

The Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries, Puerto Rico and the District of Columbia

North Carolina

June 26, 2026

Re: Beneficiary Confirmation

Dear Beneficiary,

As we have been communicating, the Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries, Puerto Rico, and the District of Columbia is approaching the 10th anniversary of the Trust Modification Effective Date on October 2, 2027. Wilmington Trust, N.A., as Trustee, is requesting your review and confirmation of the information below as it is a critical component of meeting the 80% "obligated" and 80% "expended" deadlines to become a Supplemental Funding Beneficiary who is entitled to retain all of its original allocation and also become eligible to receive any funds from the re-allocation of the Remainder Balance. It is our goal to identify any issues in your records that do not align with our records as soon as possible and resolve them now. The attached Exhibit provides a summary of your historical Eligible Mitigation Action activity. Confirmation of this information is critical by you, as a Beneficiary, prior to July 31st, 2026.

Initial Allocation: \$92,045,658.00

The following amounts are as of **May 31, 2026**:

Total Approved Budgeted Amount (Appendix D-4 - Obligated): \$96,478,648.28

Remaining Funds (Initial Allocation less Approved Budget): \$(4,432,990.28)

Approved and Disbursed Attachment A Funding Request (Expended): \$96,478,648.28

- Includes \$(1,684,125.24) in Returned Funds

Interest Earnings: \$4,583,708.38

Obligated Percentage ($\frac{\text{Approved Budget}}{\text{Initial Allocation}} \times 100\%$) : 105%

Expended Percentage ($\frac{\text{Disbursed Attachment A Funds}}{\text{Initial Allocation}} \times 100\%$) : 105%

If there are any questions, please contact Michael Bochanski Jr. at mbochanski@wilmingtontrust.com

Sincerely,

Wilmington Trust, N.A., as Trustee for the Volkswagen Diesel Emissions Environmental Mitigation Trust for State Beneficiaries, Puerto Rico, and the District of Columbia, and not in its individual capacity

By:

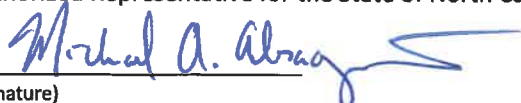


Name: Michael Bochanski Jr.

Title: Vice President

Reviewed and confirmed by:

Authorized Representative for the State of North Carolina as Beneficiary

By: 
(Signature)

Date: 7/28/26

Name: Michael A. Abraczynski
(Print)

Title: Director, NC DAQ

VW Environmental Mitigation Trust - Semi Annual Report

Beneficiary	North Carolina - VW Phase 1
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Funding Totals	Reporting Period	Previous Reporting Period	Overall Cumulative
Trust Funds Received	\$0.00	\$29,550,881.52	\$29,550,881.52
Funds Expended - Equipment	\$251,997.77	\$24,940,634.29	\$25,192,632.06
Funds Expended - Administrative	\$15,626.61	\$1,118,847.57	\$1,134,474.18
Funds Returned to Trustee	\$0.00	\$1,159,013.93	\$1,159,013.93
Remaining Balance			\$2,064,761.35

					Summary of All Costs for Reporting Period										Notes
Project	Total Funds Budgeted	Total Equipment Budgeted Funds	Total Administrative Budgeted Funds	Total Returned to Trustee	Total Funds Received This Reporting Period	Equipment Funds					Administrative Funds				
						Received	Returned to Trustee	Reporting Period Expended	Cumulative Expended	Balance Remaining	Received	Reporting Period Expended	Cumulative Expended	Balance Remaining	
EMA 1 - Class 8 Local Freight Trucks	\$3,856,727.60	\$3,456,727.60	\$400,000.00	\$12,410.04	\$0.00	\$0.00	\$0.00	\$0.00	\$2,739,317.56	\$705,000.00	\$0.00	\$0.00	\$272,815.24	\$127,184.76	
EMA 2 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus	\$18,851,276.66	\$18,426,276.66	\$425,000.00	\$221,932.74	\$0.00	\$0.00	\$0.00	\$0.00	\$17,750,908.07	\$453,435.85	\$0.00	\$0.00	\$387,089.14	\$37,910.86	
EMA 3 - Freight Switchers	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
EMA 4 - Ferries/Tugs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
EMA 5 - Ocean Going Vessels (OGV) Shorepower	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
EMA 6 - Class 4-7 Local Freight Trucks	\$883,681.76	\$783,681.76	\$100,000.00	\$110,049.75	\$0.00	\$0.00	\$0.00	\$0.00	\$643,694.34	\$29,937.67	\$0.00	\$0.00	\$89,409.81	\$10,590.19	
EMA 7 - Airport Ground Support Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
EMA 8 - Forklifts and Port Cargo Handling Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
EMA 9 - Light Duty Zero Emission Vehicle Supply Equipment	\$5,110,545.39	\$4,585,545.39	\$525,000.00	\$814,621.40	\$0.00	\$0.00	\$0.00	\$251,997.77	\$3,500,581.50	\$270,342.49	\$0.00	\$15,626.61	\$385,159.99	\$139,840.01	
EMA 10 - Diesel Emission Reduction Act (DERA) Option	\$848,650.11	\$848,650.11	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$558,130.59	\$290,519.52	\$0.00	\$0.00	\$0.00	\$0.00	
TOTALS	\$29,550,881.52	\$28,100,881.52	\$1,450,000.00	\$1,159,013.93	\$0.00	\$0.00	\$0.00	\$251,997.77	\$25,192,632.06	\$1,749,235.53	\$0.00	\$15,626.61	\$1,134,474.18	\$315,525.82	

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 1 - Class 8 Local Freight Trucks	NCDEQ-Class 8 Trucks-FY20	Pitt County submitted a claim on 6/12/26, ALA is working on claim documentation.
EMA 2 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus	NCDEQ-Class 4-8-Buses-FY20	No claims paid during this reporting period.
		All Phase 1 school bus projects have been completed.
EMA 3 - Freight Switchers		
EMA 4 - Ferries/Tugs		
EMA 5 - Ocean Going Vessels (OGV) Shorepower		
EMA 6 - Class 4-7 Local Freight Trucks	NCDEQ-Class 4-7 Trucks-FY20	All projects have been closed out.
EMA 7 - Airport Ground Support Equipment		
EMA 8 - Forklifts and Port Cargo Handling Equipment		
EMA 9 - Light Duty Zero Emission Vehicle Supply Equipment	NCDEQ-ZEVSE-FY20	DC Fast: All Phase 1 Project have been completed and reimbursed.
		Level 2: NC DHHS claims submitted and will be reimbursed in next quarter.
EMA 10 - Diesel Emission Reduction Act (DERA) Option	NCDEQ-DERA-FY-2020-01	Progress Freight Lines contract was executed on 11/18/2025. After the City of Greensboro was unable to identify an eligible vehicle for destruction, it returned the reimbursement funds to NCDEQ on 8/8/2025. The returned funds included \$40,595.19 in VW Phase 1 funds, which were applied to the Progress Freight project. Progress Freight Lines proposed replacement vehicles; however, the grant agreement was terminated following EPA's denial of the vocational exception request, as the proposed replacement vehicles were determined not to be similar in type or function to the vehicles being replaced.
	NCDEQ-DERA-FY-2021-01	
This information is true and correct and the submission is made under penalty of perjury.		
	Michael A. Abraczinskas, Director 	Date: 7/30/26

