

APPENDIX D-4
Beneficiary Eligible Mitigation Action Certification

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary _____

Lead Agency Authorized to Act on Behalf of the Beneficiary _____
(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: | |
| Beneficiary's Project ID: | |
| Funding Request No. | (sequential) |
| Request Type: (select one or more) | <input type="checkbox"/> Reimbursement <input type="checkbox"/> Advance <input type="checkbox"/> Other (specify): _____ |
| Payment to be made to: (select one or more) | <input type="checkbox"/> Beneficiary <input type="checkbox"/> Other (specify): _____ |
| Funding Request & Direction (Attachment A) | <input type="checkbox"/> Attached to this Certification <input type="checkbox"/> To be Provided Separately |

SUMMARY

| |
|---|
| Eligible Mitigation Action <input type="checkbox"/> Appendix D-2 item (specify): _____ Action Type <input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal): _____ |
| Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1): |
| Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2): |
| Estimate of Anticipated NOx Reductions (5.2.3): |
| 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): |
| Describe how the Beneficiary will make documentation publicly available (5.2.7.2). |
| Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8). |
| Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9). |

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).

ATTACHMENTS
(CHECK BOX IF ATTACHED)

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

CERTIFICATIONS

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

1. This application is submitted on behalf of Beneficiary _____, 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: 5/21/2025



[NAME]

[TITLE]

Indiana Department of Environmental Management

[LEAD AGENCY]

for

State of Indiana

[BENEFICIARY]

Appendix D-4 Summary Details

Eligible Mitigation Action Type:

Category 10: DERA Option

Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):

Indiana will generally fund all eligible mitigation action (EMA) types included in Appendix D-2 of the national consent decree. The Mission Statement and Overall Goals are described below:

In promoting the reduction of emissions of NOx, the Indiana Volkswagen Environmental Mitigation Trust Fund Program will prioritize sustainable projects that are transformative, positively impacting the environment, enhancing the health and well-being of residents, and promoting Indiana's growing economy.

The Program will focus on technological change and advancement with resiliency and favoring use of domestic fuel, where possible.

The goals of the Indiana Volkswagen Mitigation Trust Program include:

- Improving air quality across Indiana through cost-effective NOx emission reduction strategies
- Maximizing diesel emission reductions across Indiana, while considering various categories of sensitive populations as areas of specific focus
- Providing appropriate considerations to projects that have diesel emission reductions that go beyond just NOx, including PM_{2.5}, hydrocarbons (HC), carbon monoxide (CO), and carbon dioxide (CO₂)
- Encouraging leveraging of project partner funds with VW Trust funds to further the reach of the Indiana program

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

The purchase, installation, operation and maintenance of two (2) 2023 model-year, or newer, U.S. EPA Tier 4 emission compliant clean-diesel-powered forklifts that will REPLACE two (2) of the Grantee's pre-Tier 4 certified existing diesel-powered forklifts that will be used for the same purposes. The replacement equipment will be located and primarily operated in and around Crawfordsville, Indiana.

Clean-diesel-powered forklifts dramatically improve air quality and the quality-of-life conditions for operators, technicians, and citizens in the areas of operation due to notably lower tailpipe emissions in addition to less noisy engine operations.

The lifetime estimated emission reductions of pollutants according to U.S. EPA's Diesel Emission Quantifier (DEQ) include 2.330 tons of nitrogen oxides (NOx) and 0.134 tons of fine particulate matter (PM2.5).

Estimate of Anticipated NOx Reductions (5.2.3):

Over the lifetime of these forklifts, U.S. EPA's DEQ model estimates this project will result in a NOx reduction of 2.330 tons.

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):

Indiana Department of Environmental Management

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

In October of 2017, IDEM published a website with specific information on the national mitigation trust as well as the Indiana program. The website included an opportunity to sign up for automated updates to make sure interested parties were always kept apprised of any changes made to the program website. This web portal will be the location for all information related to the Indiana Volkswagen Mitigation Trust Program.

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

Indiana will use Volkswagen Mitigation Trust funds to reimburse non-government-owned fleet and equipment owners at the levels specified in Appendix D-2 of the national mitigation trust. IDEM will also use Volkswagen Mitigation Trust funds to reimburse government-owned fleets and equipment at the same level as non-government owned fleet and equipment owners, as opposed to the full cost reimbursement permitted by Appendix D-2.

Specifically, for this project, the Indiana Volkswagen Mitigation Trust Program will cover up to 25% of the total project cost while the Grantee and/or other programs covers the remaining 75%.

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

The Indiana Department of Environmental Management notified representatives as identified in Appendix D-2 of the national consent decree via email in March of 2018.

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):

Not applicable to this specific project.

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Attachment B Details

Project Schedule and Milestones:

| | |
|---|---|
| Indiana announces Round 4 – DERA Option funding opportunity via online Request for Proposals (RFP) | October 11, 2022 |
| Deadline for Round 4 – DERA Option program applications | December 16, 2022 |
| Indiana notifies applicants of award decisions | March 9, 2023 |
| Funding Agreement between Indiana and Grantee is fully executed | July 18, 2023 |
| Grantee project implementation | July 18, 2023 to September 30, 2025 |
| Indiana reviews programmatic, financial, and other materials for compliance with Appendix D-2 of the national consent decree | Ongoing |
| Indiana submits Appendix D-4 to Trustee to initiate payment to Grantee in accordance with Payee Contact and Wire Information form along with other supporting documentation | May 1, 2025 |
| Indiana coordinates with Trustee on any questions or issues that arise related to the submitted Appendix D-4 | May 1, 2025 to D-4 approval |
| Trustee responds to Indiana Appendix D-4 | Within 60 days of submittal |
| Trustee disburses payment to Grantee | Within 15 days of Appendix D-4 approval |

Project Budget:

| Project Description | Indiana VW Mitigation Trust Grant Not to Exceed Total | Grantee Cost Share Not Less than Total | Project Total |
|---|--|---|----------------------|
| <p>Task A</p> <p>The purchase, installation, operation and maintenance of two (2) 2023 model-year, or newer, U.S. EPA Tier 4 emission compliant clean-diesel-powered forklifts that will REPLACE two (2) of the Grantee's pre-Tier 4 certified existing diesel-powered forklifts that will be used for the same purposes. The replacement equipment will be located and primarily operated in and around Crawfordsville, Indiana.</p> | \$324,184.00 | \$972,550.00 | \$1,296,734.00 |
| Percentage | 25% | 75% | 100% |

