provided single vehicle rebates.

Actual or Projected Termination Date

- Application periods: The public application solicitation for the CYs 2023-2024 program opened on November 24, 2023, with \$6.1 million available. This application solicitation closed on March 4, 2025, with approximately \$1 million left in the program budget.
- Next available funding: The CYs 2023-2024 is the last round of funding for this program, as no funds will remain after the current round.

Implementation

- CYs 2018-2019 – No rebates were issued to EMA 1 projects under this program.
- CY2020 – PA DEP issued **(11) rebate vouchers for \$1,946,161.75** to replace (28) EMA 1 eligible vehicles under this program. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 18.9 to 50.0 percent for the non-government owned vehicle replacement projects, and
 - 43.0 to 70.0 percent for government owned vehicle replacement projects.
- CY2021 – PA DEP issued **(9) rebate vouchers totaling \$1,471,283.95** to replace (18) EMA 1 eligible vehicles under this program. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 56.6 - 70.0 percent for government-owned vehicle replacement projects.
 - 23.6 - 48.3 percent for non-government projects.
- CYs 2023-2024 – PA DEP issued **(16) rebate vouchers totaling \$1,635,394.60** to replace (26) EMA 1 eligible vehicles under this program. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 28.6 to 40.0 percent for government-owned vehicle replacement projects.
 - 13.8 to 56.1 percent for non-government projects.
- Anticipated cumulative rebate award outcomes:
 - Total Class 8 vehicles to be replaced, after project completion = (63)
 - (51) freight trucks – (3) electric, (49) diesel
 - (14) residential refuse collection trucks - (10) diesel, (4) CNG; (1) electric
 - (3) delivery trucks (electric, w/ infrastructure)
 - (1) drayage truck (diesel)

Summary of Costs Expended During Reporting Period

- Project disbursements: The following are the submitted, approved, and/or pending project reimbursements for the Onroad Rebate Program, requested by PA DEP in FRs to the Trustee under EMA 1, during the reporting period:
 - N/A
- Administrative expenditures: The following are the submitted, approved, and/or pending administrative expenditure reimbursements for the Onroad Rebate Program, requested by PA DEP in FRs for this EMA to the Trustee, during the reporting period:
 - N/A

Summary of Cumulative Costs, To-Date

- Project disbursements, to-date: The following are the total project reimbursements for the Onroad Rebate Program, requested by PA DEP in FRs for this EMA to the Trustee:
 - Total = \$2,219,063.03
 - FR0007: \$1,024,097.50
 - FR0008: \$122,500.00
 - FR0009: \$194,722.93
 - FR0010: \$220,515.67
 - FR0012: \$426,848.93
 - FR0021: \$230,378.00
- Administrative expenditures, to-date: The following are the submitted, approved, and/or pending administrative expenditure reimbursements for the Onroad Rebate Program, requested by PA DEP in FRs for this EMA to the Trustee.
 - Total = \$36,724.96
 - FR0007: \$22,903.26
 - FR0010: \$13,821.70
 - FR0021: \$5,183.51

Additional pending; not submitted = \$32,1536.25 (620.07 hours)

EMA 2: Class 4-8 School Bus, Shuttle Bus, or Transit Bus (Eligible Buses)

PA DEP funds projects eligible under this EMA through two programs, the details for which are provided below:

- Truck and Bus Fleet Grant Program (formerly Class 8 Truck and Transit Bus Grant Program) (PROGRAM CLOSED TO NEW APPLICANTS)
- Onroad Rebate Program

Truck and Bus Fleet Grant Program: CY2018-2019; CY2020; CY2021

* PROGRAM CLOSED TO NEW APPLICANTS *

Development

- As revised for CY2020, this program funds the repower or replacement of eligible Class 4-8 local freight trucks, school buses, shuttle, buses, transit buses, and drayage trucks (EMAs 1, 2, and 6). When it was originally developed, this program only funded the repower or replacement of Class 8 local freight trucks (EMA 1) and transit buses (EMA 2). This program is a reimbursement grant program, meaning that project work must be completed before the grant recipient applies for reimbursement from PA DEP.

Actual or Projected Termination Date

- Application periods: No application periods open during the reporting period.
- Next available funding: PROGRAM CLOSED TO NEW APPLICANTS – ALL REMAINING FUNDS RE-ALLOCATED TO MHD-ZEV GRANT.

Implementation

- CY2018-2019 – **Total awarded grants: \$1,104,000.00** to one EMA 2 project (see EMA 1 for other projects). Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 44.4 percent for a government-owned vehicle replacement project.
- CY2020 – **Total awarded grants: \$1,381,540.00** to three EMA 2 projects (see EMA 1 for other projects). Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 25.0 to 30.0 percent for two government-owned vehicle replacement projects.
- CY2021 – **Total awarded grants: \$1,135,798.00** to two EMA 2 projects (see EMA 1 for additional two projects). Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 30.0 to 42.0 percent for two government-owned vehicle replacement projects.
- Anticipated cumulative grant award outcomes:
 - Total Class 4-7 school, shuttle, and transit buses to be replaced, after project completion: (70)
 - (55) school buses (diesel)
 - (7) school buses (propane)
 - (6) school buses (electric)
 - (2) public transit buses (electric)

Summary of Costs Expended During Reporting Period

- Project disbursements: The following are the submitted, approved, and/or pending project reimbursements for the Truck & Bus Fleet Grant Program, requested by PA DEP in FRs to the Trustee under EMA 2, for the reporting period.
 - FR0018 = \$1,333,869.90

- Administrative expenditures: The following are the submitted, approved, and/or pending administrative expenditure reimbursements for the Truck & Bus Fleet Grant Program, requested by PA DEP in FRs for this EMA to the Trustee.
 - N/A

