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Volkswagen Environmental Mitigation Trust
C/O Wilmington Trust
Attn: Michael Bochanski, Jr.
1100 North Market Street
Wilmington, DE 19890

January 29, 2026

Dear Mr. Bochanski,

Attached to this letter is Minnesota's 15th "Report to the Trustee". The requirements of this report are described in paragraph 5.3 of the VW Environmental Mitigation Trust.

This report covers the time from July 1, 2025, through December 31, 2025.

Please contact Rocky Sisk, of my staff, if you have any questions or concerns about this report. He can be reached at 651-757-2173, or by e-mail at rocky.sisk@state.mn.us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dave Benke', with a long horizontal flourish extending to the right.

Dave Benke
Division Director
MPCA

Volkswagen Diesel Emission Environmental Mitigation Trust for States

Beneficiary	Minnesota
Lead Agency	Minnesota Pollution Control Agency
Reporting Period	July 1, 2025 - December 31, 2025

MPCA Funds	2018	2019	2020	2021	2022	2023	2024	2025	Total
Total VW Funds Received	\$ 2,350,000	\$ 7,401,110	\$ 1,871,242	\$ 6,664,286	\$ 5,330,412	\$ 13,084,559	\$ 1,007,216	\$ 10,179,741	\$ 47,888,566
Total VW Funds Returned	\$ -	\$ -	\$ (122,304)	\$ (166,278)	\$ (1,155,931)	\$ (162,262)	\$ -	\$ (120,000)	\$ (1,726,775)
Interest Earned	\$ 4,423	\$ 86,837	\$ 79,480	\$ 20,390	\$ 98,975	\$ 508,963	\$ 970,106	\$ 880,981	\$ 2,650,155
Interest Returned	\$ -	\$ (53,157)	\$ (102,257)	\$ (25,557)	\$ (35,366)	\$ (300,809)	\$ -	\$ -	\$ (517,145)
Disbursements	\$ (213,172)	\$ (1,364,903)	\$ (6,490,238)	\$ (2,297,246)	\$ (4,076,091)	\$ (3,068,119)	\$ (2,464,773)	\$ (4,707,980)	\$ (24,682,522)
Total Cash Balance	\$ 2,141,251	\$ 6,069,887	\$ (4,764,076)	\$ 4,195,595	\$ 161,999	\$ 10,062,333	\$ (487,451)	\$ 6,232,742	\$ 23,612,279