State of Indiana Total Trust Allocation:

| | |
|--|-----------------|
| 1) State of Indiana's Total Trust Allocation (UPDATED 4/30/2025) | \$45,953,516.04 |
| 2) Obligated Awards from Previous D-4 Submittals | \$32,005,294.15 |
| 3) State of Indiana's Net Remaining Allocation Prior to this D-4 Submittal | \$13,948,221.89 |
| 4) Current D-4 Funding Request Total | \$324,184.00 |
| 5) State of Indiana's Remaining Allocation After this D-4 Submittal | \$13,624,037.89 |

Projected Allocation Totals per Project Type:

| | Total per Category | Annually Based on Expected Project Reimbursements |
|--|---------------------------|--|
| Total Trust | \$40,935,880.59 | NA |
| To EV (15%) over 5 years (2021 to 2025) | \$6,140,382.09 | \$2,046,794.03 |
| To Admin (3%) over 5 years (2020 to 2025) | \$1,228,076.42 | \$307,019.11 |
| To EMAs (82%) over 5 years (2020 to 2025) | \$33,567,422.08 | \$11,189,140.69 |

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Projected Trust Allocations:

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 (4/30/2025+) |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|------------------------------|
| 1) Anticipated Annual Project Funding Request to be paid through the Trust | \$3,996,653.40 | \$4,841,603.20 | \$5,174,086.48 | \$7,563,755.37 | \$10,429,195.70 | \$13,948,221.89 |
| 2) Anticipated Annual Cost Share (Administrative Costs) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 3) Anticipated Total Project Funding by Year (Line 1 + Line 2) | \$3,996,653.40 | \$4,841,603.20 | \$5,174,086.48 | \$7,563,755.37 | \$10,429,195.70 | \$13,948,221.89 |
| 4) Cumulative Trustee Payments Made to Date Against Cumulative Approved Beneficiary Allocation | \$3,895,454.40 | \$4,710,898.20 | \$5,165,086.48 | \$7,494,846.85 | \$10,245,580.70 | \$0.00 |
| 5) Current Beneficiary Project Funding to be paid through the Trust (Line 1) | \$101,199.00 | \$130,705.00 | \$9,000.00 | \$68,908.52 | \$183,615.00 | \$324,184.00 |
| 6) Total Funding Allocated to Beneficiary, inclusive of Current Action by Year (Line 4 + Line 5) | \$3,996,653.40 | \$4,841,603.20 | \$5,174,086.48 | \$7,563,755.37 | \$10,429,195.70 | \$324,184.00 |
| 7) Beneficiary Share of Estimated Funds Remaining in Trust at Beginning of Year | \$40,935,880.59 | \$36,939,227.19 | \$32,097,623.99 | \$26,923,537.51 | \$19,359,782.14 | \$13,948,221.89 |

| | | | | | | |
|--|-----------------|-----------------|-----------------|-----------------|----------------|-----------------|
| 8) Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (Line 7 – Line 6) | \$36,939,227.19 | \$32,097,623.99 | \$26,923,537.51 | \$19,359,782.14 | \$8,930,586.44 | \$13,624,037.89 |
|--|-----------------|-----------------|-----------------|-----------------|----------------|-----------------|

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Attachment C Details

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

The Indiana Department of Environmental Management (IDEM) is committed to meet the reporting requirements as detailed in Subparagraph 5.3 of the Environmental Mitigation Trust Agreement for State Beneficiaries. Specifically, this subparagraph states:

“For each Eligible Mitigation Action, no later than six months after receiving its first disbursement of Trust Assets, and thereafter no later than January 30 (for the preceding six-month period of July 1 to December 31) and July 30 (for the preceding six-month period of January 1 to June 30) of each year, each Beneficiary shall submit to the Trustee a semiannual report describing the progress implementing each Eligible Mitigation Action during the six-month period leading up to the reporting date (including a summary of all costs expended on the Eligible Mitigation Action through the reporting date). Such reports shall include a complete description of the status (including actual or projected termination date), development, implementation, and any modification of each approved Eligible Mitigation Action.

Beneficiaries may group multiple Eligible Mitigation Actions and multiple sub-beneficiaries into a single report. These reports shall be signed by an official with the authority to submit the report for the Beneficiary and must contain an attestation that the information is true and correct and that the submission is made under penalty of perjury. To the extent a Beneficiary avails itself of the DERA Option described in Appendix D-2, that Beneficiary may submit its DERA Quarterly Programmatic Reports in satisfaction of its obligations under this Paragraph as to those Eligible Mitigation Actions funded through the DERA Option. The Trustee shall post each semiannual report on the State Trust’s public-facing website upon receipt.”

IDEM will meet these obligations in coordination with our project partners. Project partners are obligated to provide IDEM the necessary information for reports to the Trustee through the Funding Agreements between IDEM and each project partner. This language states:

“4. Implementation and Reporting Requirements

A. The Grantee shall implement and complete the Project in accordance with **Attachment A** and the plans and specifications contained in its Funding Application. Modification of the Project shall require prior written approval from IDEM. If IDEM determines that the Grantee is not making adequate progress in implementation of the approved Project in accordance with **Attachment A**, IDEM may rescind the award.

B. The Grantee shall submit to IDEM written progress reports until the completion of the Project. These reports shall be submitted in accordance with the reporting schedule contained in **Attachment C** and shall contain such detail of progress or performance on the Project as is required under the terms of the Volkswagen Diesel Emissions Environmental Mitigation Trust. If additional documentation is

required for IDEM to meet reporting obligations under the Volkswagen Diesel Emissions Environmental Mitigation Trust, IDEM may request such documentation as necessary at any time during the term of this Agreement.”