Summary of Cumulative Costs, To-Date

- Project disbursements, to-date: The following are the submitted, approved, and/or pending project reimbursements for the Truck & Bus Fleet Grant Program, requested by PA DEP in FRs for this EMA to the Trustee.
 - Total = \$2,437,869.90
 - FR0004: \$1,104,000.00
 - FR0018: \$1,333,869.90
- Administrative expenditures, to-date: The following are the submitted, approved, and/or pending administrative expenditure reimbursements for the Truck & Bus Fleet Grant Program, requested by PA DEP in FRs for this EMA to the Trustee.
 - Total = \$13,723.18
 - FR0004: \$13,723.18

Additional pending; not submitted = \$12,101.59 (226.83 hours)

Onroad Rebate Program: CYs2018-2019; CY2020; CY2021; CYs 2023-2024

* PROGRAM CLOSED TO NEW APPLICANTS *

Development

- As revised for CY2020 and subsequent funding opportunities, this program funds the repower or replacement of eligible Class 4-8 local freight trucks, school buses, shuttle, buses, transit buses, and drayage trucks (EMAs 1, 2, and 6). When it was originally developed, this program only funded repowers or replacements for Class 4-7 local freight trucks, school buses, shuttle buses, and port drayage trucks (EMAs 1, 2, and 6). PA DEP has also revised the program to accept multiple vehicles per application and issue single rebate vouchers for a fleet of eligible vehicles (up to 5), where previously the program only provided single vehicle rebates.

Actual or Projected Termination Date

- Application periods: The public application solicitation for the CYs 2023-2024 program opened on November 24, 2023, with \$6.1 million available. This application solicitation closed on March 4, 2025, with approximately \$1 million left in the program budget.
- Next available funding: The CYs 2023-2024 is the last round of funding for this program, as no funds will remain after the current round.

Implementation

- CY2018-2019 – PA DEP issued **(260) rebate vouchers for \$10,499,333.00** to replace (260) EMA2 eligible vehicles under this program (See EMA 6 for additional rebates). Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 19.9 percent for a non-government-owned shuttle bus replacement, and
 - 34.4 to 54.1 percent for public school district-affiliated school bus replacement projects.
- CY2020 – PA DEP issued **(50) rebate vouchers for \$4,280,937.16** to replace (144) EMA2 eligible vehicles under this program. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 23.9 to 39.5 percent for government owned vehicle and public-school district-affiliated school bus replacement projects.
- CY2021 – PA DEP issued **(45) rebate vouchers for \$3,706,698.00** to replace (106) EMA2 eligible vehicles under this program. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:

- 25.2 to 45.2 percent for public school district-affiliated school bus replacement projects.
- CYs 2023-2024 – PA DEP issued **(26) rebate vouchers for \$2,327,662.50** to replace (60) EMA2 eligible vehicles under this program. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 17.1 to 56.1 percent for public school district-affiliated school bus replacement projects.
- Anticipated cumulative grant award outcomes:
 - Total Class 4-7 school, shuttle, and transit buses to be replaced, after project completion: (592)
 - (463) school buses (diesel)
 - (45) school buses (biodiesel)
 - (78) school buses (propane)
 - (13) school buses (electric)
 - (3) public shuttle buses: (1) diesel, (2) electric (transit style)

Summary of Costs Expended During Reporting Period

- Project disbursements: The following are the submitted, approved, and/or pending project reimbursements for the Onroad Rebate Program, requested by PA DEP in Funding Requests (FRs) to the Trustee under EMA 2, during the reporting period.
 - FR0018 = \$479,400.00
- Administrative expenditures: The following are the submitted, approved, and/or pending administrative expenditure reimbursements for the Onroad Rebate Program, requested by PA DEP in FRs to the Trustee, during the reporting period.
 - N/A

Summary of Cumulative Costs, To-Date

- Project disbursements, to-date: The following are the total project reimbursements for the Onroad Rebate Program associated with this EMA, requested by PA DEP in FRs to the Trustee:
 - Total = \$18,861,296.71
 - FR0001: \$364,455.00
 - FR0002: \$7,174,878.00
 - FR0003: \$2,960,000.00
 - FR0007: \$1,328,787.24
 - FR0008: \$1,206,107.40
 - FR0009: \$917,871.90
 - FR0010: \$793,121.70
 - FR0012: \$2,844,867.90
 - FR0018: \$479,400.00
 - FR0021: \$791,807.57
- Administrative expenditures, to-date: The following are the total administrative expenditure reimbursements for the Onroad Rebate Program associated with this EMA, requested by PA DEP in FRs to the Trustee:
 - Total = \$536,789.92
 - FR0001: \$52,401.90
 - FR0002: \$269,664.83
 - FR0003: \$10,149.97
 - FR0007: \$45,095.12
 - FR0010: \$75,996.58
 - FR0021: \$83,481.52

Additional pending; not submitted = \$112,010.28 (2,160.10 hours)

EMA 3: Freight Switchers

PA DEP funds projects eligible under this EMA through the Marine and Rail Freight Movers Grant Program. Details for the program are provided below.

Marine and Rail Freight Movers Grant Program: CYs 2020-2021: Rounds 1 & 2

* PROGRAM CLOSED TO NEW APPLICANTS *

Development

- PA DEP developed this program to fund the repower or replacement of eligible freight switchers (EMA 3) and the repower or upgrade of eligible marine engines (EMA 4). This program is a reimbursement grant program, meaning that project work must be completed before the grant recipient applies for reimbursement from PA DEP.

Actual or Projected Termination Date

- Application periods: No applications periods open during this reporting period.
- Next available funding: PROGRAM CLOSED TO NEW APPLICANTS – ALL REMAINING FUNDS RE-ALLOCATED TO MHD-ZEV GRANT.