NCDEQ Diesel Bus & Vehicle Program - EMA 1 Class 8 Local Freight Trucks

Beneficiary	North Carolina - VW Phase 1
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$3,856,727.60	\$3,856,727.60
Funds Expended - Equipment	\$0.00	\$2,739,317.56	\$2,739,317.56
Funds Expended - Administrative	\$0.00	\$272,815.24	\$272,815.24
Funds Returned to Trustee	\$0.00	\$12,410.04	\$12,410.04
Remaining Balance		\$832,184.76	\$832,184.76

Summary of EMA 1 Costs for Reporting Period												
# of Class 8 Truck Replacement Projects Completed	Number of Trucks Replaced	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Equipment Funds Returned to Trustee for Reporting Period	Administrative Funds Expended for Reporting Period	Previous Funds Expended (Equipment & Administrative)	Previous Equipment Funds Expended	Previous Administrative Funds Expended	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
CNG/Propane	0	\$0.00	\$0.00	\$0.00	\$0.00	\$3,012,132.80	\$2,739,317.56	\$272,815.24	\$3,012,132.80	\$2,739,317.56	\$272,815.24	
Diesel	0											
TOTALS	0	\$0.00	\$0.00	\$0.00	\$0.00	\$3,012,132.80	\$2,739,317.56	\$272,815.24	\$3,012,132.80	\$2,739,317.56	\$272,815.24	

Vehicle List														
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Reimbursement Date	Reporting Period	Notes	

Open Obligated Contracts					
Contract Number	Recipient	Contract Amount	Remaining Amount	Contract Expiration Date	Note
2000045592	American Lung Association	\$525,000.00	\$525,000.00	8/15/2026	
2000045596	Pitt County Solid Waste and Recycling	\$180,000.00	\$180,000.00	2/16/2024	
	Total	\$705,000.00	\$705,000.00		

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 1 - Class 8 Local Freight Trucks	NCDEQ-Class 8 Trucks-FY20	Pitt County submitted a claim on 6/12/26, ALA is working on claim documentation.

NCDEQ Diesel Bus & Vehicle Program - EMA 2 Class 4-8 School, Shuttle, & Transit Buses

Beneficiary	North Carolina - VW Phase 1
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$18,851,276.66	\$18,851,276.66
Funds Expended - Equipment	\$0.00	\$17,750,908.07	\$17,750,908.07
Funds Expended - Administrative	\$0.00	\$387,089.14	\$387,089.14
Funds Returned to Trustee	\$0.00	\$221,932.74	\$221,932.74
Remaining Balance		\$491,346.71	\$491,346.71

Summary of EMA 2 Costs for Reporting Period												
# of Class 4-8 Bus Replacement Projects Completed	Number of Buses Replaced	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Equipment Funds Returned to Trustee for Reporting Period	Administrative Funds Expended for Reporting Period	Previous Funds Expended (Equipment & Administrative)	Previous Equipment Funds Expended	Previous Administrative Funds Expended	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
School Bus - All Electric	0	\$0.00	\$0.00	\$0.00	\$0.00	\$18,137,997.21	\$17,750,908.07	\$387,089.14	\$18,137,997.21	\$17,750,908.07	\$387,089.14	
School Bus - Propane	0											
School Bus - Diesel	0											
Shuttle/Transit Bus - All Electric	0											
Shuttle/Transit Bus - Diesel	0		\$0.00									
Shuttle/Transit Bus - CNG	0											
TOTALS	0	\$0.00	\$0.00	\$0.00	\$0.00	\$18,137,997.21	\$17,750,908.07	\$387,089.14	\$18,137,997.21	\$17,750,908.07	\$387,089.14	

Vehicle List													
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Reporting Period	Notes	
Total				\$0.00	\$0.00	\$0.00							

Contract Number	Recipient	Associated Replacement EV Bus VIN	Charger Serial Number	Charger Capacity kW	Charger Brand	Charger Model	Awarded Amount	Reimbursement Amount	Cost Share Amount	Notes

Open Obligated Contracts					
Contract Number	Recipient	Contract Amount	Remaining Amount	Contract Expiration Date	Notes
2000045615	Orange County	\$93,500.00	\$93,500.00	6/30/2027	Contract expiration date was extended
2000045617	City of Fayetteville	\$255,500.00	\$255,500.00	8/24/2026	
Total		\$349,000.00	\$349,000.00		

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 2 Class 4-8 School, Shuttle, & Transit Buses	NCDEQ-Class 4-8-Buses-FY20	No claims paid during this reporting period.
		All Phase 1 school bus projects have been completed.

NCDEQ Diesel Bus & Vehicle Program - EMA 3 Freight Switchers

Beneficiary	North Carolina - VW Phase 1
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received			
Funds Expended - Equipment			
Funds Expended - Administrative			
Remaining Balance			

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Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 3 Freight Switchers		

NCDEQ Diesel Bus & Vehicle Program - EMA 4 Ferries/Tugs

Beneficiary	North Carolina - VW Phase 1
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received			
Funds Expended - Equipment			
Funds Expended - Administrative			
Remaining Balance			

[illegible][illegible]

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 4 Ferries/Tugs		

NCDEQ Diesel Bus & Vehicle Program - EMA 5 Ocean Going Vessels Shorepower

Beneficiary	North Carolina - VW Phase 1
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received			
Funds Expended - Equipment			
Funds Expended - Administrative			
Remaining Balance			

Summary of EMA 5 Costs for Reporting Period								
# of OGV Shorepower Projects Completed	Number of OGV Shorepower Systems Installed	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Administrative Funds Expended for Reporting Period	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
All Electric	0	\$0.00	\$0.00	\$0.00				
CNG/Propane	0	\$0.00	\$0.00	\$0.00				
Plug-in Hybrid	0	\$0.00	\$0.00	\$0.00				
Hybrid	0	\$0.00	\$0.00	\$0.00				
TOTALS	0	\$0.00	\$0.00	\$0.00				

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Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 5 Ocean Going Vessels Shorepower		

NCDEQ Diesel Bus & Vehicle Program - EMA 6 Class 4-7 Local Freight Trucks

Beneficiary	North Carolina - VW Phase 1
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$883,681.76	\$883,681.76
Funds Expended - Equipment	\$0.00	\$643,694.34	\$643,694.34
Funds Expended - Administrative	\$0.00	\$89,409.81	\$89,409.81
Funds Returned to Trustee	\$0.00	\$110,049.75	\$110,049.75
Remaining Balance		\$40,527.86	\$40,527.86

Summary of EMA 6 Costs for Reporting Period												
# of Class 4-7 Local Freight Trucks Replacement/Repower Projects Completed	Number of Vehicles Replaced/Repowered	Funds Expended (Equipment & Administrative)	Equipment Funds Expended	Equipment Funds Returned to Trustee for Reporting Period	Administrative Funds Expended	Previous Funds Expended (Equipment & Administrative)	Previous Equipment Funds Expended	Previous Administrative Funds Expended	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
CNG/Propane	0	\$0.00	\$0.00	\$0.00	\$0.00	\$733,104.15	\$643,694.34	\$89,409.81	\$733,104.15	\$643,694.34	\$89,409.81	
Diesel	0											
TOTALS	0	\$0.00	\$0.00	\$0.00	\$0.00	\$733,104.15	\$643,694.34	\$89,409.81	\$733,104.15	\$643,694.34	\$89,409.81	

Vehicle List													
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Reporting Period	Notes	

Open Obligated Contracts					
Contract Number	Recipient	Contract Amount	Remaining Amount	Contract Expiration Date	Notes
	Total	\$0.00	\$0.00		

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 6 Class 4-7 Local Freight Trucks	NCDEQ-Class 4-7 Trucks-FY20	All projects have been closed out.