Attachment D Details

Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000 (5.2.6):

Detailed in the following pages:

NUCOR®
NUCOR STEEL INDIANA
4537 S. Nucor RD
Crawfordsville, IN 47933
765.364.1323
Federal Tax ID #13-1860817

MAIL REMITTANCE TO
NUCOR®
91202 Collection Center Drive
Chicago, IL 60693

INVOICE

Invoice Number 03132025
Date 3/13/2025
Page Number 1

Sold To

Shipped To

Indiana Department of Environmental Management
Attn: Shawn M. Seals / Senior Environmental Manager
Indiana Government Center North
100 North Senate Ave
Indianapolis, IN 46204-2251

Email: Sseals@idem.in.gov

| | | | | | |
|-----------------------|-------------------------------------|--------------------|--|------------------|--|
| Cust PO Number | Forklift Funding Agreement DOR4-008 | Load Number | | Ship Date | |
| Incoterms 2010 | | Vehicle ID | | Freight | |
| Terms | UPON RECEIPT | Carrier | | | |

| <u>ITEM</u> | <u>Description</u> | <u>Pcs.</u> | <u>Quantity</u> | <u>Unit</u> | <u>Price</u> | <u>Amount</u> |
|-------------|-------------------------|-------------|-----------------|-------------|-----------------|-----------------|
| | Equipment Purchase Cost | | 1 | | \$ 1,296,734.00 | \$ 1,296,734.00 |
| | Payments and Remittance | | | | | |
| | Cost Covered by Nucor | | 1 | | \$ (972,550.00) | \$ (972,550.00) |

| | | | | | | |
|--|--|--|--|--|--|-----------------|
| | | | | | | \$ (972,550.00) |
|--|--|--|--|--|--|-----------------|

| | | | | | | |
|-----------------|--|--|--|--|------------------------|--------------|
| TOTAL QUANTITY: | | | | | Subtotal: | \$324,184.00 |
| | | | | | Freight: | \$0.00 |
| | | | | | Fuel Surcharge: | \$0.00 |
| | | | | | Invoice Total: | \$324,184.00 |

THIS INVOICE IS SUBJECT TO THE TERMS AND CONDITIONS OF SALE SET FORTH ABOVE AND ON THE REVERSE SIDE HEREOF
ALL GOODS HEREUNDER SOLD AS IS, WITH NO EXPRESS OR IMPLIED WARRANTY OF ANY KIND. Fulfillment of order
subject to normal accumulation of such goods. No guarantee of quantity or delivery date.

NUCOR®

Telephone 765/364-1323

| INVOICE DATE | INVOICE NUMBER | GROSS | DISCOUNT | NET |
|--------------|----------------|-----------|----------|------------|
| 27-JAN-2025 | F88787 | 648367.00 | .00 | 648367.00 |
| 27-JAN-2025 | F88789 | 648367.00 | .00 | 648367.00 |
| | | | USD | 1296734.00 |

NUCOR®

4537 South Nucor Road
Crawfordsville, IN 47933
Telephone 765/364-1323

Bank of America

64-1278 / 611 GA

30-JAN-2025

650451

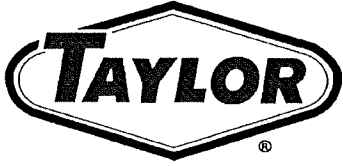
VOID AFTER 90 DAYS

Pay ONE MILLION TWO HUNDRED NINETY-SIX
THOUSAND SEVEN HUNDRED THIRTY-FOUR AND
ZERO/100

\$1,296,734.00

Pay to the
order of TAYLOR MACHINE WORKS INC
PO BOX 906
LOUISVILLE, MS 39339-

TWO SIGNATURES REQUIRED



FOB: CRAWFORDSVILLE, IN

GRN: 604075

* ORIGINAL COPY *

INVOICE #
F88787

X650S

INVOICE DATE
01/27/2025SERIAL #
P 52506

1/30

www.taylorforklifts.com**TAYLOR MACHINE WORKS, INC.**

Louisville, Mississippi 39339 Phone (662) 773-3421

PLEASE REMIT TO: TAYLOR MACHINE WORKS, INC. P.O. BOX 906 Louisville, MS 39339-0906

SOLD TO
NUCOR STEEL INDIANA
PO BOX 907
CRAWFORDSVILLE, IN 47933

SHIP TO
NUCOR STEEL INDIANA
4537 S NUCOR RD
CRAWFORDVILLE, IN 47933

TMW INV-

Salesman: 57

| Customer PO# | | Shop# | Payment Terms | |
|---|---|------------|---|--|
| 716587 | | | DUE: 02/26/2025 | |
| Quantity | Description | Unit Price | Extended Amount | |
| 1 | TAYLOR X650S HEAVY DUTY FORKLIFT SERIAL NUMBER S JF 52506 EQUIPPED AS CONFIGURED AND DESCRIBED IN QUOTATION TMW-17414, C-19968 NET CASH DUE LIMITED STANDARD WARRANTY 1 YEAR OR 2,000 HRS | | \$648,367.00 ----- \$648,367.00 | |
| <div>Invoice Received By: Melissa Bennett 1/28/2025</div> | | | | |

Pay by credit card or ACH at taylorforklifts.com. Credit card payments are subject to a 1.95% surcharge.

Title to this equipment does not pass to the purchaser until purchase price is paid in full to Taylor Machine Works.



FOB: CRAWFORDSVILLE, IN

GRN: 604076 1/30

* ORIGINAL COPY *

INVOICE #
F88789

X650S

INVOICE DATE
01/27/2025SERIAL #
P 52507www.taylorforklifts.com**TAYLOR MACHINE WORKS, INC.**

Louisville, Mississippi 39339 Phone (662) 773-3421

PLEASE REMIT TO: TAYLOR MACHINE WORKS, INC. P.O. BOX 906 Louisville, MS 39339-0906

SOLD TO
NUCOR STEEL INDIANA
PO BOX 907
CRAWFORDSVILLE, IN 47933

SHIP TO
NUCOR STEEL INDIANA
4537 S NUCOR RD
CRAWFORDVILLE, IN 47933

TMW INV-

Salesman: 57

| Customer PO# | | Shop# | Payment Terms | |
|--------------|---|------------|---|--|
| 716587 | | | DUE: 02/26/2025 | |
| Quantity | Description | Unit Price | Extended Amount | |
| 1 | TAYLOR X650S HEAVY DUTY FORKLIFT SERIAL NUMBER S JF 52507 EQUIPPED AS CONFIGURED AND DESCRIBED IN QUOTATION TMW-17414, C-19968 NET CASH DUE LIMITED STANDARD WARRANTY 1 YEAR OR 2,000 HRS | | \$648,367.00 ----- \$648,367.00 | |

Invoice Received By:
Melissa Bennett
1/28/2025

Pay by credit card or ACH at taylorforklifts.com. Credit card payments are subject to a 1.95% surcharge.

