State of New Jersey

Beneficiary Mitigation Plan

For the Volkswagen Mitigation Trust

December 13, 2018
# TABLE OF CONTENTS

I. Background 3

II. Mitigation Plan Overview and Goal 3

III. New Jersey Emissions Inventory 4

IV. Eligible Project Categories 6

V. Summary of Comments Received 11

VI. Mitigation Fund Investments 11

VII. Anticipated Environmental Benefits 13

VIII. Consideration of Environmental Justice Communities 14

IX. Energy and Economic Benefits 14

X. Project Partners 15

XI. Public Input 15
STATE OF NEW JERSEY
BENEFICIARY MITIGATION PLAN
FOR THE VOLKSWAGEN MITIGATION TRUST

I. BACKGROUND

In September and November 2015, the United States Environmental Protection Agency (USEPA) and the California Air Resources Board (CARB) alleged that Volkswagen had secretly installed defeat devices – software designed to cheat emissions testing and deceive federal and state regulators – in certain Volkswagen, Audi and Porsche-branded turbocharged direct injection diesel vehicles. The defeat device renders the subject vehicles’ emissions controls inoperable unless the vehicles are undergoing emissions testing. The use of the defeat devices resulted in increased emissions of oxides of nitrogen (NOx) in New Jersey and throughout the United States. NOx significantly contributes to the formation of ground level ozone, which negatively impacts the respiratory system and cardiovascular health.

On October 25, 2016 and May 17, 2017, two Partial Consent Decrees were approved between the United States, California, and Volkswagen to, among other things, offset the excess NOx emissions. The Partial Consent Decrees established a $2.925 billion Environmental Mitigation Trust, which will provide funds to all fifty states, the District of Columbia, Puerto Rico and federally recognized tribes, to implement actions to counter the air quality impacts of the excess NOx emissions resulting from the use of the defeat devices. The initial allocation to New Jersey is $72.2 million, based on the estimate 17,000 registered vehicles in the State that were equipped with these defeat devices. States have ten years (until October 2027) to spend at least 80% of their allocation, and an additional five years to spend the remaining 20%, along with any unspent balances from other beneficiaries that have been reallocated to the States pursuant to Appendix D, Section 5.4 of the Consent Decree. States cannot request more than one-third of their funding in the first year, or more than two-thirds in the first two years.

The Consent Decree established a process to administer the funds, a process for states and tribes to receive the funds, including the development of a mitigation plan, and the ten types of mitigation “actions” or projects eligible for funding under the Trust. Eight of the ten eligible mitigation actions are specific to certain types of diesel vehicles. The remaining two eligible mitigation actions cover refueling and charging equipment for light duty zero emission vehicles, and projects eligible for funding pursuant to the federal Diesel Emission Reduction Act (See Appendix D-2 of the Consent Decree and Section IV below). States may allocate up to 15% of their funds for light duty zero emission vehicle fueling and charging infrastructure.

II. MITIGATION PLAN OVERVIEW AND GOAL

New Jersey formally requested beneficiary status on November 21, 2017, which was approved by the Trustee on January 29, 2018. In its request, New Jersey designated the New Jersey Department of Environmental Protection (NJDEP) as the State’s Lead Agency delegated to act on behalf of the State
for purposes of participating in the Mitigation Trust, including preparing and submitting the Mitigation Plan and authorizing expenditures of New Jersey’s allotment for State-approved projects.

NJDEP developed a draft Mitigation Plan to provide the public with insight into the State’s vision and overall approach for using the mitigation funds allocated under the Trust. In accordance with Appendix D of the Partial Consent Decree, the mitigation plan specifically describes:

- The primary goal of the plan, which is to improve ambient air quality by using the Trust allocation to implement projects that reduce NOx, benefit disproportionately affected communities, and expedite deployment and widespread adoption of zero emission vehicles;
- The categories of eligible mitigation projects anticipated to be appropriate to achieve the stated goals and the assessment of the allocation of funds anticipated to be used for each type of eligible mitigation project; and,
- The process by which New Jersey has, and will continue to, seek and consider public input.

