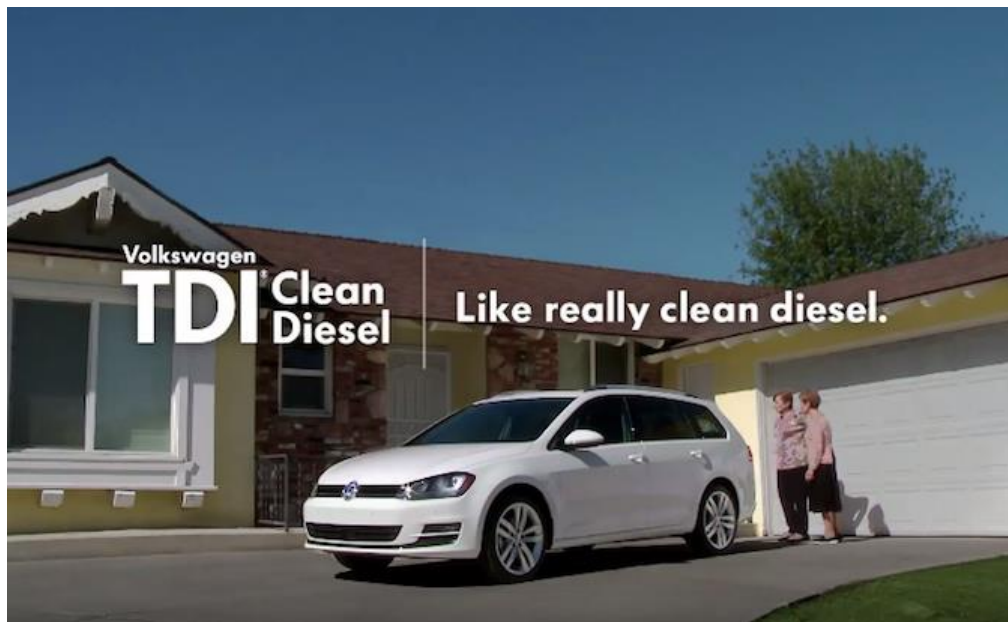


Diesel Legislative Work Group

VW Settlement Decree



July 19, 2016

Volkswagen Settlement Decree

Litigation brought by EPA, FTC, consumer class action lawsuits

Volkswagen, Audi 2.0 liter diesel passenger cars

Manufactured with emission defeat devices
Model years 2009 – 2015

vwcourtsettlement.com

Volkswagen Settlement Decree

Consumer Options

ZEV Investment Plan

Environmental Mitigation Fund

Consumer Options

Buyback or Repair

Minimum owner restitution \$5,100 - \$9,800

If recall does not reach 85% of affected vehicles by June 30, 2019

- \$85 M for each 1% shortfall to Environmental Mitigation Fund
- \$13.5 M for each 1% shortfall to California EMF

ZEV Investment

\$1.2 B 49 states
\$800 M California

Plan developed, managed by VW
Approved, monitored by EPA & CARB

Brand neutral education and public outreach

Programs to increase familiarity, car- and ride- sharing

Public charging and/or hydrogen fueling infrastructure

Environmental Mitigation Fund

\$2.7 B total, allocated per vehicle registration share

\$68,239,143.96 Oregon

- Governor designates recipient agency
- Certifies authority to accept and direct funds
- Waives claims for further injunctive relief
- Cars will not be denied registration due solely to presence of defeat devices
- Notify federal agencies of fund availability

Environmental Mitigation Fund

Mitigation Plan

Type of activities supported

Goals to be met

Consideration for relief to disproportionately impacted populations

Range of emission benefits to be realized

Environmental Mitigation Fund

Eligible Mitigation Actions

Focusing on NOx reductions from diesel engine mobile sources

In all repower and replacement projects, older diesel engine or vehicle is scrapped