Title to this equipment does not pass to the purchaser until purchase price is paid in full to Taylor Machine Works.

Amount: \$1,296,734.00

Sequence Number: 8452334213

Account: [REDACTED]

Capture Date: 02/14/2025

Bank Number: 06111278

Check Number: 650451

THIS DOCUMENT HAS BLEED THRU NUMBERING, VISIBLE AND INVISIBLE FIBERS, MICRO PRINTING, AND A TRUE WATERMARK

595235
NUCOR®

4537 South Nucor Road
Crawfordsville, IN 47933
Telephone 765/364-1323

Bank of America
61-1278 / 611 GA

30-JAN-2025

650451

VOID AFTER 90 DAYS

Pay ONE MILLION TWO HUNDRED NINETY-SIX
THOUSAND SEVEN HUNDRED THIRTY-FOUR AND
ZERO/100

\$1,296,734.00

Pay to the
order of TAYLOR MACHINE WORKS INC
PO BOX 906
LOUISVILLE, MS 39339-

[Signature]
[Signature]

TWO SIGNATURES REQUIRED

For Deposit Only to
Cust: Taylor Machine Works
Taylor Machine Works
Master
Deposited by:

Seq: 1
Dep: 016953
Date: 02/14/25

Electronic Endorsements:

| Date | Sequence | Bank # | Endrs Type | TRN | RRC | Bank Name |
|------------|------------|-----------|--------------|-----|-----|---------------------|
| 02/14/2025 | 8452334213 | 111000025 | Rtn Loc/BOFD | Y | | Bank of America, NA |



NUCOR STEEL INDIANA
4537 S. Nucor RD
Crawfordsville, IN 47933
765.364.1323

December 15, 2022

Mr. Shawn M. Seals
sseals@idem.in.gov

Senior Environmental Manager
Indiana Department of Environmental Management
Indiana Government Center North
100 North Senate Avenue
Indianapolis, IN 46204-2251

Re: DieselWise Indiana Cost-Share Commitment Letter

Dear Mr. Seals,

On behalf of the Nucor Steel Sheet Mill Division in Crawfordsville, Indiana, I would like to express our commitment to the following cost-share as determined by the guidelines of IDEM's DieselWise Indiana Program (DieselWise Indiana). Nucor Steel is committed to providing a total cost share of 75%.

2 heavy-duty steel coil hauler forklifts @ 65,000 lb capacities each with Cummins QSL9-C250 HP Tier 4
Final engines = \$638,867 per forklift x 2 = \$1,296,734
Indiana DieselWise Funding @ 25% = \$324,184
Mandatory Nucor Steel Cost-Share @ 75% = \$972,550

Sincerely,

Nathan Fraser

Title: VP & GM Nucor Steel Indiana

Signature: 

Date: 12.15.22

Nucor Steel - Crawfordsville, Indiana

Two Heavy-Duty Steel Coil Hauler Forklift Replacements

Coil Hauler Forklift 1: 1999 Tier 1 to 2023 Tier 4 Final

Coil Hauler Forklift 2: 2003 Tier 2 to 2023 Tier 4 Final

2022 DIESELWISE INDIANA –with Volkswagen DERA Option

EPA Region 5

Category: Non-Road 65,000 lb. Capacity Heavy-Duty Forklift Replacements

Applicant Information:

Nucor Steel

4537 Nucor Rd, Crawfordsville, IN 47933

Contact: Nathan Fraser – Vice President & General Manager Nucor Steel IN

Email: nathan.fraser@nucor.com Phone: 765-364-5300

Eligible Entity: Private Corporation

Total Project Cost: \$1,296,734

DieselWise Funds Requested: \$324,184

Applicant Cost Share: \$972,550

Target Fleet: Non-Road Heavy-Duty

Technology: Heavy-Duty Forklift Replacements w/Tier 4 Final Cummins Engines

Project Period: Manufacturing begins June 1, 2023 and delivery scheduled for August 31, 2024

Project Description: Replace Two (2) Tier 1 & Tier 2 Heavy-Duty Coil Hauler Forklifts with Two (2) Tier 4 Final Heavy-Duty Coil Hauler Forklifts

Section 1. Project Summary and Overall Approach

A. Vehicles and Technologies

The project proposed would replace one diesel powered Tier 1 steel coil hauler forklift with a Tier 4 Final forklift, and one diesel powered Tier 2 coil hauler forklift with a Tier 4 Final forklift. The new forklift replacement project will provide for replacements of the older diesel-powered

coil haulers with two new Taylor made X650S forklifts utilizing Cummins QSL9-C250 HP Tier 4 Final engines. The existing forklifts are coil haulers at the Nucor Steel Sheet Mill Division in Crawfordsville, Indiana. This project is in-line with Nucor Steel's Environmental Policy in which the company is committed to a 35% reduction in GHG emissions by 2030. This proposed project using significantly more efficient diesel engines will be a part of that reduction. The project will directly reduce NOx, PM and ROG emissions, thereby helping Nucor Steel to reach their goal of having 77% less emissions intensive steel making production than the global steelmaking average. Nucor Steel is also North America's largest recycler.

The two existing heavy-duty coil hauler forklifts proposed for replacement are the 1999 built Taylor HM-1 and the 2003 built Hyster SP-10. These heavy-duty forklifts carry steel coils throughout the facility to various designated staging areas at the plant site. The HM-1 and SP-10 mobile machines feed work-in-process coils to the production lines and remove finished coils from the same production lines. In addition to staging unfinished work-in-process coils and finished coil products, these mobile units load and off-load coils from trucks and rail cars. The Taylor and Hyster coil haulers perform identical work duty cycles. This equipment operates a combined 9,000 hours+ annually and cumulatively burn approximately 24,000+ gallons of fuel annually.