Implementation

- PA DEP offered up to 60 percent reimbursement for government-owned repowers or replacements (up to 80 percent for electric), and up to 40 percent reimbursement for non-government owned repowers or replacements (up to 75 percent for electric).
- CY2020-2021: Round 1 – **Total awarded grants: \$1,260,000.00** to one (1) EMA 3 project. Funding percentages: PA DEP committed to reimburse the following percentage of eligible project costs:
 - 60.0 percent for a government-owned, freight switcher locomotive replacement project.
- CY2020-2021: Round 2 - **Total awarded grants: \$8,740,000.00** to (3) EMA 3 projects. Funding percentages: PA DEP committed to reimburse the following percentage of eligible project costs:
 - 60.0 percent for a government-owned, locomotive replacement project.
 - 24.1 to 75.0 percent for two, non-government, locomotive replacement projects.
- Anticipated grant award outcomes:
 - Total Freight switchers to be replaced, after project completion: (5)
 - (2) switcher locomotives (diesel-electric hybrid)
 - (3) switcher locomotives (electric)

Summary of Costs Expended During Reporting Period

- Project disbursements: The following are the submitted, approved, and/or pending project reimbursements for the Onroad Rebate Program, requested by PA DEP in Funding Requests (FRs) to the Trustee under EMA 3, during the reporting period.
 - FR0018 = \$3,883,194.75
- Administrative expenditures: The following are the submitted, approved, and/or pending administrative expenditure reimbursements for the Marine & Rail Freight Movers Grant Program requested by PA DEP in FRs for this EMA to the Trustee.
 - N/A

Summary of Cumulative Costs, To-Date

- Project disbursements, to-date: The following are the total project reimbursements for the Marine & Rail Freight Movers Grant Program, requested by PA DEP in FRs for this EMA to the Trustee:
 - Total = \$3,883,194.75
 - FR0018: \$3,883,194.75
- Administrative expenditures, to-date: The following are the total administrative expenditure reimbursements for the Marine & Rail Freight Movers Grant Program, requested by PA DEP in FRs for this EMA to the Trustee:
 - Total = N/A

Pending; not submitted = \$24,553.25 (468.92 hours)

EMA 4: Ferries/Tugs

PA DEP funds projects eligible under this EMA through the Marine and Rail Freight Movers Grant Program. Details for the program are provided below.

Marine and Rail Freight Movers Grant Program: CYs 2020-2021: Rounds 1 & 2

*** PROGRAM CLOSED TO NEW APPLICANTS ***

Development

- PA DEP developed this program to fund the repower or replacement of eligible freight switchers (EMA 3) and the repower or upgrade of eligible marine engines (EMA 4). This program is a reimbursement grant program, meaning that project work must be completed before the grant recipient applies for reimbursement from PA DEP.

Actual or Projected Termination Date

- Application periods: No application periods open during this reporting period.
- Next available funding: PROGRAM CLOSED TO NEW APPLICANTS – ALL REMAINING FUNDS RE-ALLOCATED TO MHD-ZEV GRANT.

Implementation

- CY2020-2021 – Total awarded grants: No grants were awarded during this reporting period under this program for this EMA.
- Funding percentages: PA DEP offered up to 60 percent reimbursement for government-owned repowers or replacements (up to 80 percent for electric), and up to 40 percent reimbursement for non-government owned repowers or replacements (up to 75 percent for electric).
- Anticipated grant award outcomes: Unknown at this time, due to no awards being issued under this EMA.

Summary of Costs Expended During Reporting Period

- Project disbursements to date: No disbursement requests have been submitted to the Trustee and no funds have been disbursed from the Trust Fund for EMA4 projects as none have been awarded.
 - Administrative expenditures to date: PA DEP has accrued no administrative costs linked to this EMA under the Marine & Rail Freight Movers Grant Program.
-

EMA 5: Ocean Going Vessels (OGV) Shorepower

PA DEP previously offered funding for projects eligible under this EMA through the Ocean-Going Vessel Shorepower Grant Program. However, due to a lack of interest, DEP closed this program and re-allocated the funding to the Medium- and Heavy-Duty Zero-Emission Vehicle (MHD-ZEV) Fleet Pilot Grant.

*** PROGRAM CLOSED ***

Ocean-Going Vessel Shorepower Grant Program: CYs 2019-2020; CYs 2021-2022

Development

- PA DEP developed this program to fund the installation of eligible marine shorepower systems at eligible port locations in Pennsylvania. This program is a reimbursement grant program, meaning

that project work must be completed before the grant recipient applies for reimbursement from PA DEP.

Actual or Projected Termination Date

- Application period: No application periods were open during this reporting period.
- Next available funding: PROGRAM CLOSED TO NEW APPLICANTS – ALL REMAINING FUNDS RE-ALLOCATED TO MHD-ZEV GRANT.

Implementation

- Total awarded grants: No grants were awarded during this reporting period; no applications were received.
- Funding percentages: PA DEP offered up to 75 percent reimbursement for government applicants and up to 25 percent reimbursement for non-government applicants.
- Anticipated grant award outcomes: N/A

Summary of Costs Expended During Reporting Period

- Project disbursements to date: No disbursement requests have been submitted to the Trustee and no funds have been disbursed from the Trust Fund for this EMA because no projects have been awarded.
- Administrative expenditures to date: PA DEP has accrued no administrative costs linked to this EMA.

EMA 6: Class 4-7 Local Freight Trucks (Medium Trucks)

PA DEP funds projects eligible under this EMA through two programs, the details for which are provided below:

- Truck and Bus Fleet Grant Program (beginning CY2020) (formerly Class 8 Truck and Transit Bus Grant Program) (PROGRAM CLOSED TO NEW APPLICANTS)
- Medium- & Heavy-Duty Zero-Emission Vehicle Fleet Pilot Grant (PROGRAM CLOSED TO NEW APPLICANTS)
- Onroad Rebate Program

Truck and Bus Fleet Grant Program: CYs 2020; CY2021

* PROGRAM CLOSED TO NEW APPLICANTS *

Development

- As revised for CY2020, this program funds the repower or replacement of eligible Class 4-8 local freight trucks, school buses, shuttle, buses, transit buses, and drayage trucks (EMAs 1, 2, and 6). When it was originally developed, this program only funded the repower or replacement of Class 8 local freight trucks (EMA 1) and transit buses (EMA 2). This program is a reimbursement grant program, meaning that project work must be completed before the grant recipient applies for reimbursement from PA DEP.