NCDEQ Diesel Bus & Vehicle Program - EMA 7 Airport Ground Support Equipment

Beneficiary	North Carolina - VW Phase 1
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received			
Funds Expended - Equipment			
Funds Expended - Administrative			
Remaining Balance			

Summary of EMA 7 Costs for Reporting Period								
# of Airport Ground Support Equipment Replacement Projects Completed	Number of Equipment Replaced	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Administrative Funds Expended for Reporting Period	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
All Electric	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
TOTALS	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	

Vehicle List											
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Notes

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 7 Airport Ground Support Equipment		

NCDEQ Diesel Bus & Vehicle Program - EMA 8 Forklifts and Port Cargo Handling Equipment

Beneficiary	North Carolina - VW Phase 1
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received			
Funds Expended - Equipment			
Funds Expended - Administrative			
Remaining Balance			

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Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 8 Forklifts and Port Cargo Handling Equipment		

NCDEQ DC Fast and Level 2 Infrastructure Programs - EMA 9 Electric Vehicle Supply Equipment

Beneficiary	North Carolina - VW Phase 1
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$5,110,545.39	\$5,110,545.39
Funds Expended - Equipment	\$251,997.77	\$3,248,583.73	\$3,500,581.50
Funds Expended - Administrative	\$15,626.61	\$369,533.38	\$385,159.99
Funds Returned to Trustee	\$0.00	\$814,621.40	\$814,621.40
Remaining Balance		\$677,806.88	\$410,182.50

Summary of EMA 9 Costs for Reporting Period												
Charger Type	Number Completed	Funds Expended (Equipment & Administrative)	Equipment Funds Expended	Equipment Funds Returned to Trustee for Reporting Period	Administrative Funds Expended	Previous Funds Expended (Equipment & Administrative)	Previous Equipment Funds Expended	Previous Administrative Funds Expended	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
DC Fast	2	\$267,624.38	\$251,997.77	\$0.00	\$15,626.61	\$3,618,117.11	\$3,248,583.73	\$369,533.38	\$3,885,741.49	\$3,500,581.50	\$385,159.99	
Level 2	0		\$0.00	\$0.00								
TOTALS	2	\$267,624.38	\$251,997.77	\$0.00	\$15,626.61	\$3,618,117.11	\$3,248,583.73	\$369,533.38	\$3,885,741.49	\$3,500,581.50	\$385,159.99	

Charging Equipment								
Agreement/Contract Number	Serial Number	Total Cost	VW Funds	Cost Share	Date Reimbursed	Charging kW	Type	Reporting Period
2000045775	231514017970	\$181,518.42	\$140,008.24	\$41,510.18	2/24/2026	180	DC Fast Public	1/1/2026-6/30/2026
	232114035250					180		
2000045792	01.O29-01506	\$111,989.53	\$111,989.53	\$0.00	1/28/2026	100	DC Fast Public	1/1/2026-6/30/2026
	01.O29-01508					100		

Open Obligated Contracts						
Contract Number	Recipient	Agreement/Contract Amount	Remaining Amount	Agreement/Contract Expiration Date	Program	Notes
2000074429	NC DHHS Division of Mental Health	\$12,158.00	\$12,158.00	3/26/2027	Level 2	
2000074423	Fayetteville State University	\$19,979.00	\$19,979.00	4/5/2027	Level 2	
2000074433	Fayetteville State University	\$4,102.00	\$4,102.00	4/5/2027	Level 2	
2000074432	NC DHHS Division of Mental Health	\$21,166.00	\$21,166.00	3/26/2027	Level 2	
2000074424	NC DHHS Division of Mental Health	\$21,727.00	\$21,727.00	3/22/2027	Level 2	
2000074428	NC DHHS Division of Mental Health	\$21,727.00	\$21,727.00	3/26/2027	Level 2	
2000074430	NC DHHS Division of Mental Health	\$22,400.00	\$22,400.00	3/26/2027	Level 2	
2000074422	NC DHHS Division of Mental Health	\$25,635.00	\$25,635.00	3/22/2027	Level 2	
2000074426	NC DHHS Division of Mental Health	\$28,257.00	\$28,257.00	3/25/2027	Level 2	
Total		\$177,151.00	\$177,151.00			

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 9 - Electric Vehicle Supply Equipment	NCDEQ-ZEVSE-FY20	DC Fast: All Phase 1 Project have been completed and reimbursed.
		Level 2: NC DHHS claims submitted and will be reimbursed in next quarter.

NCDEQ Diesel Bus & Vehicle Program - EMA 10 DERA Option

Beneficiary	North Carolina - VW Phase 1
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$848,650.11	\$848,650.11
Funds Expended - Equipment	\$0.00	\$558,130.59	\$558,130.59
Funds Expended - Administrative	\$0.00	\$0.00	\$0.00
Funds Returned to Trustee	\$0.00	\$0.00	\$0.00
Remaining Balance		\$290,519.52	\$290,519.52

Summary of EMA 10 Costs for Reporting Period											
# of DERA Option Replacement Projects Completed	Number of DERA Option Equipment/Vehicles Replaced	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Administrative Funds Expended for Reporting Period	Previous Funds Expended (Equipment & Administrative)	Previous Equipment Funds Expended	Previous Administrative Funds Expended	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
All Electric	0	\$0.00	\$0.00	\$0.00	\$558,130.59	\$558,130.59	\$0.00	\$558,130.59	\$558,130.59	\$0.00	
CNG/Propane	0										
Diesel	0										
Hybrid	0										
TOTALS	0	\$0.00	\$0.00	\$0.00	\$558,130.59	\$558,130.59	\$0.00	\$558,130.59	\$558,130.59	\$0.00	

Vehicle List													
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	VW Awarded Amount	VW Reimbursement Amount	DERA Awarded Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Reporting Period	Notes

Open Obligated Contracts						
Contract Number	Recipient	Contract Amount	DERA Amount	VW Amount	Remaining Amount	Contract Expiration Date
	Total	\$0.00	\$0.00	\$0.00	\$0.00	

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 10 DERA Option	NCDEQ-DERA-FY-2020-01	Progress Freight Lines contract was executed on 11/18/2025. After the City of Greensboro was unable to identify an eligible vehicle for destruction, it returned the reimbursement funds to NCDEQ on 8/8/2025. The returned funds included \$40,595.19 in VW Phase 1 funds, which were applied to the Progress Freight project. Progress Freight Lines proposed replacement vehicles; however, the grant agreement was terminated following EPA's denial of the vocational exception request, as the proposed replacement vehicles were determined not to be similar in type or function to the vehicles being replaced.
	NCDEQ-DERA-FY-2021-01	