Summary of All Costs											
Project Description	Dept ID	VW Mitigation Funds			Match Funds			Total Project Cost			VW Funds Received
		Obligated	Expended	Total	Obligated	Expended	Total	Obligated	Expended	Total	
Phase 1 School Bus	R323VA01	\$ -	\$ 1,960,000	\$ 2,000,000	\$ -	\$ 7,617,786	\$ 7,617,786	\$ -	\$ 9,577,786	\$ 9,577,786	\$ 2,115,000.00
Phase 2 School Bus 1	R323VA02	\$ -	\$ 510,000	\$ 510,000	\$ -	\$ 2,361,206	\$ 2,361,206	\$ -	\$ 2,871,206	\$ 2,871,206	\$ 580,500.00
Phase 2 School Bus 2	R323VA03	\$ 355,000	\$ 1,215,000	\$ 1,570,000	\$ 1,583,000	\$ 6,684,497	\$ 8,267,497	\$ 1,938,000	\$ 7,899,497	\$ 9,837,497	\$ 1,600,200.00
Phase 3 School Bus	R323VA06	\$ 430,000	\$ -	\$ 430,000	\$ 4,627,880	\$ -	\$ 4,627,880	\$ 5,057,880	\$ -	\$ 5,057,880	\$ 630,000.00
Phase 1 EV Fast Chargers	R323VB01	\$ 219,888	\$ 1,145,602	\$ 1,365,490	\$ -	\$ 514,691	\$ 514,691	\$ 219,888	\$ 1,660,293	\$ 1,880,181	\$ 1,390,500.00
Phase 2 EV Fast Chargers	R323VB02	\$ 973,000	\$ 848,668	\$ 1,821,668	\$ 242,827	\$ 1,117,010	\$ 1,359,837	\$ 1,215,827	\$ 1,965,677	\$ 3,181,504	\$ 2,576,786.00
Phase 1 Level 2 Chargers	R323VC01	\$ -	\$ 134,793	\$ 134,793	\$ -	\$ 138,713	\$ 138,713	\$ -	\$ 273,506	\$ 273,506	\$ 197,963.00
Phase 2 Level 2 Chargers	R323VC02	\$ 75,894	\$ 74,700	\$ 150,594	\$ 62,468	\$ 109,488	\$ 171,956	\$ 138,362	\$ 184,188	\$ 322,550	\$ 170,000.00
Phase 2 Level 2 Chargers	R323VC03	\$ 560,061	\$ 22,500	\$ 582,561	\$ 822,319	\$ 26,926	\$ 849,245	\$ 1,382,380	\$ 49,426	\$ 1,431,806	\$ 664,035.30
Phase 1 DERA 1	R323VD01	\$ -	\$ 700,652	\$ 700,652	\$ -	\$ 5,599,781	\$ 5,599,781	\$ -	\$ 6,300,433	\$ 6,300,433	\$ 881,110.00
Phase 1 DERA 2	R323VD02	\$ -	\$ 1,124,687	\$ 1,124,687	\$ -	\$ 4,482,029	\$ 4,482,029	\$ -	\$ 5,606,716	\$ 5,606,716	\$ 1,210,965.00
Phase 2 DERA 3	R323VD03	\$ -	\$ 720,242	\$ 720,242	\$ -	\$ 6,207,129	\$ 6,207,129	\$ -	\$ 6,927,371	\$ 6,927,371	\$ 753,303.00
Phase 2 DERA 4	R323VD04	\$ -	\$ 789,396	\$ 789,396	\$ -	\$ 3,665,954	\$ 3,665,954	\$ -	\$ 4,455,350	\$ 4,455,350	\$ 1,139,112.00
Phase 2 DERA 5	R323VD05	\$ -	\$ 318,544	\$ 318,544	\$ -	\$ 2,361,462	\$ 2,361,462	\$ -	\$ 2,680,006	\$ 2,680,006	\$ 640,000.00
Phase 2 DERA 6	R323VD06	\$ -	\$ 963,254	\$ 963,254	\$ -	\$ 3,392,989	\$ 3,392,989	\$ -	\$ 4,356,243	\$ 4,356,243	\$ 1,007,216.25
Phase 3 DERA 7	R323VD07	\$ 1,626,391	\$ 1,073,609	\$ 2,700,000	\$ 5,273,037	\$ 4,123,702	\$ 9,396,739	\$ 6,899,429	\$ 5,197,311	\$ 12,096,739	\$ 2,700,000.00
Phase 1 Heavy Duty On Road Class 8	R323VE01	\$ -	\$ 2,583,330	\$ 2,583,330	\$ -	\$ 10,743,877	\$ 10,743,877	\$ -	\$ 13,327,207	\$ 13,327,207	\$ 2,775,559.00
Phase 1 Heavy Duty On Road Class 4-7	R323VE02	\$ -	\$ 664,896	\$ 664,896	\$ -	\$ 2,793,439	\$ 2,793,439	\$ -	\$ 3,458,335	\$ 3,458,335	\$ 929,184.00