Actual or Projected Termination Date

- Application periods: No application periods open during this reporting period
- Next available funding: PROGRAM CLOSED TO NEW APPLICANTS – ALL REMAINING FUNDS RE-ALLOCATED TO MHD-ZEV GRANT.

Implementation

- CY 2020 & CY 2021 – Total awarded grants: No Truck & Bus Fleet Grants were awarded under this EMA.

- Funding percentages: PA DEP offered up to 70 percent reimbursement for government-owned repowers or replacements (up to 100 percent for electric), and up to 50 percent reimbursement for non-government-owned repowers or replacements (up to 100 percent for electric).
 - Anticipated cumulative grant award outcomes: N/A
- Summary of Costs Expended [During Reporting Period]*
- Project disbursements to date: No disbursement requests have been submitted to the Trustee and no funds have been disbursed from the Trust Fund for this EMA because no projects have been awarded.
 - Administrative expenditures to date: Early development expenses for this program were assigned to the general VW Mitigation Implementation fund. See the section titled Additional Administrative expenses on page 20 for additional information. Beginning in 2023, PA DEP establishing a specific work code to this grant program. The expenses assigned to this work code are:
Total =N/A

Pending; not submitted = N/A

Medium- & Heavy-Duty Zero-Emission Vehicle Fleet Pilot Grant: CYs 2022-2023

* PROGRAM CLOSED TO NEW APPLICANTS *

Development

- Designed to reduce diesel emissions from mobile sources in underserved, environmentally impaired areas such as Environmental Justice Areas, this new grant provides \$12.7 million from the VW settlement to fund the replacement of medium- and heavy-duty local freight and port drayage truck fleets with zero emission trucks. Additionally, data from successful projects will be used to produce a case study report for other fleet owners and operators in the Commonwealth of Pennsylvania to use as a framework reference for use in the planning of zero emission fleet transitions of their own.

Actual or Projected Termination Date

- Application periods: Single public application solicitation – Opened on 11/23/22 and closed on 3/31/23.
- Program permanently closed, as no funds remain.

Implementation

- CYs 2022-2023 – Awards announced on January 12, 2024 – **Total awarded grants: \$6,834,803.48** to (4) EMA 6 projects (see EMA 1 for other projects). Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 59.1 to 75.0 percent for the non-government owned vehicle replacement projects,
 - 90.0 to 100 percent for government owned vehicle replacement projects.
- Anticipated cumulative grant award outcomes: Total Class 4-7 vehicles to be replaced, after project completion = (21)
 - (11) freight trucks (electric)
 - (4) home delivery trucks (electric)
 - (6) armored security trucks (electric)
- *Summary of Costs Expended During Reporting Period*
- Project disbursements to date: No reimbursements yet. The first grant reimbursement requests are being processed and re expected to be submitted for payment in Q1-2025.
 - Total = \$513,676.80
 - FR0021: \$513,676.80
- Administrative expenditures to date: Early development expenses for this program were assigned to the general VW Mitigation Implementation fund. See the section titled Additional

Administrative expenses on page 20 for additional information. Beginning in 2023, PA DEP establishing a specific work code to this grant program. The expenses assigned to this work code are:

Total = \$48,663.97

FR0021: \$48,663.97

Pending; not submitted = \$34,425.22 (640.17 hours)

Onroad Rebate Program: CYs 2018-2019; CY2020; CY2021; CYs 23-24

* PROGRAM CLOSED TO NEW APPLICANTS *

Development

- As revised for CY2020, this program funds the repower or replacement of eligible Class 4-8 local freight trucks, school buses, shuttle buses, transit buses, and drayage trucks (EMAs 1, 2, and 6). When it was originally developed, this program only funded repowers or replacements for Class 4-7 local freight trucks, school buses, shuttle buses, and port drayage trucks (EMAs 1, 2, and 6). PA DEP has also revised the program to accept multiple vehicles per application and issue single rebate vouchers for a fleet of eligible vehicles (up to 5), where previously the program only provided single vehicle rebates.

Actual or Projected Termination Date

- Application periods: The public application solicitation for the CYs 2023-2024 program opened on November 24, 2023, with \$6.1 million available. This application solicitation closed on March 4, 2025, with approximately \$1 million left in the program budget.
- Next available funding: The CYs 2023-2024 is the last round of funding for this program, as no funds will remain after the current round.

Implementation

- CY2018-2019 – PA DEP issued **(9) rebate vouchers for \$225,000.00** to replace (9) EMA 6 eligible vehicles under this program. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 13.5 to 20.8 percent for the non-government-owned vehicle replacement projects.
- CY2020 – PA DEP issued **(5) rebate vouchers for \$380,594.75** to replace (9) EMA 6 eligible vehicles under this program. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 19.9 to 60.2 percent for non-government-owned vehicle replacement projects
 - 70.0 percent for government-owned vehicle replacement projects.
- CY2021 – PA DEP issued **(5) rebate vouchers for \$562,518.00** under this EMA, during the reporting period. Funding Percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 25.0 percent for non-government-owned vehicle replacement projects, and
 - 64.9 to 70.0 percent for government-owned vehicle replacement projects.
- CYs 2023-2024 – PA DEP issued **(6) rebate vouchers totaling \$552,039.83** to replace (12) EMA 6 eligible vehicles under this program. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 12.1 to 40.0 percent for government-owned vehicle replacement projects.
 - 31.3 to 38.8 percent for non-government projects.
- Anticipated cumulative rebate award outcomes:
 - Total Class 4-7 local freight trucks to be replaced; after project completion: (45)
 - (3) Freight trucks (diesel)
 - (6) Freight trucks (electric)