VW Environmental Mitigation Trust - Semi Annual Report

Beneficiary	North Carolina - VW Phase 2
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Funding Totals	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$68,611,892.00	\$68,611,892.00
Funds Expended - Equipment	\$3,265,396.55	\$45,390,824.30	\$48,656,220.85
Funds Expended - Administrative	\$37,487.00	\$722,623.42	\$760,110.42
Funds Returned to Trustee	\$0.00	\$525,111.31	\$525,111.31
Remaining Balance			\$18,670,449.42

Summary of All Costs for Reporting Period															
Project	Total Funds Budgeted	Total Equipment Budgeted Funds	Total Administrative Budgeted Funds	Total Returned to Trustee	Total Funds Received This Reporting Period	Equipment Funds					Administrative Funds				Notes
						Received	Returned to Trustee	Reporting Period Expended	Cumulative Expended	Remaining Balance	Received	Reporting Period Expended	Cumulative Expended	Remaining Balance	
EMA 1 - Class 8 Local Freight Trucks	\$2,408,572.00	\$2,133,572.00	\$275,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$826,356.53	\$1,419,944.53	\$713,627.47	\$0.00	\$3,946.00	\$68,358.73	\$206,641.27	
EMA 2 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus	\$45,016,414.00	\$43,666,806.00	\$1,349,608.00	\$473,536.00	\$0.00	\$0.00	\$0.00	\$1,103,153.00	\$38,223,348.23	\$4,969,921.77	\$0.00	\$5,919.00	\$339,922.56	\$1,009,685.44	
EMA 3 - Freight Switchers	\$4,416,386.00	\$4,141,386.00	\$275,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$207,563.00	\$2,025,693.00	\$2,115,693.00	\$0.00	\$1,973.00	\$41,111.38	\$233,888.62	
EMA 4 - Ferries/Tugs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
EMA 5 - Ocean Going Vessels (OGV) Shorepower	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
EMA 6 - Class 4-7 Local Freight Trucks	\$5,367,075.00	\$4,767,075.00	\$600,000.00	\$2,774.64	\$0.00	\$0.00	\$0.00	\$0.00	\$390,189.36	\$4,374,111.00	\$0.00	\$0.00	\$81,064.02	\$518,935.98	
EMA 7 - Airport Ground Support Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
EMA 8 - Forklifts and Port Cargo Handling Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
EMA 9 - Light Duty Zero Emission Vehicle Supply Equipment	\$10,100,000.00	\$9,700,000.00	\$400,000.00	\$23,324.67	\$0.00	\$0.00	\$0.00	\$1,128,324.02	\$6,218,778.73	\$3,457,896.60	\$0.00	\$25,649.00	\$229,653.73	\$170,346.27	
EMA 10 - Diesel Emission Reduction Act (DERA) Option	\$1,303,445.00	\$1,303,445.00	\$0.00	\$25,476.00	\$0.00	\$0.00	\$0.00	\$0.00	\$378,267.00	\$899,702.00	\$0.00	\$0.00	\$0.00	\$0.00	
TOTALS	\$68,611,892.00	\$65,712,284.00	\$2,899,608.00	\$525,111.31	\$0.00	\$0.00	\$0.00	\$3,265,396.55	\$48,656,220.85	\$16,530,951.84	\$0.00	\$37,487.00	\$760,110.42	\$2,139,497.58	

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 1 - Class 8 Local Freight Trucks	NCDEQ-Class 8 Trucks-FY22	Two claims paid out since January. The DAC project 65293VW has extended their contract to 6/30/2027. The DAC project 65290VW has completed their work and is finalizing claim documentation.
EMA 2 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus	NCDEQ-Class 4-8-Buses-FY22	School Bus: Final awardee terminated the remainder of the project.
		Shuttle or Transit: Two claims paid during reporting period. Other claims have been received and are under review. Charlotte Area Transit System decided not to pursue funding of the EV infrastructure it was awarded.
EMA 3 - Freight Switchers	NCDEQ-Freight-Switchers-FY22	Hertford County had their third contract paid out in the amount of \$207,536 and their contract extended by another year to 6/30/2027.
EMA 4 - Ferries/Tugs		
EMA 5 - Ocean Going Vessels (OGV) Shorepower		
EMA 6 - Class 4-7 Local Freight Trucks	NCDEQ-Class 4-7 Trucks-FY22	Cumberland County has finished their project and are finalizing claim documentation. The DAC project 65293VW has extended their contract to 6/30/2027.
EMA 7 - Airport Ground Support Equipment		
EMA 8 - Forklifts and Port Cargo Handling Equipment		
EMA 9 - Light Duty Zero Emission Vehicle Supply Equipment	NCDEQ-ZEVSE-FY22	DC Fast - Eight claims completed. In the DC Fast Community and Destination Program, five awarded projects that were waiting for a state budget to be approved are now pursuing new quotes. All other projects with executed contracts are in progress and most will finish during 2026/2027.
		Level 2 - Five projects were completed. One NC DNCR project received partial reimbursement up to 90% of their contract amount. Extensions were given to awardees that could not install and activate their EV Infrastructure by the contract or agreement's expiration date.
EMA 10 - Diesel Emission Reduction Act (DERA) Option	NCDEQ-DERA-FY-2021	This phase has open obligated contracts. Bald Head Island completed its project and submitted the claim. The claim issue has been resolved, and reimbursement is expected to be processed soon following completion of the review. The Town of Chapel Hill has received the vehicle and is currently in the project closeout phase. The Town is preparing to submit its reimbursement claim.
	NCDEQ-DERA-FY-2023	This phase has open obligated contracts. Southeast Crescent Shipping Company has completed the fork truck replacement project and submitted a claim. The claim is currently under review for reimbursement. Waste Management of Carolinas, Inc. has placed the vehicle order, with the delivery anticipated in October. The City of Statesville has completed the project. The old equipment has been scrapped and documented, and new equipment has been purchased. They are preparing the final closeout documents. Harris Teeter has an electric switcher replacement project underway and is currently testing the electric switcher. Delta Air Lines has received four baggage tractors which are currently in service. New contracts have been executed for eight awarded FY2025 projects. Espinoza Hauling and Trucking Co Inc., Fortner Contracting Inc., and HMC Paving and Construction Co Inc. have submitted their claims while work is in progress for the remaining projects.
This information is true and correct and the submission is made under penalty of perjury.		
Michael A. Abraczinskas, Director		Date: 7/30/26

NCDEQ Diesel Bus & Vehicle Program - EMA 1 Class 8 Local Freight Trucks

Beneficiary	North Carolina - VW Phase 2
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$2,408,572.00	\$2,408,572.00
Funds Expended -Equipment	\$826,356.53	\$593,588.00	\$1,419,944.53
Funds Expended - Administrative	\$3,946.00	\$64,412.73	\$68,358.73
Funds Returned to Trustee	\$0.00	\$0.00	\$0.00
Remaining Balance			\$920,268.74