B. Roles & Responsibilities

The applicant, Nucor Steel, will work in tandem with IDEM to follow all necessary goals and objectives under the program guidelines of the VWMTF and DERA. Nucor Steel will be the owner and operator of two Taylor Tier 4 Final coil hauler forklift replacements to be funded under IDEM's DieselWise Program. Nucor Steel has used competitive market practices and product life cycle durability comparisons to identify the manufacturer: Taylor of Taylor Machine Works, Inc.

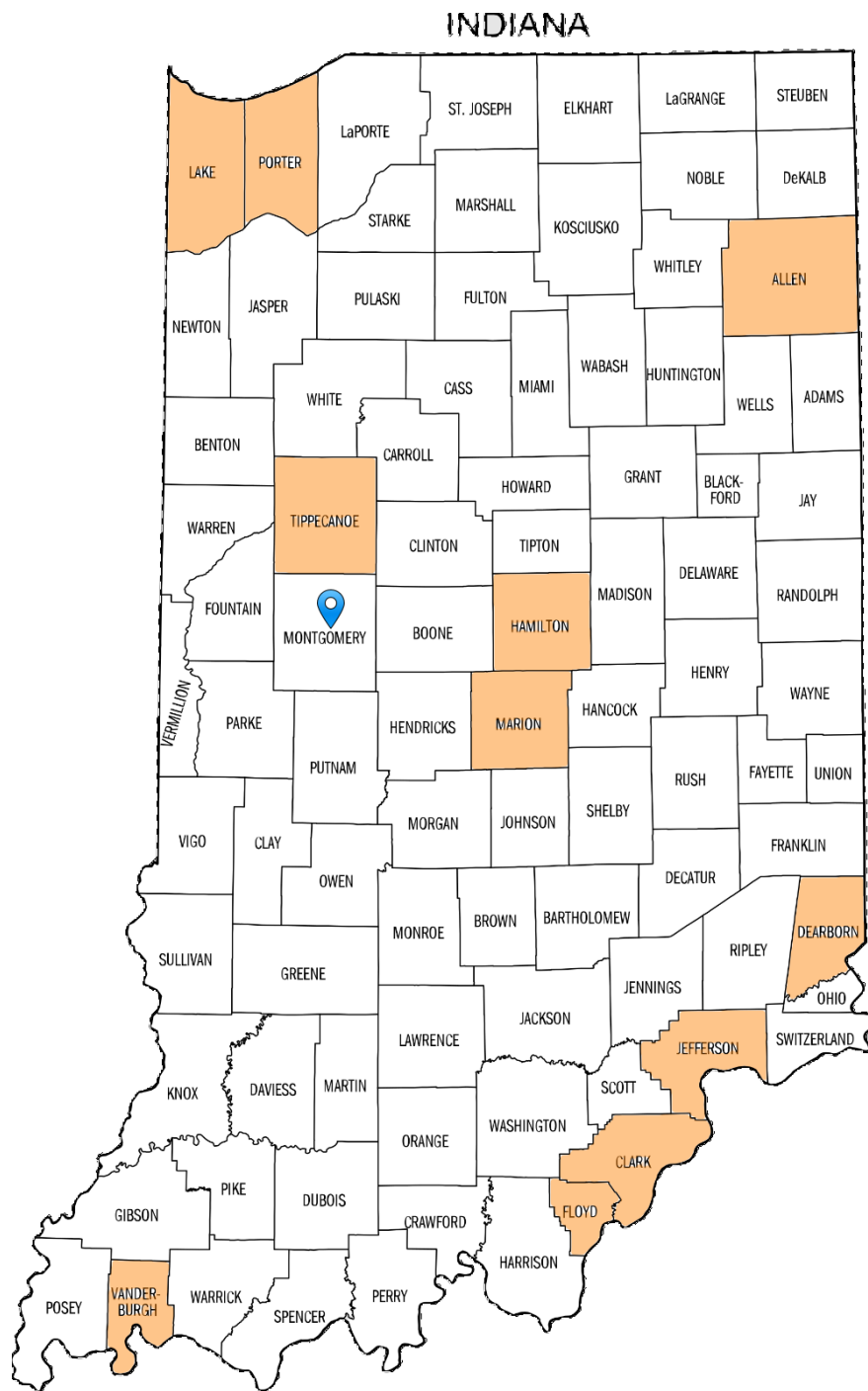
C. Timeline and Milestone

This timeline will be represented under the DieselWise Program. Major milestones under contract will include: equipment order placement, equipment installation at the field site, engine and equipment destruction and submittal of closing documentation to IDEM for reimbursement.

| HM-1 & SP-10 Forklifts | Contract Execution | Product Line Completion | Arrives at Operating Site | Request for Reimbursement |
|-----------------------------|--------------------|-------------------------|---------------------------|---------------------------|
| (2) Tier 4 Taylor Forklifts | tbd | tbd | tbd | tbd |

Section 1: Project Location

The primary area where the subject coil hauler forklifts operate is Montgomery County in Indiana. This unfortunately does not fall into one of the counties where there is an official NATA presence as shown in the map below in orange. However, it is adjacent to Tippecanoe County and also close to Marion and Hamilton counties.



2021 DERA State Grants Priority County List for National Air Toxics Assessment

| State | County | NATA | 2015 8-Hour Ozone | 2008 8-Hour Ozone | 2012 PM 2.5 | 2006 PM 2.5 | 1997 PM 2.5 |
|-------|--------------------|------|-------------------|-------------------|-------------|-------------|-------------|
| IN | Allen County | X | | | | | |
| IN | Clark County | X | X | | | | X |
| IN | Dearborn County | | | X | | | |
| IN | Floyd County | | X | | | | X |
| IN | Hamilton County | X | | | | | |
| IN | Jefferson County | | | | | | X |
| IN | Lake County | X | X | X | | | |
| IN | Marion County | X | | | | | |
| IN | Porter County | X | | X | | | |
| IN | Tippecanoe County | X | | | | | |
| IN | Vanderburgh County | X | | | | | |

Section 2: Project Sector and Goods Movement

Nucor Steel is the largest American producer of steel and the Nation's largest recycler. The relevant project location is at the Crawfordsville facility in Montgomery County Indiana. This facility is presently investing \$290 million to expand production at the Crawfordsville steel sheet mill which will create 80 new jobs at the facility. The physical additions will improve capacity and efficiency output for facility operations. The mill produces flat-rolled steel coils for many industrial and consumer applications.