- (28) Dump/plow trucks (diesel)
- (3) Roadside assistance/tow trucks (propane)
- (3) Refrigerated beverage delivery trucks (propane)
- (1) Refuse/recycling collection truck (electric)
- (1) Street sweeper (diesel)

Summary of Costs Expended During Reporting Period

- Project disbursements: The following are the submitted, approved, and/or pending project reimbursements for the Onroad Rebate Program, requested by PA DEP in Funding Requests (FRs) to the Trustee under EMA 6, during the reporting period.
 - N/A
- Administrative expenditures: The following are the submitted, approved, and/or pending administrative expenditure reimbursements for the Onroad Rebate Program, requested by PA DEP in FRs to the Trustee, during the reporting period.
 - N/A

Summary of Cumulative Costs, To-Date

- Project disbursements, to-date: The following are the total project reimbursements for the Onroad Rebate Program associated with this EMA, requested by PA DEP in FRs to the Trustee:
 - Total = \$1,090,634.20
 - FR0002: \$225,000.00
 - FR0008: \$28,344.00
 - FR0009: \$214,500.00
 - FR0012: \$455,756.20
 - FR0014: \$140,000.00
 - FR0021: \$27,034.00
- Administrative expenditures, to-date: The following are the total administrative expenditure reimbursements for the Onroad Rebate Program associated with this EMA, requested by PA DEP in FRs to the Trustee:
 - Total = \$53,442.65
 - FR0014: \$21,000.00
 - FR0021: \$32,442.65

Additional pending; not submitted = \$11,416.76 (220.17 hours)

EMA 7: Airport Ground Support Equipment (GSE)

PA DEP funds projects eligible under this EMA through the Electric Cargo Handling Grant Program. Details for the program are provided below.

Electric Cargo Handling (ECH) Grant Program: CYs 2019-2020: Rounds 1 & 2; CYs 2021-2022

* PROGRAM CLOSED TO NEW APPLICANTS – FUNDS EXHAUSTED *

Development

- PA DEP developed this program to fund the repower or replacement of diesel-powered forklifts (EMA 8), airport ground support equipment (GSE) (EMA 7), and port cargo handling equipment (EMA 8) with all-electric equipment. This program is a reimbursement grant program, meaning that project work must be completed before the grantee applies for reimbursement from PA DEP.

Actual or Projected Termination Date

- Application periods: No application periods open during the reporting period.

- Next available funding: PROGRAM CLOSED TO NEW APPLICANTS – FUNDS EXHAUSTED.

Implementation

- CYs 2019-2020; Round 1 – Total awarded grants: No ECH grants were awarded under this EMA during this reporting period.
 - PA DEP committed to reimburse up to 60 percent for government-owned, all-electric GSE replacement projects, and up to 40 percent for non-government-owned, all-electric GSE replacement projects.
- CYs 2019-2020; Round 2 – Total awarded grants: No ECH grants were awarded under this EMA during this reporting period.
 - PA DEP committed to reimburse up to 60 percent for government-owned, all-electric GSE replacement projects, and up to 40 percent for non-government-owned, all-electric GSE replacement projects.
- CYs 2021-2022 – **Total awarded grants: \$559,892.33** to one project for the all-electric replacement of (25) pieces of airport GSE. Funding Percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 30.9% for the replacement of eligible airport GSE.
- Anticipated grant award outcomes:
 - Total pieces of airport GSE to be replaced, after project completion: (25)
 - (15) baggage tugs (electric)
 - (10) belt loaders (electric)

Summary of Costs Expended During Reporting Period

- Project disbursements to date: The following are the total project reimbursements for the Onroad Rebate Program associated with this EMA, requested by PA DEP in FRs to the Trustee:
 - Total = \$559,892.33
FR0021: \$559,892.33
- Administrative expenditures to date: The following are the total administrative expenditure reimbursements for the Onroad Rebate Program associated with this EMA, requested by PA DEP in FRs to the Trustee:
 - Total = \$15,246.93
FR0021: \$15,246.93

Additional pending; not submitted = \$593.96 (11.43 hours)

EMA 8: Forklifts and Port Cargo Handling Equipment

PA DEP funds projects eligible under this EMA through the Electric Cargo Handling Grant Program. Details for the program are provided below.

Electric Cargo Handling (ECH) Grant Program: CYs 2019-2020: Rounds 1 & 2; CYs 2021-2022

* PROGRAM CLOSED TO NEW APPLICANTS *

Development

- PA DEP developed this program to fund the repower or replacement of diesel-powered forklifts (EMA 8), airport ground support equipment (GSE) (EMA 7), and port cargo handling equipment (EMA 8) with all-electric equipment. This program is a reimbursement grant program, meaning that project work must be completed before the grantee applies for reimbursement from PA DEP.

Actual or Projected Termination Date

- Application periods: No application periods open during the reporting period
- Next available funding: PROGRAM CLOSED TO NEW APPLICANTS – FUNDS EXHAUSTED.