Pursuant to the Consent Decree, NJDEP has the discretion to adjust its objectives and spending plan when necessary to achieve the goals of the Trust and will provide updates to the Trustee and on NJDEP’s public Volkswagen Settlement webpage if amendments become necessary and appropriate.

III. NEW JERSEY EMISSIONS INVENTORY

Transportation is the largest source of ozone precursors in New Jersey, as demonstrated by the pie chart below, and contributes nearly half of the greenhouse gas emissions in the State. Vehicles emit NOx, which reacts with other pollutants to create ozone. Ground level ozone, also called smog, is like sunburn in the lungs and can cause permanent lung damage. Controlling ozone levels caused by emissions from vehicles and out-of-state sources is the State’s most significant air pollution challenge, especially since the National Ambient Air Quality Standards for ozone were lowered to 75 parts per billion (ppb) in 2008 and 70 ppb in 2015. While concentrations of ozone have decreased fairly steadily

![Projected 2017 Statewide NOx Emissions in NJ](image)

Note: The area source annual NOx % is higher than summer NOx % due to heating and wood burning. Conversely, electricity generation source summer NOx % is higher than the annual NOx % due to electric demand.
since 1988, complying with the new National Ambient Air Quality Standard will require further reductions in ozone precursors. The goal of the Beneficiary Mitigation Plan (BMP), and New Jersey’s expenditure of its allocation from the Trust, is to reduce NOx emissions, particularly in disproportionately impacted communities, and to expedite deployment of zero emission vehicles across the State.

Greenhouse gas (GHG) emissions from transportation have increased nationwide by about 17% since 1990 and will continue to rise unless there is substantial reduction in the use of fossil fuels. Based on a 2015 emissions inventory, approximately 42% of New Jersey’s GHG emissions are emitted by mobile sources. Thus, promoting the use of zero emission vehicles is a key component of New Jersey’s efforts to mitigate both GHG and NOx emissions.

![2015 NJ Statewide Greenhouse Gas Emissions Inventory](chart)

Seventy-one percent of the statewide NOx emissions inventory is from mobile sources. The chart below demonstrates that the biggest contributors are heavy duty diesel trucks and gasoline passenger vehicles, followed by diesel non-road equipment such as bulldozers. The asterisks indicate categories that are eligible for Mitigation Trust funding, pursuant to the Consent Decree.
IV. ELIGIBLE PROJECT CATEGORIES, MITIGATION STRATEGIES AND FUNDING AMOUNTS

Appendix D-2 of the Consent Decree contains categories of vehicles, vessels and equipment for which Mitigation Trust funding may be used as well as the specific emissions reduction strategies that can be applied to those vehicles, vessels and equipment.

PROJECT CATEGORIES AND MITIGATION STRATEGIES

Table 1 below details the ten eligible project categories. Under Categories 1 through 8, the vehicles, vessels and equipment that are eligible for funding under the Consent Decree are:

- Local freight trucks, port drayage trucks, school buses, shuttle buses and transit buses greater than 14,001 pounds gross vehicle weight rating;
- Airport ground support equipment;
- Freight switching locomotives that move rail cars around a rail yard;
- Ferries and tugboats;
- Forklifts and port cargo handling equipment; and
- Oceangoing vessels.

With the exception of “oceangoing vessels,” the mitigation strategies prescribed by the Consent Decree for Categories 1 through 8 are to:
• Replace an older engine with a newer engine that’s diesel, electric, or alternate fueled; or
• Repower an older engine with a newer engine that’s diesel, electric, or alternate fueled.

For oceangoing vessels, the only allowable mitigation strategy is “shorepower,” which means a system that enables a vessel’s main and auxiliary engines to remain off while the vessel is at berth, and to obtain power instead from the electrical grid.

Category 9 is light duty zero emission vehicle charging or refueling stations. Up to 15% of a state’s allocation may be used for this category.