Section 3. Benefits to the Community

The replacement of two old coil hauler forklifts will eliminate 6.222 tons of NO_x, .361 tons of PM_{2.5}, and .452 tons of HC annually from the local atmosphere. This represents a 98% decrease in NO_x, a 99% reduction in PM_{2.5} and a 97% decrease in HC while also reducing fuel burn by more than 4,000 gallons of diesel.

This project will provide primary benefits to the county of Montgomery, Indiana that has a population of 38,130 people. The percent of adults in Indiana with asthma is 9.6% compared to that of the National average of 7.0%. This demonstrates a need for the state to come closer to complying with the lesser national average. Per the CDC, "Asthma is a chronic disease that affects the airways that carry oxygen in and out of the lungs." Asthma attacks have been linked largely to outdoor air pollution, which is exacerbated by Diesel particulate matter. Below is a map around Nucor Crawfordsville, showing the Diesel Particulate Matter that is in excess of national limits in shades of gray to orange.

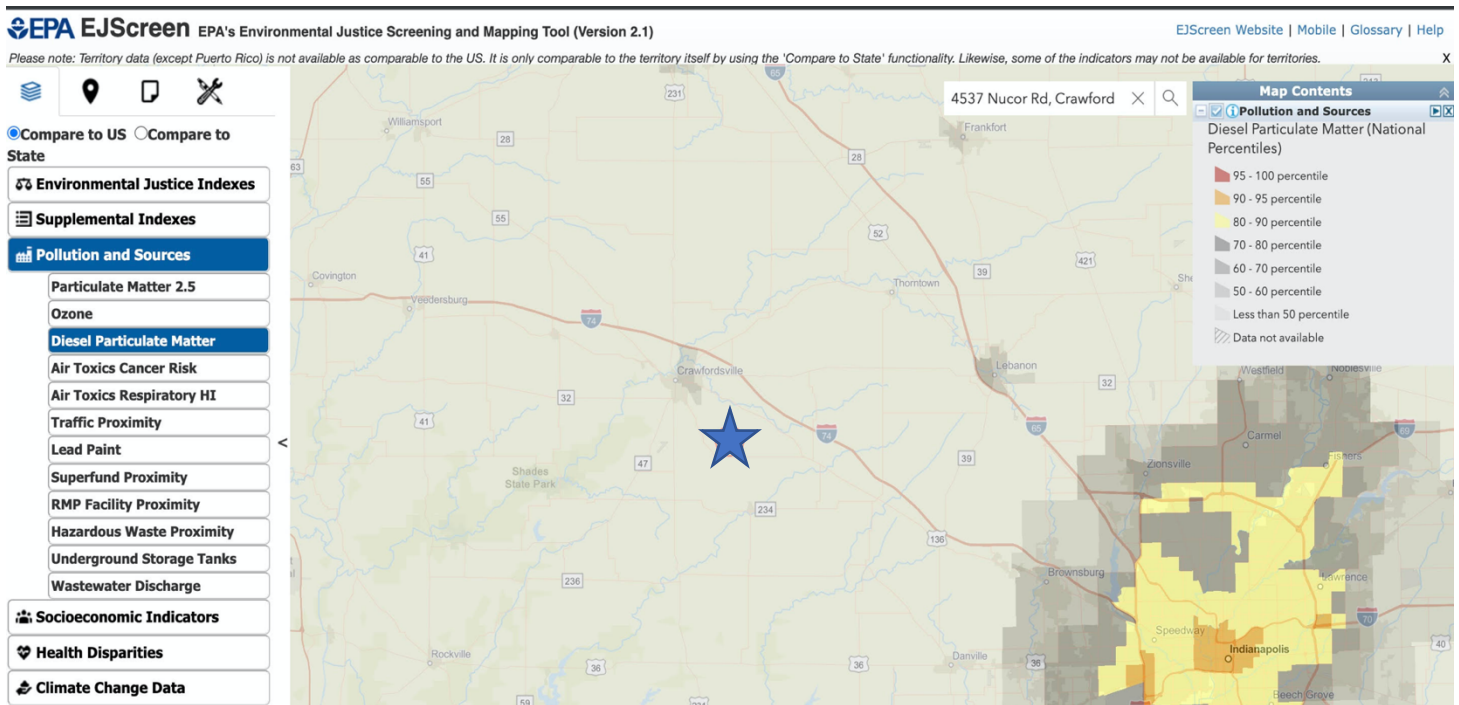


Figure 1: EJScreen Diesel Particulate Matter National Percentile

The blue star is the location of Nucor. The area just Northwest of the star shows a Diesel Particulate Matter that is in the 60-70th percentile, which likely can be attributed to facility emissions. The area to the South East of the circle shows Indianapolis and it's burden of Diesel Particulate Matter. The orange on the map indicates diesel PM in the 90-95th National Percentile. While the project is not in the heart of the heaviest Diesel emissions, its adjacent to some of the most diesel polluted areas in the state and the nation.