Implementation

- CYs 2019-2020; Round 1– **Total awarded grants: \$435,960.00** awarded to one project for the all-electric replacement of (2) pieces of eligible port cargo-handling equipment. Funding Percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 60.0% for a government-owned vehicle replacement project.
- CYs 2019-2020; Round 2– Total awarded grants: No ECH grants awarded for this EMA during this reporting period. Funding percentages: PA DEP committed to fund awards under this EMA at the rate of 60.0% for government-owned vehicle replacement projects and 40.0% for non-government-owned vehicle replacement projects.
- CYs 2021-2022 – **Total awarded grants: \$4,904,147.66** to three projects for the all-electric replacement of (2) forklifts and (27) pieces of port cargo handling equipment. Funding Percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 46.3% for a government-owned port cargo handling equipment replacement project
 - 39.9% for a non-government-owned port cargo handling equipment replacement project
 - 31.4 percent for a non-government-owned forklift replacement project
- Anticipated grant award outcomes:
 - Total forklifts and port cargo handling equipment to be replaced, after project completion: (31)
 - (29) Class 8 terminal tractors (electric)
 - (2) 80,000 lb capacity forklifts (electric)

Summary of Costs Expended During Reporting Period

- Project disbursements to date: No disbursement requests have been submitted to the Trustee and no funds have been disbursed from the Trust Fund for these projects as none have been completed yet. (3-year project periods). PA DEP expects to begin requesting reimbursements for these projects starting in late 2025.
- Administrative expenditures to date: PA DEP has approximately \$18,664.95 (359.19 hours) in pending administrative costs for the ECH Grant Program linked to this EMA that will be submitted with the next eligible FR with EMA 8 projects. PA DEP has not previously submitted any reimbursement requests for administrative costs for this EMA.

EMA 9: Light-Duty Zero Emission Vehicle Supply Equipment

PA DEP funds projects eligible under this EMA through two programs, the details for which are provided below:

- DC Fast Charging and Hydrogen Fueling Grant Program (PROGRAM CLOSED TO NEW APPLICANTS)
- Level 2 Electric Vehicle (EV) Charging Rebate Program (PROGRAM CLOSED TO NEW APPLICANTS)

DC Fast Charging and Hydrogen Fueling (DCFC) Grant Program: CYs 2018-2019; CY2020; CY2021

* PROGRAM CLOSED TO NEW APPLICANTS *

Development

- PA DEP developed this program to fund the purchase and installation of DC fast (Level 3) electric vehicle chargers or hydrogen refueling infrastructure. This program is a reimbursement grant

program, meaning that project work must be completed before the grant recipient applies for reimbursement from PA DEP.

Actual or Projected Termination Date

- Application periods: No application period open during the reporting period.
- Next available funding: PROGRAM CLOSED TO NEW APPLICANTS - FUNDS EXHAUSTED.

Implementation

- CY2018-2019 – **Total awarded grants: \$2,679,112.77** to 11 EMA 9 projects under this grant program. Funding percentages: PA DEP committed to reimburse up the following percentages of eligible project costs:
 - 69.3 to 75.0 percent of eligible costs for the purchase and installation of DC fast electric vehicle charging infrastructure.
- CY2020 – **Total awarded grants: \$1,715,066.00** to eight EMA 9 projects under this grant program. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 26.8 to 74.9 percent of eligible costs for the purchase and installation of DC fast electric vehicle charging infrastructure.
- CY2021 – **Total awarded grants: \$3,393,867.00** to sixteen EMA 9 projects under this program. Funding percentages: PA DEPA committed to reimburse the following percentages:
 - 16.2 to 65.0 percent of eligible costs for the purchase and installation of DC fast electric vehicle charging infrastructure.
- Anticipated cumulative grant award outcomes:
 - Total EV charging plugs to be installed, after project completion: (145)
 - (135) DC fast charging plugs
 - (10) Level 2 charging plugs (installed in conjunction with DC fast charging projects; not funded by this program; value-added benefit).

Summary of Costs Expended During Reporting Period

- Project disbursements: The following are the submitted, approved, and/or pending project reimbursements for the DC Fast Charging & Hydrogen Fueling Grant Program, requested by PA DEP in FRs to the Trustee under EMA 9, during the reporting period.
 - FR0019: \$624,570.55 requested via Gravity Stack on 11/5/24; approved 1/6/25.
- Administrative expenditures: The following are the submitted, approved, and/or pending administrative expenditure reimbursements for the DCFC Program associated with this EMA, requested by PA DEP in FRs to the Trustee, during the reporting period.
 - N/A

Summary of Cumulative Costs, To-Date

- Project disbursements, to-date: The following are the total project reimbursements for the DCFC Program associated with this EMA, requested by PA DEP in FRs to the Trustee:
 - Total = \$3,846,933.31
 - FR0007: \$8,857.50
 - FR0008: \$394,995.00
 - FR0009: \$362,750.38
 - FR0011: \$1,669,029.76
 - FR0015: \$311,784.51
 - FR0016: \$474,945.61
 - FR0019: \$624,570.55
- Administrative expenditures, to-date: The following are the total administrative expenditure reimbursements for the DCFC Program associated with this EMA, requested by PA DEP in FRs to the Trustee:
 - Total = \$58,726.31
 - FR0007: \$1,328.55
 - FR0010: \$38,944.88

FR0015: \$18,452.88

Additional pending; not submitted = \$17,740.52 (329.07 hours)

Level 2 Electric Vehicle (EV) Charging Rebate Program: Version 1 (CYs 2018-2019); Version 2 (CY 2020); Version 3 (CYs 2021-2022); Version 4 (CYs 2022-2023)

* PROGRAM CLOSED TO NEW APPLICANTS *

Development

- PA DEP developed this program to provide rebates for the installation of Level 2 EV chargers in specific location types. This program is issued in ‘Versions’ rather than by calendar year.

Actual or Projected Termination Date

- Application periods: Version 5 of this program was open from August 18, 2023, through September 22, 2023. (68) applications were received during the reporting period.
- Next available funding: PROGRAM CLOSED TO NEW APPLICANTS – FUNDS EXHAUSTED.