Environmental Mitigation Fund

Eligible Mitigation Actions

Class 4-8 trucks, school buses, transit buses, shuttle buses

Non-government owned

40% for repower, diesel or alternative fuel

25% for new diesel or alternative fuel vehicle

50% for dray truck

75% for all electric repower or new electric vehicle

Environmental Mitigation Fund

Eligible Mitigation Actions

Class 4-8 trucks, school buses, transit buses, shuttle buses

Government owned

100% for repower, diesel or alternative fuel

100% for new diesel or alternative fuel vehicle

100% for all electric repower or new electric vehicle

Environmental Mitigation Fund

Eligible Mitigation Actions

Freight Switchers (pre-Tier 4 operating > 1000 hrs/yr)

Non-government owned

40% for repower, diesel or alternative fuel

25% for new diesel or alternative fueled switcher

75% for all electric repower or new electric switcher

Environmental Mitigation Fund

Eligible Mitigation Actions

Freight Switchers (pre-Tier 4 operating > 1000 hrs/yr)

Government owned

100% for repower, diesel or alternative fuel

100% for new diesel or alternative fueled switcher

100% for all electric repower or new electric switcher

Environmental Mitigation Fund

Eligible Mitigation Actions

Ferries/Tugs (Tier 0, 1, 2 marine engines)

Non-government owned

40% for repower to Tier 3, 4 or alternative fuel

75% for all electric repower

Environmental Mitigation Fund

Eligible Mitigation Actions

Ferries/Tugs (Tier 0, 1, 2 marine engines)

Government owned

100% for repower to Tier 3, 4 or alternative fuel

100% for all electric repower

Environmental Mitigation Fund

Eligible Mitigation Actions

Airport Ground Support Equipment (Tier 0, 1, 2)

Non-government owned

75% for repower to electric

75% for all electric equipment

Environmental Mitigation Fund

Eligible Mitigation Actions

Airport Ground Support Equipment (Tier 0, 1, 2)

Government owned

100% for repower to electric

100% for all electric equipment

Environmental Mitigation Fund

Eligible Mitigation Actions

Forklifts (>8000 pound lift capacity)

Non-government owned

75% for repower to electric

75% for all electric equipment

Environmental Mitigation Fund

Eligible Mitigation Actions

Forklifts (>8000 pound lift capacity)

Government owned

100% for repower to electric

100% for all electric equipment

Environmental Mitigation Fund

Eligible Mitigation Actions

Ocean Going Vessel Shorepower

Non-government owned

25% for shoreside power system

Environmental Mitigation Fund

Eligible Mitigation Actions

Ocean Going Vessel Shorepower
Government owned

100% for shoreside power system

Environmental Mitigation Fund

Eligible Mitigation Actions

Up to 15% for ZEV fuel

Level 1, 2 or fast charge equipment

100% if available to public at government facility

80% if available to public at non-government owned

60% if available at workplace but no public access

60% if available at multi-unit dwelling but no public
access

Environmental Mitigation Fund

Eligible Mitigation Actions

Up to 15% for ZEV fuel

Hydrogen fueling infrastructure

33% if available to public, dispensing at least 250 kg/day

25% if available to public, dispensing at least 100 kg/day

Environmental Mitigation Fund

Eligible Mitigation Actions

DERA Option

Settlement funds can count towards state match
May support DERA eligible actions not specifically
listed as eligible mitigation actions

- Truck stop electrification
- Non-road equipment repower, replacement
- Exhaust retrofits

Volkswagen Settlement Decree

June 28	Settlement papers filed with Court
July 6	Public comment opens
July 26	Preliminary approval court hearing
August 5	Public comment closes
Fall 2016	Roll out of Settlement Program

Environmental Mitigation Fund

Decree finalized – Trust Effective Date

Governor certification letter within 60 days

Beneficiary designation

Within 120 days of Trust effective date

Beneficiary mitigation plan

State submits plan within 30 days after designation

Remainder Balance Evaluation

10 years after Trust effective date