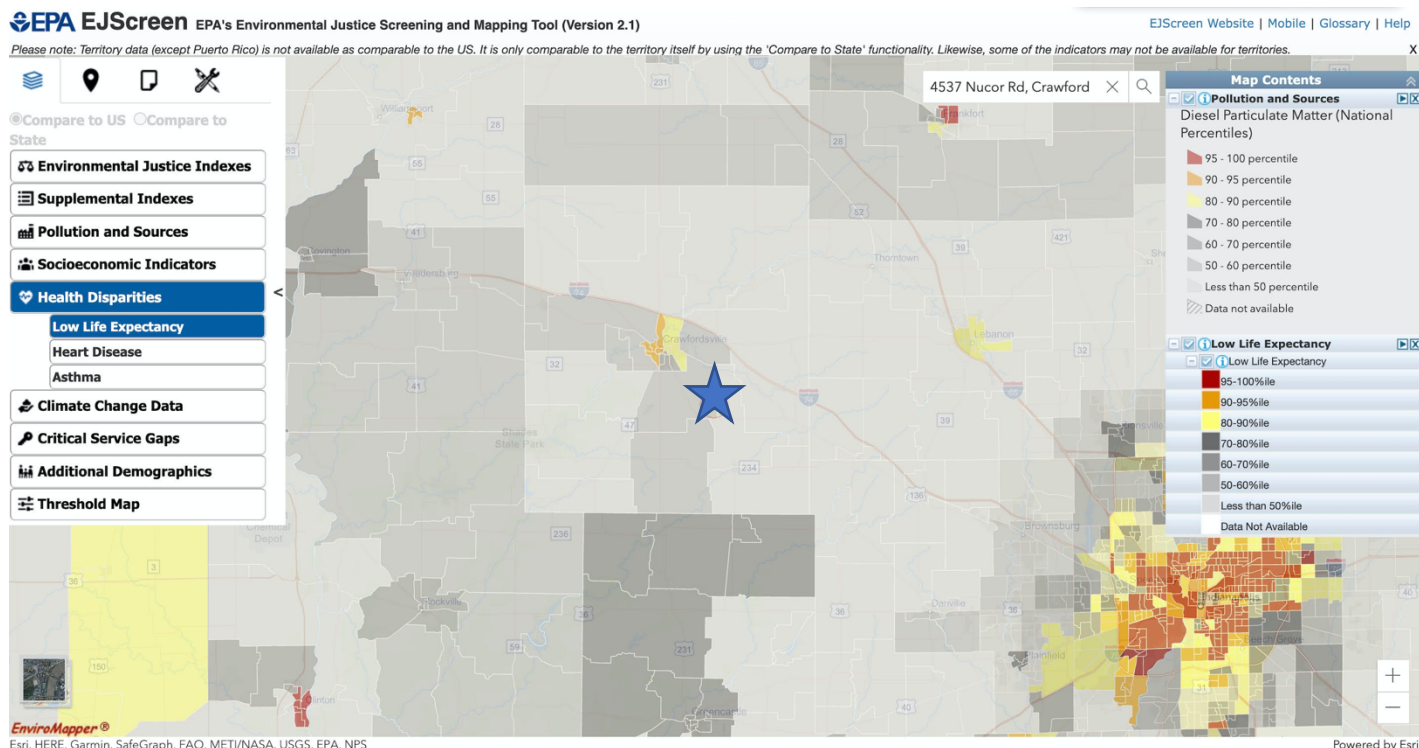


Figure 2: EPA EJScreen Health Disparities Low Life Expectancy

Above is a map of the health disparities from diesel as exhibited by the Environmental Justice Screen. It can be observed that the shaded areas of diesel PM correlate with lower life expectancy percentiles. When layering the map to show the Diesel burden and Life Expectancy it really puts into perspective the effects of emissions on public health. Similarly, Figure 3 on the following page is a map that represents the correlation of Diesel PM Emissions on levels of community asthma.

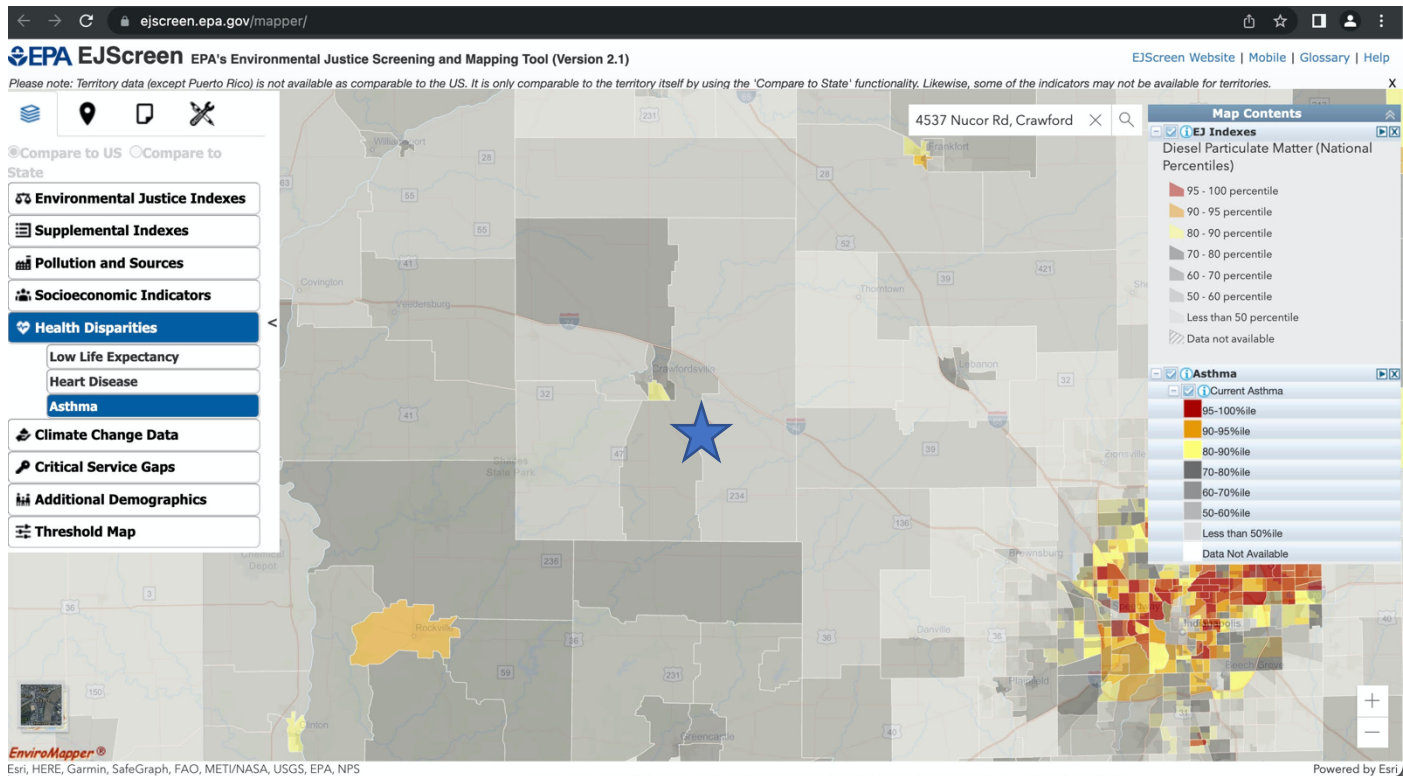


Figure 3: EPA EJScreen Health Disparities Asthma

Above again we can see the correlation between diesel particulate matter and the chronic health condition known as Asthma. As previously mentioned Indiana has a higher percentage of asthma than the national average, so all emissions reductions realized will help bring that disparity closer to the national average. This is in line with the DieselWise program goals to reduce harmful tailpipe emissions from diesel powered vehicles.

