

Indiana Volkswagen Environmental Mitigation Trust Fund Committee Meeting

Wednesday, January 13, 2021
1:00 p.m.

- I. Welcome - Chair, Beverly Gard
- II. Call to Order - Chair, Beverly Gard
 - A. Overview of virtual meeting format (IDEM Media Staff)
- III. Rounds 1 & 2 Onroad-Nonroad Project Implementation/DERA Option
 - A. Status Report - IDEM
- IV. Round 2 DERA Option Project Proposals
 - A. Overview of Applications and Scoring – IDEM
 - B. Award Recommendations – IDEM
 - C. Committee Discussion
 - D. Committee Action
- V. Round 3 Onroad-Nonroad Request for Proposals
 - A. Considerations – IDEM
 - B. Committee Discussion and Recommendations
- VI. 2020 and 2021 In Perspective
 - A. Schedule of Milestones - IDEM
 - B. Preliminary Meeting Schedule – IDEM
- VII. Public comment – Open question and comment period for stakeholders
- VIII. Closing remarks – Chair, Beverly Gard
- IX. Adjournment



Indiana Volkswagen Environmental Mitigation Trust Program

*Previous Rounds Update, Round 2 DERA Option,
Potential Round 3 RFP Refinements,
and Program Next Steps*

Jan. 13, 2021



Rounds 1 & 2 Onroad-Nonroad/DERA Option Projects Update



Rounds 1 & 2 Onroad and Nonroad/DERA Option Project Implementation

- 56 projects awarded
 - Six electric school bus projects underway and on schedule
 - 23 nonelectric school bus projects underway and on schedule (five diesel, 17 propane)
 - 10 nonroad equipment and vehicle projects underway and on schedule (three diesel, one CNG, six electric)
 - Five transit bus projects underway (two CNG, three electric)
 - CNG project on schedule
 - Electric projects potentially delayed
 - Eight short haul/drayage projects underway and on schedule (four diesel, three CNG, one electric)
 - Four refuse hauler projects underway and on schedule (All CNG)
- Total vehicles funded: 296
- Total project costs: \$63,338,730
- Total Indiana VW award support: \$17,098,748



Round 2

DERA Option Applications

Round 2 Application Considerations

- More than \$2,240,000 available for Round 2 of the DERA Option Program
- \$5,084,284 was requested from Round 2 of the DERA Option Program
- Demand in Round 2 was greater than Round 1 and requests exceeded the funds available for award
- IDEM received 13 quality applications from several parts of the state using a variety of cleaner alternatives
 - Port, marine, construction, and mining activities have some of the largest potential for emission reductions and all Round 2 applications impact these sectors
 - Several innovative projects were proposed using diesel, electric, and hybrid technologies

Overview of Applications

- 13 applications received
 - One switcher locomotive to all-electric railcar mover
 - One diesel terminal trucks to all-electric
 - Six diesel front-end loaders to Tier 4 diesel
 - Four diesel excavators to Tier 4 diesel
 - Nine diesel mobile cranes to Tier 4 diesel
 - Three diesel mobile cranes to all-electric
 - One diesel material handler to Tier 4 diesel-hybrid
 - Six nonroad material hauling trucks to Tier 4 diesel
 - One diesel lift truck to Tier 4 diesel
 - Four diesel drill engine replacements to Tier 3 engines

Overview of Scoring

- Each application reviewed for eligibility
 - One application found ineligible due to Tier 4 requirement
 - Each application scored according to VW Committee-approved evaluation scoring criteria
- Each application's cost effectiveness and total NOx emission reductions were calculated using U.S. EPA's Diesel Emission Quantifier
- Each application scored by IDEM technical staff

DERA Option Project Examples



DERA Option Project Examples (cont.)





Round 2 DERA Option Award Recommendations

Applicant	Project County	Project Type	Funding Request	Applicant Match
Bulk Equipment	Porter	Nonroad Trucks	\$115,000	75%
GE Marshall	Porter	Excavators	\$338,468	75%
RH Marlin	Marion	Mobile Cranes	\$704,642	59%
Indiana Pickling	Porter	Railcar Mover	\$113,255	75%
Metro Ports	Porter	Material Handler/Loaders	\$642,452	75%
US Aggregates	Randolph	Nonroad Trucks/Loader	\$339,720	75%
TOTAL			\$2,253,537	

Note: IDEM recommends borrowing from future Rounds of VW funding the approximate amount of \$13,500 if necessary.



Round 3

Onroad and Nonroad RFP

Previously Approved Refinements

Indiana has now completed Rounds 1 and 2 of funding for both the Volkswagen Onroad and Nonroad as well as the DERA Option programs. IDEM is always looking for ways to improve programs and received VW Committee approval of the following revisions for Round 2 funding in January 2020:

- Clarify that applications will not be considered if not fully funded and shovel-ready (several current projects are delayed due to contingent funding from third parties)
- Require 1,000 operating hour requirement for only switcher locomotives and not nonroad and marine equipment (this is consistent with Appendix D-2 and was a limiting factor in both RFPs)
- When EPA's Diesel Emission Quantifier does not have default values, general business practices or industry averages will be used in emission reduction calculations
- Only allow diesel-to-diesel projects for certain types of onroad vehicles (diesel-to-diesel projects should focus on most locally impactful vehicles such as school buses and refuse haulers)

Overview of Round 3 Considerations and Recommended Refinements

Topic to consider:

- Should we consider removing diesel-to-diesel school bus and refuse hauler projects in Round 3?

IDEM recommended refinements:

- In past rounds, IDEM has occasionally recommended an award for a lesser number of vehicles than were included in the original application. IDEM recommends a re-run of the diesel emission quantifier (DEQ) using the recommended smaller number of vehicles in place of the larger number of vehicles included in the application. This re-run will be used for evaluation and scoring purposes.
- In place of the current “comparative” approach used for scoring of Cost Effectiveness and Total NOx Emission Reductions a “ranked” approach will be used. This ranked approach within each vehicle use type will provide a greater opportunity for projects to score in this category in cases where one project is dramatically higher-scoring than others.



Round 3

Considerations and Recommended Refinements

Discussion and Committee Action



2021 in Perspective



2021 Schedule of Milestones

Milestone	Estimated Completion	Volkswagen Committee Involvement
Round 2 DERA Option awards announced and Round 3 RFP change discussion	Jan. 13, 2021	Review and/or Approve
Round 3 Onroad and Nonroad RFP posted (90 days)	March 2021	NA
DC Fast short-listed applicant responses due to IDEM	March 10, 2021	NA
DC Fast awards announced	May 2021	Review and/or Approve
Round 3 Onroad and Nonroad RFP deadline	June 2021	NA
Round 3 Onroad and Nonroad awards announced	July 2021	Review and/or Approve
Round 3 DERA Option RFP posted (60 days)	September 2021	NA
Round 3 DERA Option RFP deadline	November 2021	NA
Round 3 DERA Option awards announced	December 2021	Review and/or Approve



2021 Preliminary Meeting Schedule

Related Program	Potential Meeting Date	Volkswagen Committee Involvement
Round 2 DERA Option awards announced and Round 3 RFP change discussion	Jan. 13, 2021	Review and/or Approve
DC Fast awards announced	May 2021	Review and/or Approve
Round 3 Onroad and Nonroad awards announced	July 2021	Review and/or Approve
Round 3 DERA Option awards announced	December 2021	Review and/or Approve



Opportunity for Committee to Seek Input or Public Comments from Attendees

For More Information

Indiana Volkswagen Mitigation Trust Program website:

www.idem.IN.gov/vwtrust

For program assistance:

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