Phase 2 Heavy Duty On Road Class 8	R323VE03	\$ 50,000	\$ 229,393	\$ 279,393	\$ 164,912	\$ 777,410	\$ 942,322	\$ 214,912	\$ 1,006,802	\$ 1,221,714	\$ 400,995.00
Phase 2 Heavy Duty On Road Class 4-7	R323VE04	\$ 400,356	\$ 556,813	\$ 957,169	\$ 2,265,225	\$ 2,716,397	\$ 4,981,622	\$ 2,665,581	\$ 3,273,210	\$ 5,938,791	\$ 1,194,975.00
Phase 2 Heavy Duty On Road Class 4-7	R323VE05	\$ 77,678	\$ 80,029	\$ 157,707	\$ 237,354	\$ 246,932	\$ 484,286	\$ 315,032	\$ 326,961	\$ 641,993	\$ 157,707.00
Phase 2 Heavy Duty On Road Class 8	R323VE06	\$ 1,129,414	\$ 708,635	\$ 1,838,049	\$ 3,719,563	\$ 4,222,479	\$ 7,942,042	\$ 4,848,976	\$ 4,931,114	\$ 9,780,091	\$ 1,838,049.00
Phase 3 Heavy Duty On Road Class 4-7	R323VE07	\$ 1,136,605	\$ -	\$ 1,136,605	\$ -	\$ -	\$ -	\$ -	\$ 1,136,605	\$ -	\$ 1,370,171.00
Phase 3 Heavy Duty On Road Class 8	R323VE08	\$ 2,803,361	\$ 235,892	\$ 3,039,253	\$ -	\$ 717,397	\$ 717,397	\$ 2,803,361	\$ 953,290	\$ 3,756,651	\$ 3,039,829.00
Phase 1 Heavy Duty Electric Vehicle 1	R323VF01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000.00
Phase 1 Heavy Duty Electric Vehicle 2	R323VF02	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ 299,999	\$ 299,999	\$ -	\$ 399,999	\$ 399,999	\$ 100,000.00
Phase 1 Heavy Duty Electric Vehicle 3	R323VF03	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,250.00
Phase 1 Heavy Duty Electric Vehicle 4	R323VF04	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ 30,534	\$ 30,534	\$ -	\$ 130,534	\$ 130,534	\$ 100,000.00
Phase 2 Heavy Duty Electric Class 4-7	R323VF05	\$ 2,048,318	\$ 628,785	\$ 2,677,103	\$ 696,106	\$ 247,035	\$ 943,140	\$ 2,744,423	\$ 875,820	\$ 3,620,243	\$ 2,677,103.00
Phase 2 Heavy Duty Electric Class 8	R323VF06	\$ 3,597,288	\$ 190,000	\$ 3,787,288	\$ 1,199,096	\$ 76,591	\$ 1,275,687	\$ 4,796,384	\$ 266,591	\$ 5,062,975	\$ 3,885,838.00
Phase 2 Electric School Bus	R323VH01	\$ -	\$ 2,131,884	\$ 2,131,884	\$ -	\$ 763,104	\$ 763,104	\$ -	\$ 2,894,988	\$ 2,894,988	\$ 2,573,269.00
Phase 2 Electric School Bus	R323VH02	\$ 1,497,000	\$ 1,122,000	\$ 2,619,000	\$ 276,400	\$ 38,766	\$ 315,166	\$ 1,773,400	\$ 1,160,766	\$ 2,934,166	\$ 2,619,000.00
Phase 3 Electric School Bus	R323VH03	\$ 1,691,767	\$ -	\$ 1,691,767	\$ 3,080,000	\$ -	\$ 3,080,000	\$ 4,771,767	\$ -	\$ 4,771,767	\$ 1,691,767.00
Program Administration	VG01&02 VI01	\$ -	\$ 4,313,623	\$ 4,313,623	\$ -	\$ -	\$ -	\$ -	\$ 4,313,623	\$ 4,313,623	\$ 3,884,180.00
Contractor Administration		\$ -	\$ 5,331	\$ 5,331	\$ -	\$ -	\$ -	\$ -	\$ 5,331	\$ 5,331	\$ -
Totals		\$ 18,672,020	\$ 25,252,258	\$ 43,964,278	\$ 24,250,186	\$ 72,077,323	\$ 96,327,509	\$ 42,922,207	\$ 97,329,580	\$ 140,251,787	\$ 47,888,567