Section 4. Environmental Results – Outputs, Outcomes, and Performance Measures

| Health Benefits Results | | | |
|-------------------------|--|-----------------|-------------------------------|
| County and State | Annual Diesel PM2.5 Reduction (short tons) | Annual Benefits | Annualized Unit & Labor Costs |
| Montgomery, Indiana | 0.361 | \$115,000 | - |
| Total | 0.361 | \$115,000 | \$184,000 |

Table 1 above is the resulting Health Benefits from the Diesel Emissions Quantifier. Which essentially places a value of \$115,000 for every 0.361 short tons of annual diesel PM2.5 that will be reduced by the replacement project. The proposed coil hauler replacements represent advanced technology that is cleaner than required. These Tier 4 final Coil Hauler Forklifts are manufactured in the United States by Taylor Machine Works, Inc. in Louisville, MS.

Section 5: Budget and Key Personnel

Nucor Steel is committed to a substantive match funding contribution of 75% or \$972,550 to facilitate the project. The total project cost of \$1,296,734 will only require a 25% grant from the IDEM sponsored program or \$324,184. The total lifetime cost effectiveness of this project is \$1,929,191. In communications with the forklift manufacturer, Taylor Machine Works, Inc., this project can be completed in 12-14 months from the timeline the project receives IDEM authorization to proceed and the grant contract and supplier purchase agreements are signed.

Key Personnel include:

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Joe Lawless Material Handling Supervisor

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Phone: 765.359.4436

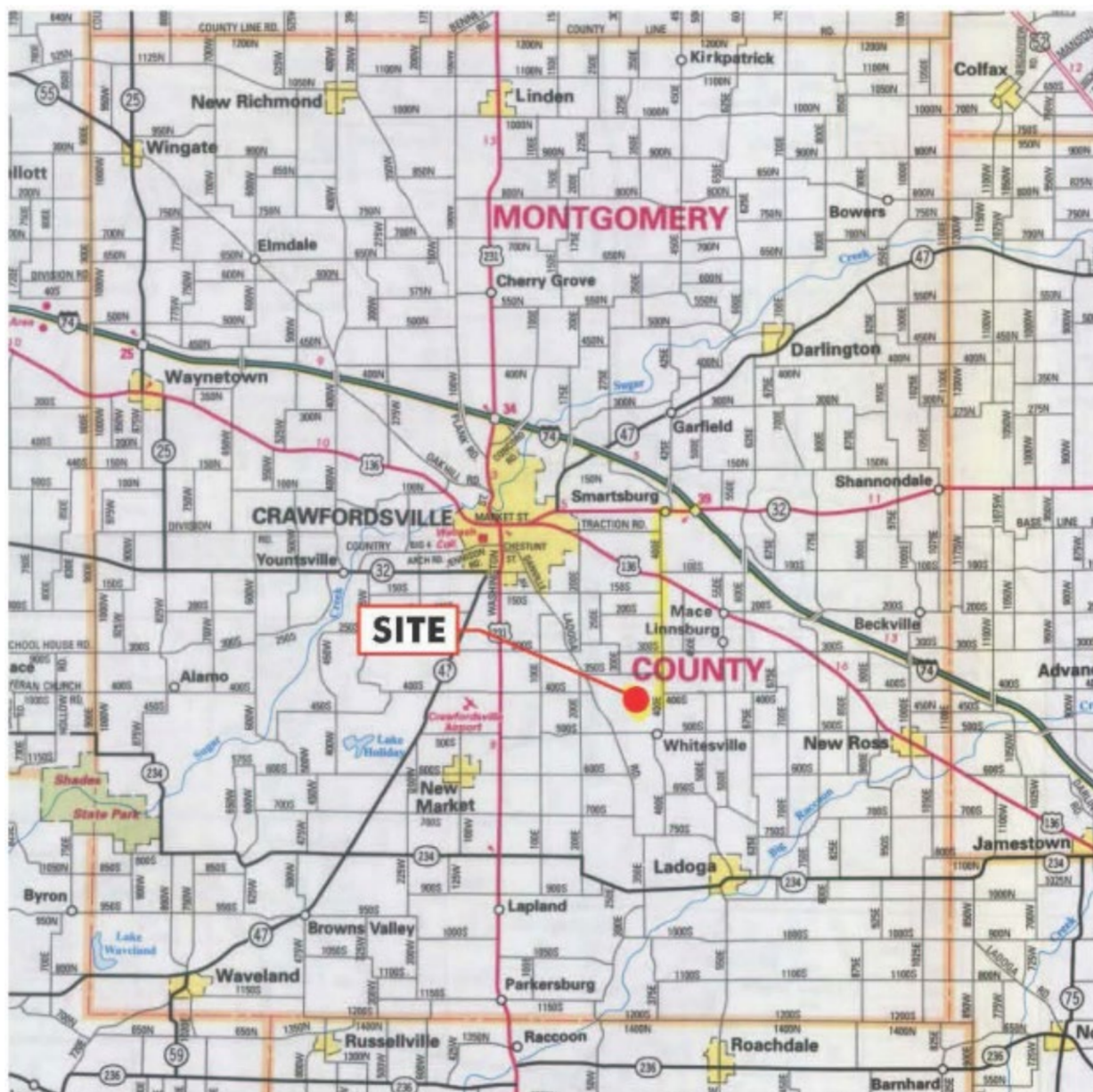


Figure 4¹: Nucor Steel Crawfordsville Facility Location

Intersection of County Road 400 East and 400 South
Crawfordsville, IN 47933
Montgomery County

¹ https://www.in.gov/idem/algae/files/notice_20220919_npdes_in0054682.pdf