Summary of EMA 1 Costs for Reporting Period												
# of Class 8 Truck Replacement Projects Completed	Number of Trucks Replaced	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Equipment Funds Returned to Trustee for Reporting Period	Administrative Funds Expended for Reporting Period	Previous Funds Expended (Equipment & Administrative)	Previous Equipment Funds Expended	Previous Administrative Funds Expended	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
All Electric	1	\$830,302.53	\$480,725.53	\$0.00	\$3,946.00	\$658,000.73	\$593,588.00	\$64,412.73	\$1,488,303.26	\$1,419,944.53	\$68,358.73	
Diesel	1		\$345,631.00									
TOTALS	2	\$830,302.53	\$826,356.53	\$0.00	\$3,946.00	\$658,000.73	\$593,588.00	\$64,412.73	\$1,488,303.26	\$1,419,944.53	\$68,358.73	

Vehicle List													
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Reimbursement Date	Reporting Period	Notes
2000066141	City of Charlotte	1HTMSAAR79H163387	1FUJH4F7XRPVL7917	\$410,045.00	\$405,725.53	\$276,899.00	Diesel	Electric	2008	2024	1/7/2026	January 1, 2026 to June 30, 2026	
2000065265	Town of Spindale	1HTWCAAR17J561142	1MZLRZAC7SM001189	\$345,631.00	\$345,631.00	\$50,172.71	Diesel	Diesel	2006	2025	4/22/2026	January 1, 2026 to June 30, 2026	

Contract Number	Recipient	Associated Replacement EV Bus VIN	Charger Serial Number	Charger Capacity kW	Charger Brand	Charger Model	Awarded Amount	Reimbursement Amount	Cost Share Amount	Notes
2000066141	City of Charlotte	1FUJH4F7XRPVL7917	T184-HU1-2422-052	180	ABB	Terra 184HC	\$75,000.00	\$75,000.00	\$276,899.00	

Open Obligated Contracts					
Contract Number	Recipient	Contract Amount	Remaining Amount	Contract Expiration Date	Notes
2000065290	NC Dept of Adult Corrections	\$450,595.00	\$450,595.00	6/30/2026	
2000065293	NC Dept of Adult Corrections	\$258,711.00	\$258,711.00	6/30/2027	Contract extended
Total		\$709,306.00	\$709,306.00		

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 1 - Class 8 Local Freight Trucks	NCDEQ-Class 8 Trucks-FY22	Two claims paid out since January. The DAC project 65293VW has extended their contract to 6/30/2027. The DAC project 65290VW has completed their work and is finalizing claim documentation.

NCDEQ Diesel Bus & Vehicle Program - EMA 2 Class 4-8 School, Shuttle, & Transit Buses

Beneficiary	North Carolina - VW Phase 2
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$45,016,414.00	\$45,016,414.00
Funds Expended - Equipment	\$1,103,153.00	\$37,120,195.23	\$38,223,348.23
Funds Expended - Administrative	\$5,919.00	\$334,003.56	\$339,922.56
Funds Returned to Trustee	\$0.00	\$473,536.00	\$473,536.00
Remaining Balance			\$5,979,607.21

Summary of EMA 2 Costs for Reporting Period																				
# of Class 4-8 Bus Replacement Projects Completed	Number of Buses Replaced	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Equipment Funds Returned to Trustee for Reporting Period	Administrative Funds Expended for Reporting Period	Previous Funds Expended (Equipment & Administrative)	Previous Equipment Funds Expended	Previous Administrative Funds Expended	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes								
School Bus - All Electric	0	\$1,109,072.00	\$0.00	\$0.00	\$5,919.00	\$37,454,198.79	\$37,120,195.23	\$334,003.56	\$38,563,270.79	\$38,223,348.23	\$339,922.56									
School Bus - Propane	0																			
School Bus - Diesel	0																			
Shuttle/Transit Bus - All Electric	3		\$1,103,153.00	\$0.00																
Shuttle/Transit Bus - Bi-Fuel	0																			
Shuttle/Transit Bus - CNG	0																			
Shuttle/Transit Bus - Diesel	0																			
TOTALS	3	\$1,109,072.00	\$1,103,153.00	\$0.00	\$5,919.00	\$37,454,198.79	\$37,120,195.23	\$334,003.56	\$38,563,270.79	\$38,223,348.23	\$339,922.56									

Vehicle List												
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Notes	
2000061511	City of Raleigh	4UZAACDU39CAK9910	4UZAEG64RCVF1316	\$413,653.00	\$413,653.00	\$0.00	Diesel	Electric	2008	2024		
2000061879	Town of Chapel Hill	15GGD301271078354	15GGD2818P3198064	\$334,000.00	\$334,000.00	\$802,193.67	Diesel	Electric	2007	2023		
		15GGD271971078352	15GGD281XP3198065	\$334,000.00	\$334,000.00	\$802,193.67	Diesel	Electric	2007	2023		

Contract Number	Recipient	Associated Replacement EV Bus VIN	Charger Serial Number	Charger Capacity kW	Charger Brand	Charger Model	Awarded Amount	Reimbursement Amount	Cost Share Amount	Notes
2000061511	City of Raleigh	4UZAEG64RCVF1316	DL0040B1GP4C00011G	80	Autel	UW040A2501	\$21,500.00	\$21,500.00	\$0.00	

Open Obligated Contracts					
Contract Number	Recipient	Contract Amount	Remaining Amount	Contract Expiration Date	Notes
2000062038	Duke University	\$641,339.00	\$641,339.00	9/30/2026	Contract extended
2000061566	City of Durham	\$845,600.00	\$845,600.00	9/30/2026	Contract extended
2000061508	City of Greensboro	\$729,097.00	\$729,097.00	6/30/2026	
2000061648	NC Depart. of Natural and Cultural Res.	\$904,290.00	\$904,290.00	6/30/2027	Contract extended
	Total	\$3,120,326.00	\$3,120,326.00		

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 2 Class 4-8 School, Shuttle, & Transit Buses	NCDEQ-Class 4-8-Buses-FY22	School Bus: Final awardee terminated the remainder of the project.
		Shuttle or Transit: Two claims paid during reporting period. Other claims have been received and are under review. Charlotte Area Transit System decided not to pursue funding of the EV infrastructure it was awarded.