Project Narrative		
Project Description	Environmental Mitigation Action #	Project Status
Phase 1 School Bus	2	Completed. Funds received from Trustee 11/28/18. 21 bus replacement contracts were signed, for a total of 111 buses from around the state. Most bus owners have purchased their new buses and destroyed old buses. As of this date, 103 buses have been destroyed and replaced with new buses, 8 have been canceled. Originally, new buses needed to be purchased and old buses destroyed by March 2021 for this first round of school bus contracts.
Phase 1 EV Fast Chargers	9	Completed. The funds for this grant were received from the Trustee on 2/1/19. Contracts between MPCA and the grantee were signed in the 2nd quarter of 2019. MPCA has reported previously that 18 charging hubs have been built of the 22 originally funded. The remaining 4 charging stations were canceled.
Phase 1 DERA 1	10	Completed. Funds received from Trustee 3/15/19. A total of 13 projects were funded with these VW and DERA funds. All 13 of these projects have been completed.
Phase 1 Level 2 Chargers	9	Completed. Funds were received from the Trustee on 5/2/19. Nine contracts for a total of 25 dual port level 2 charging projects were signed. As of June 30, 2024, seven contracts were completed for a total of 21 charging stations. The remaining 2 contracts were either declined or cancelled, and remaining funds have been or are scheduled to be returned to trustee.
Phase 2 School Bus	2	Completed. Funds received from Trustee 12/1/19. 19 bus replacement contracts for Greater Minnesota have been signed, for a total of 31 buses. Bus owners have purchased new buses and destroyed old buses. As of this date, 27 buses have been destroyed and replaced with new buses. One bus has pulled out, and the remaining 3 projects were cancelled. All funds have been returned to the trustee.
Phase 1 Heavy Duty On Road Class 8	1	Completed. Funds received from Trustee 12/1/19. 19 class 8 truck replacement contracts have been signed in Minnesota, for a total of 92 class 8 trucks. Truck owners in process of purchasing new trucks and destroying old ones. As of this date, 87 class 8 trucks have been destroyed and replaced with new ones. All remaining projects have been cancelled, and those funds have been returned to trustee.
Phase 1 Heavy Duty On Road Class 4-7	6	Completed. Funds received from Trustee 12/1/19. 12 class 4-7 truck replacement contracts have been signed in Minnesota, for a total of 32 class 4-7 trucks. Truck owners in process of purchasing new trucks and destroying old ones. As of this date, 27 class 4-7 trucks have been destroyed and replaced with new ones. All remaining projects have been cancelled, and those funds have been returned to trustee.
Phase 1 DERA 2	10	Completed. Funds received from Trustee 4/17/20. All 11 projects have been completed.
Phase 1 Heavy Duty Electric Vehicle 1	1	Completed. Funds received from Trustee 1/15/20. One electric class 8 truck replacement contract has been signed in Minnesota, for a total of three class 8 electric trucks. Truck owner eventually cancelled this project, and this contract was cancelled. All funds were returned to trustee.
Phase 1 Heavy Duty Electric Vehicle 2	2	Completed. Funds received from Trustee 1/15/20. One electric bus replacement contract has been signed for one bus. Bus has been purchased and is currently in operation. This project is complete.
Phase 1 Heavy Duty Electric Vehicle 3	6	Completed. Funds received from Trustee 1/15/20. One class 4-7 truck replacement contract has been signed for one truck. Contract has recently been canceled, and funds have been returned to Trustee.