Implementation

- Version 1 – Total awards: **(221) rebate vouchers** (excludes vouchers that were withdrawn, denied, or expired) from October 2018 through December 1, 2019, **for \$3,183,998.00** for installation of Level 2 EV chargers. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 15.8 to 100 percent of eligible project costs, depending on the public accessibility of the project and whether the site is networked.
- Version 2 – Total awards: **(201) rebate vouchers** (excludes vouchers that were withdrawn, denied, or expired) December 2, 2019, through June 30, 2021, **for \$1,975,599.00**, for installation of Level 2 EV chargers. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 15.0 to 90.0 percent of eligible project costs, depending on the public accessibility of the project and whether the site is networked.
- Version 3 – Total awards: **(131) rebate vouchers** (excludes vouchers that were withdrawn, denied, or expired) July 1, 2021, through June 30, 2022, **for \$1,818,548.00**, for the installation of Level 2 chargers. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 8.0 to 75.0 percent of eligible project costs, depending on the public accessibility of the project and whether the site is networked.
- Version 4 – **(218) rebate vouchers** (excludes vouchers that were withdrawn, denied, or expired) July 27, 2022, through June 30, 2023 **for \$2,542,109.00**, for the installation of Level 2 chargers. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 15.0 to 90.0 percent of eligible project costs, depending on the public accessibility of the project and whether the site is networked.
- Version 5 – **(39) rebate vouchers** (excludes vouchers that were withdrawn, denied, or expired) August for **\$356,636.00**, for the installation of Level 2 chargers. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 15.0 to 90.0 percent of eligible project costs, depending on the public accessibility of the project and whether the site is networked.
- Cumulative rebate award outcomes:
 - Total Level 2 EV charging plugs installed: 3,800

Summary of Costs Expended During Reporting Period

- Project disbursements: The following are the submitted, approved, and/or pending project cost reimbursements for the Level 2 Rebate Program, requested by PA DEP in FRs to the Trustee under EMA 9, during the reporting period:
 - FR0019: \$45,627.00 requested via Gravity Stack on 11/5/24; approved 1/6/25.
- Administrative expenditures: The following are the submitted, approved, and/or pending administrative cost reimbursements for the Level 2 Rebate Program, requested by PA DEP in FRs to the Trustee under EMA 9, during the reporting period:
 - N/A

Summary of Cumulative Costs, To-Date

- Project disbursements, to-date: The following are the total project reimbursements for the Level 2 Program associated with this EMA, requested by PA DEP in FRs to the Trustee:
 - Total = \$8,927,732.06
 - FR0001: \$226,913.00
 - FR0002: \$872,899.00
 - FR0003: \$1,147,755.60
 - FR0004: \$970,860.00
 - FR0005: \$426,957.00
 - FR0006: \$808,624.46
 - FR0007: \$829,796.00
 - FR0008: \$478,916.00
 - FR0009: \$514,467.00
 - FR0010: \$410,552.00
 - FR0011: \$679,477.00
 - FR0013: \$332,814.00
 - FR0015: \$552,198.00
 - FR0016: \$629,876.00
 - FR0019: \$45,627.00
- Administrative expenditures, to-date: The following are the total administrative expenditure reimbursements for the Level 2 Program associated with this EMA, requested by PA DEP in FRs to the Trustee:
 - Total = \$418,652.08
 - FR0001: \$34,036.95
 - FR0002: \$63,023.45
 - FR0003: \$39,748.34
 - FR0004: \$49,051.98
 - FR0007: \$76,636.04
 - FR0010: \$64,940.58
 - FR0015: \$91,214.74

Additional pending; not submitted = \$29,123.89 (501.71 hours)

EMA 10: Diesel Emission Reduction Act (DERA) Option

Under this EMA, PA DEP is authorized to use Trust Fund monies as its voluntary match funds under the EPA's State Clean Diesel Grant Program. PA DEP participated in the EPA's State Clean Diesel Grant Program prior to the establishment of the Trust Fund and has continued to do so with the addition of the match funds from the Trust Fund.

Pennsylvania State Clean Diesel Grant (PASCDG) Program: Federal Fiscal Year(s) (FFY) 2017-2018; FFYs 2019-2020; FFYs 2021-2022

Development

- PA DEP modified its existing program to fund a variety of diesel emission reduction projects authorized by the Diesel Emission Reduction Act¹. This program is a reimbursement grant program, meaning that project work must be completed before the grant recipient applies for reimbursement from PA DEP.

Actual or Projected Termination Date

- Application periods: The federal fiscal years (FFYs) 2021-2022 Pennsylvania State Clean Diesel Grant Program was open from August 25, 2023 through October 20, 2023. DEP received (9) applications.
- Next available funding: EPA announced the FFYs DERA State Grant Funding on January 19, 2024. PA DEP uses these grant funds as mandatory match funding for approved projects under the EMA 10 - DERA Option. DEP plans to open the FFYs 2023-2024 application period in Q2-2024. The public application period will be open for (12) weeks.

Implementation

- FFYs 2017-2018 - **Total awarded grants: \$3,259,683** to (9) EMA 10 projects (\$2,427,439.60 from VW Trust Funds, \$832,243.40 from EPA-DERA funds). Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 14.0 to 25.0 percent of eligible project costs for vehicle and equipment replacement projects, and
 - up to 39.8 percent for a locomotive idle reduction project.
- FFY 2019 - **Total awarded grants: \$2,400,969.00** to (9) EMA 10 projects (\$1,900,437.00 from VW Trust funds, \$500,532.00 from EPA-DERA funds). One awardee did not accept their award in the amount of \$443,601. This brought the total amount of awarded funds for this round down to **\$1,957,368.00**. Funding percentages: PA DEP committed to reimburse the following percentages of eligible project costs:
 - 18.0 to 25.0 percent of eligible project costs for vehicle and equipment replacement projects.
- FFY 2020 – Total [original] awarded grants (November 10, 2022): \$2,951,049.75 to four EMA 10 projects. However, three of the four awardees declined to accept their grants. Because of this, DEP offered grants to the two, remaining eligible applicants, whom both accepted the awards. Both runner’s-up grantees are in the final stages of grant agreement contract execution with DEP, after which, both projects will be quickly completed. **Final total grant awards: \$853,720.44** to (3) EMA 10 projects (\$300,226.44 from VW Trust funds, \$553,494.00 from EPA-DERA funds).
 - 25% for a non-government, non-road equipment replacement project (original project).
 - 25% for non-government school bus replacement projects (runners-up).
- FFYs 2021-2022 – DEP received (9) applications during the previous reporting period – (7) of which were approved for funding. **Total awarded grants = \$3,659,904** (\$2,535,741.00 from VW Trust funds, \$1,124,163.00 from EPA-DERA funds). The Project Period end date for this round of funding is 5/31/25.
- Anticipated grant award outcomes:
 - Total diesel equipment/vehicles to be replaced/repowered/retrofitted, after project completion: (135)
 - (93) school buses (diesel)
 - (12) refuse trucks (diesel)
 - (29) refuse trucks (CNG)
 - (2) trash compactor trucks (diesel)
 - (2) refrigerated beverage delivery trucks (electric)