NCDEQ Diesel Bus & Vehicle Program - EMA 3 Freight Switchers

Beneficiary	North Carolina - VW Phase 2
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$4,416,386.00	\$4,416,386.00
Funds Expended - Equipment	\$207,563.00	\$1,818,130.00	\$2,025,693.00
Funds Expended - Administrative	\$1,973.00	\$39,138.38	\$41,111.38
Funds Returned to Trustee	\$0.00	\$0.00	\$0.00
Remaining Balance			\$2,349,581.62

Summary of EMA 3 Costs for Reporting Period												
# of Freight Switcher Replacement Projects Completed	Number of Freight Switchers Replaced	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Equipment Funds Returned to Trustee for Reporting Period	Administrative Funds Expended for Reporting Period	Previous Funds Expended (Equipment & Administrative)	Previous Equipment Funds Expended	Previous Administrative Funds Expended	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
All Electric	1	\$209,536.00	\$207,563.00	\$0.00	\$1,973.00	\$1,857,268.38	\$1,818,130.00	\$39,138.38	\$2,066,804.38	\$2,025,693.00	\$41,111.38	
TOTALS	1	\$209,536.00	\$207,563.00	\$0.00	\$1,973.00	\$1,857,268.38	\$1,818,130.00	\$39,138.38	\$2,066,804.38	\$2,025,693.00	\$41,111.38	

Vehicle List												
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Notes	
2000065129	County of Hertford	N/A	N/A	\$4,141,386.00	\$207,563.00	\$0.00	Diesel	Electric	1954	2024		

Open Obligated Contracts					
Contract Number	Recipient	Contract Amount	Remaining Amount	Contract Expiration Date	Notes
2000065129	County of Hertford	\$4,141,386.00	\$2,115,693.00	6/30/2027	Contract extended
	Total	\$4,141,386.00	\$2,115,693.00		

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 3 Freight Switchers	NCDEQ-FREIGHT-SWITCHERS-FY22	Hertford County had their third contract paid out in the amount of \$207,536 and their contract extended by another year to 6/30/2027.

NCDEQ Diesel Bus & Vehicle Program - EMA 4 Ferries/Tugs

Beneficiary	North Carolina - VW Phase 2
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Cumulative
Trust Funds Received		
Funds Expended		
Remaining Balance		

Summary of EMA 4 Costs for Reporting Period								
# of Ferry/Tug Repower Projects Completed	Number of Ferries/Tugs Repowered	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Administrative Funds Expended for Reporting Period	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
All Electric	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
CNG/Propane	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Plug-in Hybrid	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Hybrid	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
TOTALS	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	

Vehicle List											
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Notes

Open Obligated Contracts				
Contract Number	Recipient	Contract Amount	Remaining Amount	Contract Expiration Date
	Total	\$0.00	\$0.00	

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 4 Ferries/Tugs		

NCDEQ Diesel Bus & Vehicle Program - EMA 5 Ocean Going Vessels Shorepower

Beneficiary	North Carolina - VW Phase 2
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Cumulative
Trust Funds Received		
Funds Expended		
Remaining Balance		

Summary of EMA 5 Costs for Reporting Period								
# of OGV Shorepower Projects Completed	Number of OGV Shorepower Systems Installed	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Administrative Funds Expended for Reporting Period	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
All Electric	0	\$0.00	\$0.00	\$0.00				
CNG/Propane	0	\$0.00	\$0.00	\$0.00				
Plug-in Hybrid	0	\$0.00	\$0.00	\$0.00				
Hybrid	0	\$0.00	\$0.00	\$0.00				
TOTALS	0	\$0.00	\$0.00	\$0.00				

Vehicle List											
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Notes

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 5 Ocean Going Vessels Shorepower		

NCDEQ Diesel Bus & Vehicle Program - EMA 6 Class 4-7 Local Freight Trucks

Beneficiary	North Carolina - VW Phase 2
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$5,368,075.00	\$5,368,075.00
Funds Expended - Equipment	\$0.00	\$390,189.36	\$390,189.36
Funds Expended - Administrative	\$0.00	\$81,064.02	\$81,064.02
Funds Returned to Trustee	\$0.00	\$2,774.64	\$2,774.64
Remaining Balance			\$4,894,046.98

Summary of EMA 6 Costs for Reporting Period												
# of Class 4-7 Local Freight Trucks Replacement/Repower Projects Completed	Number of Vehicles Replaced/Repowered	Funds Expended (Equipment & Administrative)	Equipment Funds Expended	Equipment Funds Returned to Trustee for Reporting Period	Administrative Funds Expended	Previous Funds Expended (Equipment & Administrative)	Previous Equipment Funds Expended	Previous Administrative Funds Expended	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
CNG/Propane	0	\$0.00	\$0.00	\$0.00	\$0.00	\$471,253.38	\$390,189.36	\$81,064.02	\$471,253.38	\$390,189.36	\$81,064.02	
Diesel	0		\$0.00									
Electric	0		\$0.00									
TOTALS	0	\$0.00	\$0.00	\$0.00	\$0.00	\$471,253.38	\$390,189.36	\$81,064.02	\$471,253.38	\$390,189.36	\$81,064.02	

Vehicle List												
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Notes	

Open Obligated Contracts					
Contract Number	Recipient	Contract Amount	Remaining Amount	Contract Expiration Date	Notes
2000065292	Cumberland County Solid Waste	\$812,655.00	\$812,655.00	6/30/2026	
2000065293	NC Dept of Adult Corrections	\$3,561,366.00	\$3,561,366.00	6/30/2027	Contract extended
Total		\$4,374,021.00	\$4,374,021.00		

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 6 Class 4-7 Local Freight Trucks	NCDEQ-Class 4-7 Trucks-FY22	Cumberland County has finished their project and are finalizing claim documentation. The DAC project 65293VW has extended their contract to 6/30/2027.

NCDEQ Diesel Bus & Vehicle Program - EMA 7 Airport Ground Support Equipment

Beneficiary	North Carolina - VW Phase 2
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Cumulative
Trust Funds Received		
Funds Expended		
Remaining Balance		

Summary of EMA 7 Costs for Reporting Period								
# of Airport Ground Support Equipment Replacement Projects Completed	Number of Equipment Replaced	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Administrative Funds Expended for Reporting Period	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
All Electric	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
TOTALS	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	

Vehicle List											
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Notes

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 7 Airport Ground Support Equipment		

NCDEQ Diesel Bus & Vehicle Program - EMA 8 Forklifts and Port Cargo Handling Equipment

Beneficiary	North Carolina - VW Phase 2
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Cumulative
Trust Funds Received		
Funds Expended		
Remaining Balance		

Summary of EMA 8 Costs for Reporting Period								
# of Forklifts and Port Cargo Handling Equipment Replacement Projects Completed	Number of Forklifts and Port Cargo Handling Equipment Replaced	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Administrative Funds Expended for Reporting Period	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
All Electric	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
TOTALS	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	

Vehicle List											
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	Awarded Amount	Reimbursement Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Notes

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 8 Forklifts and Port Cargo Handling Equipment		

NCDEQ DC Fast and Level 2 Infrastructure Programs - EMA 9 Electric Vehicle Supply Equipment

Beneficiary	North Carolina - VW Phase 2
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$10,100,000.00	\$10,100,000.00
Funds Expended - Equipment	\$1,128,324.02	\$5,090,454.71	\$6,218,778.73
Funds Expended - Administrative	\$25,649.00	\$204,004.73	\$229,653.73
Funds Returned to Trustee	\$0.00	\$23,324.67	\$23,324.67
Remaining Balance			\$3,628,242.87

Summary of EMA 9 Costs for Reporting Period												
# of Charging Sites Completed	Number of Charging Supply Equipment	Funds Expended (Equipment & Administrative)	Equipment Funds Expended	Equipment Funds Returned to Trustee for Reporting Period	Administrative Funds Expended	Previous Funds Expended (Equipment & Administrative)	Previous Equipment Funds Expended	Previous Administrative Funds Expended	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
DC Fast	8	\$1,153,973.02	\$913,974.02	\$0.00	\$25,649.00	\$5,294,459.44	\$5,090,454.71	\$204,004.73	\$6,448,432.46	\$6,218,778.73	\$229,653.73	
Level 2	5		\$214,350.00	\$0.00								
TOTALS	13	\$1,153,973.02	\$1,128,324.02	\$0.00	\$25,649.00	\$5,294,459.44	\$5,090,454.71	\$204,004.73	\$6,448,432.46	\$6,218,778.73	\$229,653.73	