Project Narrative		
Project Description	Environmental Mitigation Action #	Project Status
Phase 1 Heavy Duty Electric Vehicle 4	7	Completed. Funds received from Trustee 1/15/20. One airport ground equipment replacement contract has been signed. As of June 30, 2022, airline owner has purchased new equipment and destroyed old equipment. This project is complete.
Phase 2 Electric School Bus (1)	2	Completed. Funds received from Trustee 4/9/21. Five bus replacement contracts have been signed for a total of 8 new electric school buses. All eight of the buses are now operating. During the 2022-2023 school year, grantees reported to PCA on a quarterly basis valuable data and information on the buses, including vehicle operations and efficiency, maintenance history, and driver and passenger satisfaction. This information was compiled into a report to inform future electric school bus funding opportunities.
Phase 2 DERA 3	10	Completed. Funds received from Trustee 4/9/21. All 10 of these projects have been completed.
Phase 2 EV DC Fast Chargers	9	Funds received from Trustee 5/15/21. Contracts have been signed to install a total of 38 DC Fast chargers by 2026. These corridors will add 2,500 miles to the statewide network of EV charging corridors. As of this date, 14 charging stations have been built. Site selection is complete for the remaining chargers. 12 chargers were canceled from original contract and those funds are being used for additional DC fast charger contracts within this project.
Phase 2 Level 2 Chargers (1)	9	Funds received from the Trustee on July 8, 2021 for 25 dual port Level 2 electric vehicle charging stations. All of the contracts were signed between MPCA and the grantees in the remainder of 2021. Two are either waiting for construction season or progress on larger projects, while one has canceled. All others complete.
Phase 2 School Bus 2	2	Funds received from Trustee 2/7/22. 22 bus replacement contracts for Minnesota have been signed, for a total of 92 buses. Bus owners in process of purchasing new buses and destroying old buses. As of this date, 70 buses have been destroyed and replaced with new buses. Remaining contract reimbursements will be submitted before February 2026, or extended until February 2027.
Phase 2 Heavy Duty On-Road Class 8	1	Funds received from Trustee 4/21/22. Contracts for replacing 24 class 8 trucks have been signed. Grantees are in the process of purchasing their new trucks, and destroying their old diesel vehicles. As of this date, 15 trucks have been destroyed and replaced with new trucks.
Phase 2 Heavy Duty On-Road Class 4-7	6	Funds received from Trustee 4/21/22. Contracts for replacing 9 class 4-7 trucks have been signed. Grantees are in the process of purchasing their new trucks, and destroying their old diesel vehicles. As of this date, seven trucks have been destroyed and replaced with new trucks.
Phase 2 DERA 4	10	Completed. Funds received from Trustee 5/24/22. 8 of the 10 projects have been completed with two projects cancelled (grantee reapplied for DERA 6 2023).
Phase 2 DERA 5	10	Completed. Funds received from Trustee 12/21/22. 6 projects completed, one project cancelled.
Phase 2 Heavy Duty Electric On-Road Class 4-7	6	Funds received from Trustee 1/22/23. Contracts for replacing 10 class 4-7 trucks have been signed. Grantees are in the process of purchasing their new trucks, and destroying their old diesel vehicles. As of this date, two trucks have been destroyed and replaced with new electric trucks, while one truck has been canceled. All others are ongoing.
Phase 2 Heavy Duty Electric On-Road Class 8	1	Funds received from Trustee 1/22/23. Contracts for replacing 16 class 8 trucks have been signed. Grantees are in the process of purchasing their new trucks, and destroying their old diesel vehicles. As of this date, one truck has been destroyed and replaced with a new electric truck.
Phase 2 Level 2 Chargers (2)	9	Funds received from the Trustee on 10/31/23 for 70 single-port and 17 dual-port Level 2 electric vehicle charging stations. One of the contracts was cancelled and the others have all been signed. As of this date, two projects have been completed, two have canceled, and all others are in process.
Phase 2 Electric School Bus (2)	2	Funds received from Trustee 12/29/23. Three bus replacement contracts have been signed for a total of 7 new electric school buses. All seven of the buses are now being ordered by the respective grantees.
Phase 2 DERA 6	10	Funds received from Trustee February 2/14/24. Fifteen projects awarded for funding. As of this date, 13 have been completed, and the remaining 2 are underway.
Phase 2 Heavy Duty On-Road Class 8	1	Funds received from Trustee October, 2023. Contracts for replacing 34 class 8 trucks have been signed. Grantees are in the process of purchasing their new trucks, and destroying their old diesel vehicles. As of this date, 11 trucks have been destroyed and replaced with new trucks.
Phase 2 Heavy Duty On-Road Class 4-7	6	Funds received from Trustee October 2023. Contracts for replacing 5 class 4-7 trucks have been signed. Grantees are in the process of purchasing their new trucks, and destroying their old diesel vehicles. As of this date, three trucks have been destroyed and replaced with new trucks.
Phase 3 Heavy Duty On-Road Class 4-7	6	Funds received from Trustee in July, 2025. A total of 8 projects were awarded for funding. As of this date, 0 have been completed, with 8 still ongoing.
Phase 3 Heavy Duty On-Road Class 8	1	Funds received from Trustee in July, 2025. A total of 26 projects were awarded for funding. As of this date, 4 have been completed, with 22 still ongoing.
Phase 3 DERA 7	10	Funds received from Trustee in July 2025. Seventeen projects awarded for funding. As of this date, seven projects are completed, and nine are underway.
Phase 3 Electric School Bus	2	Funds received from Trustee 07/2025. Three bus replacement contracts have been signed for a total of 19 new electric school busses. Respective grantees will be ordering busses in the first quarter of 2026.
Phase 3 School Bus	2	Funds received from Trustee 11/2025. As of this date, three of the four anticipated grant contracts have been signed. Following the final contract, there will be a total of 34 new diesel school buses.

This information is true and correct and the submission is made under penalty of perjury.



David Benke, Division Director

1/29/2026
Date