¹ “Diesel Emissions Reduction” program in the Energy Policy Act of 2005 (EPA Act 2005, P.L. 109-58, Title VII, Subtitle G §§791-797; 42 U.S.C. §§16131-16137)

- (3) terminal tractors (electric)
- (10) home delivery step vans (diesel)
- (1) bulldozer (diesel)
- (1) bulldozer (electric)
- (2) forklifts (diesel)
- (2) street sweepers (diesel)
- (1) crawler tractor (diesel)
- (2) Class 8 articulated trucks (diesel)
- (4) aggregate materials handler – (1) plug-in electric, (3) diesel
- (6) retrofit - idle reduction technology for locomotives
- (78) electrified parking spaces – freight distribution center fleet electrification.

- PA DEP’s latest PA State Clean Diesel Grant Quarterly Reports, which are submitted to the EPA to document DERA projects, are included as attachments to this report.

• *Summary of Source Funding Allocations Through Reporting Period*

Available Funds	FY2017	FY2018	Combined
EPA Funds (base and bonus)	\$413,218	\$419,025	\$832,243
Trust Funds (voluntary match)	\$275,479	\$2,154,310	\$2,429,789
Total Available	\$688,697	\$2,573,335	\$3,262,032

Available Funds	FY2019	FY2020	Combined
EPA Funds (base and bonus)	\$500,532	\$553,494	\$1,054,026
Trust Funds (voluntary match)	\$2,154,309	\$300,226.44	\$2,454,535.44
Total Available	\$2,654,841	\$853,720.44	\$3,508,561.44

Available Funds	FY2021	FY2022	Combined
EPA Funds (base and bonus)	\$546,174.00	\$577,989.00	\$1,124,163.00
Trust Funds (voluntary match)	\$1,267,870.50	\$1,267,870.50	\$2,535,741.00
Total Available	\$1,814,044.50	\$1,845,859.50	\$3,659,904.00

Summary of Costs Expended During Reporting Period

- Project disbursements: The following are the submitted, approved, and/or pending project cost reimbursements for the PASCDG Program associated with this EMA, requested by PA DEP in FRs to the Trustee, during the reporting period:
 - FR0018 = \$56,628.09 (additional funds from EPA = \$104,398.91)
- Administrative expenditures: The following are the submitted, approved, and/or pending administrative expenditure reimbursements for the Level 2 Rebate Program associated with this EMA, requested by PA DEP in FRs to the Trustee, during the reporting period.
 - N/A

Summary of Cumulative Costs, To-Date

- Project disbursements, to-date: The following are the total project reimbursements for the Level 2 Program associated with this EMA, requested by PA DEP in FRs to the Trustee:
 - Total = \$4,277,645.60
 - FR0001: \$116,401.40 (additional funds from EPA = \$174,602.10)

FR0003: \$2,073,209.68 (additional funds from EPA = \$605,721.82)
FR0004: \$146,728.84 (additional funds from EPA = \$38,943.00)
FR0008: \$293,449.95 (additional funds from EPA = \$100,813.05)
FR0009: \$158,816.69 (additional funds from EPA = \$56,433.31)
FR0010: \$462,941.95 (additional funds from EPA = \$159,041.05)
FR0014: \$725,872.00 (additional funds from EPA = \$....)
FR0017: \$243,597.00 (additional funds from EPA = \$104,398.91)
FR0018: \$56,628.09 (additional funds from EPA = \$104,398.91)

Administrative expenditures, to-date: The following are the total administrative expenditure reimbursements for the Level 2 Program associated with this EMA, requested by PA DEP in FRs to the Trustee:

- Total = \$92,320.82
 - FR0001: \$17,460.21
 - FR0003: \$16,831.21
 - FR0004: \$22,009.33
 - FR0010: \$20,719.56
 - FR0014: \$15,300.61

Additional pending; not submitted = \$59,810.19 (1,086.26 hours)

Additional Administrative Costs:

Please note that PA DEP also calculates general administrative costs for work applying to multiple EMAs, which are included in various EMA submissions where appropriate, and where there is room under the 15 percent cap. The current administrative costs identified under each EMA above include all pending general administrative expenses incurred over recent, past reporting periods and totals \$107,638.47 (1,863.4 hours).

I, as an authorized representative of the Pennsylvania Department of Environmental Protection and the Commonwealth of Pennsylvania, attest that the information submitted in this report is true and correct, under penalty of perjury.



Ali Tarquino Morris, Deputy Secretary
Office of Waste, Air, Radiation, and Remediation
Pennsylvania Department of Environmental Protection

October 27, 2025

Date

Encl:

- Q4 DERA State Grant reports FFYs 2019 & 2020, FFYs 2021-2022, and 2023-2024 DERA State Grants for the PA State Clean Diesel Grant Program.