Charging Equipment								
Agreement Number	Serial Number	Total Cost	VW Funds	Cost Share	Date of Reimbursed	Charging kW	Type	
2000066328	CTX24030240	\$159,721.95	\$111,805.37	\$47,916.58	4/8/2026	180	DC Fast Public	
2000066329	CTX23020238	\$198,762.40	\$117,161.00	\$81,601.40	4/8/2026	180	DC Fast Public	
2000066350	CTX24030235	\$226,573.70	\$117,161.00	\$109,412.70	4/8/2026	180	DC Fast Public	
2000066357	CTX24030234	\$158,562.35	\$110,933.65	\$47,628.70	4/8/2026	180	DC Fast Public	
2000066353	CTX23020237	\$499,707.90	\$216,345.00	\$283,362.90	4/21/2026	125	DC Fast Public	
	CTX23070904					125		
2000085487	233514053508	\$124,304.00	\$76,000.00	\$48,304.00	5/11/2026	125	DC Fast Public	
	233014046380					125		
2000065474	231914030275	\$139,548.72	\$119,568.00	\$19,980.72	5/19/2026	125	DC Fast Public	
	231614021540					125		
2000065020	232114035406	\$65,640.75	\$45,000.00	\$20,640.75	6/17/2026	50	DC Fast Public	
2000064781	TBD	\$27,065.00	\$14,099.00	\$12,966.00	1/22/2026	TBD	Level 2 Public	
2000064800	B7S24292J04301	\$98,264.84	\$53,595.00	\$44,669.84	3/24/2026	11.5	Level 2 Not Public	
	B7S24292J04285					11.5		
	B7S24292J04333					11.5		
	B7S24292J04339					11.5		
	B7S24292J04328					11.5		
	B7S24292J04300					11.5		
	B7S24292J04298					11.5		
2000066571	BAE801398	\$32,454.68	\$24,000.00	\$8,454.68	5/12/2026	9.8	Level 2 Public	
	BAE801167					9.8		
	BAE801287					9.8		
2000064792	838148300	\$62,580.00	\$61,328.00	\$1,252.00	5/19/2026	7.7	Level 2 Public	
	838148301					7.7		
	838148302					7.7		
	838148303					7.7		
2000064794	838148322	\$62,580.00	\$61,328.00	\$1,252.00	5/19/2026	7.7	Level 2 Public	
	838148323					7.7		
	838148324					7.7		
	838148325					7.7		

Open Obligated Contracts							
Contract Number	Recipient	Contract Amount	Remaining Amount	Agreement/Contract Expiration Date	Award Date	Program	Notes
2000065475	NC Electric Membership Corp-TriCounty EMC Sandpiper Seafood	\$96,000.00	\$96,000.00	6/30/2026	10/31/2022	DC Fast	
2000066928	Pilot Travel Centers LLC-Pilot Flying J Store 6996	\$228,000.00	\$228,000.00	6/30/2027	10/31/2022	DC Fast	Contract extended
2000065462	Hackney Petroleum INC	\$46,000.00	\$46,000.00	6/30/2025	10/31/2022	DC Fast	
2000066930	City of Durham	\$57,500.00	\$57,500.00	6/30/2027	10/31/2022	DC Fast	Contract extended
2000065465	NC Electric Membership Corp-Piedmont EMC at Carrboro Plaza Expansion	\$46,000.00	\$46,000.00	6/30/2027	10/31/2022	DC Fast	Contract extended
2000085488	Town of Warrenton	\$141,742.00	\$141,742.00	10/9/2027	7/3/2025	DC Fast	
2000085866	Universal EV LLC-Shivs Corner	\$185,656.00	\$185,656.00	11/5/2027	7/3/2025	DC Fast	

2000085865	Universal EV LLC-Holiday Inn Express & Suites Sanford	\$186,712.00	\$186,712.00	11/5/2027	7/3/2025	DC Fast	
2000085864	Blink Network LLC-Royal Farms Caratoke Grandy	\$317,267.00	\$317,267.00	11/21/2027	7/3/2025	DC Fast	
2000085863	Blink Network LLC-Royal Farms Stantonsburg, Greenville	\$317,267.00	\$317,267.00	11/21/2027	7/3/2025	DC Fast	
2000085862	Blink Network LLC-Sandhills Shopping Center Sandhills Blvd-Aberdeen	\$174,103.00	\$174,103.00	11/21/2027	7/3/2025	DC Fast	
2000085785	Arko Convenience Stores, LLC	\$138,637.00	\$138,637.00	11/7/2027	7/3/2025	DC Fast	
2000064747	NC Depart. of Natural and Cultural Res.-Umstead State Park	\$36,880.00	\$3,688.00	12/31/2026	10/13/2022	Level 2	Contract extended
2000064784	NC Depart. of Natural and Cultural Res.-NC Museum of Natural Sciences - Whitevil	\$28,865.00	\$2,886.00	12/31/2026	10/13/2022	Level 2	Contract extended
2000064789	NC Depart. of Natural and Cultural Res.-President James K. Polk State Historic S	\$24,015.00	\$2,401.00	12/31/2026	10/13/2022	Level 2	Contract extended
2000064748	NC Depart. of Natural and Cultural Res.-Umstead State Park - Crabtree Creek and	\$20,965.00	\$2,096.50	12/31/2026	10/13/2022	Level 2	Contract extended
2000064785	NC Depart. of Natural and Cultural Res.-NC Aquarium at Fort Fisher	\$19,865.00	\$1,986.00	12/31/2026	10/13/2022	Level 2	Contract extended
2000064786	NC Depart. of Natural and Cultural Res.-NC Aquarium at Pine Knoll Shores	\$25,865.00	\$2,586.00	12/31/2026	10/13/2022	Level 2	Contract extended
2000064787	NC Depart. of Natural and Cultural Res.-Jennette's Pier	\$35,980.00	\$3,598.00	12/31/2026	10/13/2022	Level 2	Contract extended
2000064790	NC Depart. of Natural and Cultural Res.-NC Transportation Museum	\$19,865.00	\$1,986.50	12/31/2026	10/13/2022	Level 2	Contract extended
2000064791	NC Depart. of Natural and Cultural Res.-Fort Fisher State Historic Site	\$19,865.00	\$19,865.00	6/30/2027	10/13/2022	Level 2	Contract extended
2000064781	NC Depart. of Natural and Cultural Res.-Prairie Ridge Ecostation, NC Museum of N	\$27,065.00	\$2,706.00	12/31/2026	10/13/2022	Level 2	Contract extended
2000064798	Rowan-Cabarrus Community College	\$31,677.00	\$31,677.00	6/30/2027	10/13/2022	Level 2	Contract extended
2000064796	NC Department of Transportation-NCDOT Ferries Division – Hatteras	\$21,468.00	\$21,468.00	6/30/2026	10/13/2022	Level 2	
2000064733	Areia, Inc.	\$24,000.00	\$24,000.00	8/9/2026	11/1/2022	Level 2	Agreement extended
2000074433	Fayetteville State University	\$15,877.00	\$15,877.00	4/5/2027	11/15/2023	Level 2	
2000074427	NC DHHS Division of Mental Health	\$29,037.00	\$29,037.00	3/25/2027	11/15/2023	Level 2	
2000074397	NC Department of Natural and Cultural Re	\$35,090.00	\$35,090.00	4/1/2027	11/15/2023	Level 2	
2000074425	NC DHHS Division of Mental Health	\$40,196.00	\$40,196.00	3/25/2027	11/15/2023	Level 2	
2000074398	East Carolina University	\$42,515.00	\$42,515.00	4/1/2027	11/15/2023	Level 2	
2000074420	University of North Carolina Wilmington	\$193,219.00	\$193,219.00	4/3/2027	11/15/2023	Level 2	
	Total	\$2,627,193.00	\$2,411,762.00				

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 9 - Electric Vehicle Supply Equipment	NCDEQ-ZEVSE-FY22	DC Fast - Eight claims completed. In the DC Fast Community and Destination Program, five awarded projects that were waiting for a state budget to be approved are now pursuing new quotes. All other projects with executed contracts are in progress and most will finish during 2026/2027.
		Level 2 - Five projects were completed. One NC DNCR project received partial reimbursement up to 90% of their contract amount. Extensions were given to awardees that could not install and activate their EV Infrastructure by the contract or agreement's expiration date.

NCDEQ Diesel Bus & Vehicle Program - EMA 10 DERA Option

Beneficiary	North Carolina - VW Phase 2
Lead Agency	NC Department of Environmental Quality
Reporting Period	January 1, 2026 to June 30, 2026

Equipment & Administrative Funding	Reporting Period	Previous Reporting Period	Cumulative
Trust Funds Received	\$0.00	\$1,303,445.00	\$1,303,445.00
Funds Expended - Equipment	\$0.00	\$378,267.00	\$378,267.00
Funds Expended - Administrative	\$0.00	\$0.00	\$0.00
Funds Returned to Trustee	\$0.00	\$25,476.00	\$25,476.00
Remaining Balance			\$899,702.00

Summary of EMA 10 Costs for Reporting Period												
# of DERA Option Replacement Projects Completed	Number of DERA Option Equipment/Vehicles Replaced	Funds Expended (Equipment & Administrative) for Reporting Period	Equipment Funds Expended for Reporting Period	Equipment Funds Returned to Trustee for Reporting Period	Administrative Funds Expended for Reporting Period	Previous Funds Expended (Equipment & Administrative)	Previous Equipment Funds Expended	Previous Administrative Funds Expended	Cumulative Funds Expended (Equipment & Administrative)	Cumulative Equipment Funds Expended	Cumulative Administrative Funds Expended	Notes
All Electric	0	\$0.00	\$0.00	\$0.00	\$0.00	\$378,267.00	\$378,267.00	\$0.00	\$378,267.00	\$378,267.00	\$0.00	
CNG/Propane	0		\$0.00									
Diesel	0		\$0.00									
Hybrid	0		\$0.00									
TOTALS	0	\$0.00	\$0.00	\$0.00	\$0.00	\$378,267.00	\$378,267.00	\$0.00	\$0.00	\$0.00	\$0.00	

Vehicle List													
Contract Number	Recipient	Original Vehicle VIN	Replacement Vehicle VIN	VW Awarded Amount	VW Reimbursement Amount	DERA Awarded Amount	Cost Share Amount	Original Vehicle Fuel Type	Replacement Vehicle Fuel Type	Original Vehicle Engine Model Year	Replacement Vehicle Engine Model Year	Notes	

Open Obligated Contracts							
Contract Number	Recipient	Contract Amount	DERA Amount	VW Amount	Remaining Amount	Contract Expiration Date	Notes
2000066463	Bald Head Island Transport	\$185,600.00	\$107,834.00	\$77,766.00	\$185,600.00	9/30/2026	
2000066467	Town of Chapel Hill	\$297,400.00	\$172,789.00	\$124,611.00	\$297,400.00	9/30/2026	
2000077828	City of Statesville	\$109,711.00	\$63,500.00	\$46,211.00	\$109,711.00	9/30/2026	
2000077829	Delta Air Lines, Inc.	\$132,420.00	\$76,000.00	\$56,420.00	\$132,420.00	9/30/2026	
2000077841	Southeast Crescent Shipping Co	\$97,933.00	\$56,500.00	\$41,433.00	\$97,933.00	9/30/2026	
2000077844	Harris Teeter LLC	\$158,480.00	\$90,500.00	\$67,980.00	\$158,480.00	9/30/2026	
2000086421	County of Cumberland	\$289,380.00	\$167,840.00	\$121,540.00	\$289,380.00	9/30/2026	
2000086424	Waste Management of Carolinas, Inc.	\$120,000.00	\$69,600.00	\$50,400.00	\$120,000.00	9/30/2026	
2000086423	Town of Carrboro	\$6,951.00	\$4,032.00	\$2,919.00	\$6,951.00	9/30/2026	
2000086428	Fortner Contracting Inc	\$62,039.00	\$35,983.00	\$26,056.00	\$62,039.00	9/30/2026	
2000086429	Delta Air Lines, Inc.	\$268,248.00	\$155,584.00	\$112,664.00	\$268,248.00	9/30/2026	
2000086422	Espinoza Hauling & Trucking Co. Inc	\$185,991.00	\$107,875.00	\$78,116.00	\$185,991.00	9/30/2026	
2000086420	The HMC Paving & Construction co.	\$19,913.00	\$11,550.00	\$8,363.00	\$19,913.00	9/30/2026	
	Total	\$1,934,066.00	\$1,119,587.00	\$814,479.00	\$1,934,066.00		

Eligible Mitigation Action	Beneficiary Plan Project Title	Reporting Period Project Summary
EMA 10 DERA Option	NCDEQ-DERA-FY-2021	This phase has open obligated contracts. Bald Head Island completed its project and submitted the claim. The claim issue has been resolved, and reimbursement is expected to be processed soon following completion of the review. The Town of Chapel Hill has received the vehicle and is currently in the project closeout phase. The Town is preparing to submit its reimbursement claim.
	NCDEQ-DERA-FY-2023	This phase has open obligated contracts. Southeast Crescent Shipping Company has completed the fork truck replacement project and submitted a claim. The claim is currently under review for reimbursement. Waste Management of Carolinas, Inc. has placed the vehicle order, with the delivery anticipated in October. The City of Statesville has completed the project. The old equipment has been scrapped and documented, and new equipment has been purchased. They are preparing the final closeout documents. Harris Teeter has an electric switcher replacement project underway and is currently testing the electric switcher. Delta Air Lines has received four baggage tractors which are currently in service. New contracts have been executed for eight awarded FY2025 projects. Espinoza Hauling and Trucking Co Inc., Fortner Contracting Inc., and HMC Paving and Construction Co Inc. have submitted their claims while work is in progress for the remaining projects.