Category 10 in Appendix D-2 of the Consent Decree is the Diesel Emission Reduction Act (DERA) option. Under the federal DERA, the U.S. Environmental Protection Agency (USEPA) provides money to the states for diesel emissions reduction projects. This is also known as the DERA Clean Diesel State Grant. New Jersey may use its Mitigation Trust funds to provide or exceed the required non-federal cost share requirement for the DERA Clean Diesel State Grant. The benefit of using the DERA option is that some emissions reduction strategies not eligible under the Consent Decree are eligible under DERA, including retrofits and idle reduction technology. DERA also allows states to fund projects on engines manufactured in earlier model years than those specified in the Consent Decree. In addition, the maximum funding levels allowed for DERA projects also differ from some of those established in the Consent Decree. Information on the DERA Option, including a comparison of the eligible project categories under the VW Mitigation Trust and DERA can be found at https://www.epa.gov/cleandiesel/vw-settlement-dera-option-supporting-documents.

FUNDING AMOUNTS

The Consent Decree prescribes the maximum allowable percentage funding for each project category and mitigation strategy. States have the discretion to award the maximum funding or less than the maximum funding.

For projects in Categories 1-8 and 10, NJDEP will award the maximum allowable percentage funding if the applicant requested the maximum in its proposal. However, applicants should be aware that a greater-than-required cost share is one of the criteria that NJDEP will use to evaluate proposals (see Section VI – Mitigation Fund Investments). Thus, if two proposals are identical, but Proposal A requests the maximum funding and Proposal B requests less than the maximum by offering a greater than required cost share, Proposal B will rate higher than Proposal A.

For Category 9 (Light Duty Zero Emission Vehicle Supply Equipment), reimbursements will be established via the It Pay$ to Plug In grant program (https://www.drivegreen.nj.gov/plugin.html)

---

² Alternate fueled is defined as an “engine which uses a fuel different from or in addition to gasoline fuel or diesel fuel (e.g., compressed natural gas (CNG), propane, diesel-electric hybrid).”
which is currently funding up to $750 per Level 1 charging station, $5,000 per single-port Level 2 charging station, and $6,000 per dual-port Level 2 funding station

**Categories 1-8, Government Owned Vehicles, Vessels, or Equipment.** For government owned vehicles, vessels or equipment in Categories 1 through 8, allowable funding is up to 100% of the project cost. A government entity, according to Appendix D-2, includes a state or local government agency (including a school district, municipality, city, county, special district, transit district, joint powers authority, or port authority, owning fleets purchased with government funds) and a tribal government or native village.

**Categories 1-8, Non-Government Owned Vehicles, Vessels, or Equipment.** For non-government owned vehicles, vessels and equipment, allowable funding is:

- Up to 40% of the cost to repower an engine with a new diesel or alternate fueled engine;
- Up to 25% of the cost to purchase a new diesel or alternate fueled vehicle (except in the case of port drayage trucks, which is up to 50%);
- Up to 75% of the cost to repower an engine with an all-electric engine; or
- Up to 75% of the cost to purchase a new all electric vehicle.

Alternate fueled is defined as an “engine which uses a fuel different from or in addition to gasoline fuel or diesel fuel (e.g., compressed natural gas (CNG), propane, diesel-electric hybrid).”

**Category 9, Light Duty Zero Emission Vehicle Supply Equipment.** Electric vehicle (EV) supply equipment including Level 1, Level 2 or fast charging equipment; or certain hydrogen dispensing equipment for fuel cell vehicles.

- Up to 100% of the cost to purchase, install and maintain publicly accessible EV charging stations at a Government Owned Property.
- Up to 80% of the cost to purchase, install and maintain publicly accessible EV charging stations at a Non-Government Owned Property.
- Up to 60% of the cost to purchase, install and maintain EV charging stations that are available at a workplace but not to the general public.
- Up to 60% of the cost to purchase, install and maintain EV charging stations that are available at a multi-unit dwelling (e.g., apartments and condominiums) but not to the general public.
- Up to 33% of the cost to purchase, install and maintain hydrogen fuel cell fueling equipment that is available to the public and capable of dispensing at least 250 kg/day.
- Up to 25% of the cost to purchase, install and maintain hydrogen fuel cell fueling equipment that is available to the public and capable of dispensing at least 100 kg/day.

Table 1 below summarizes the ten eligible project categories, mitigation strategies and maximum allowable funding amounts pursuant to Appendix D-2 of the Consent Decree.
<table>
<thead>
<tr>
<th>Eligible Category</th>
<th>Mitigation Strategy</th>
<th>Maximum Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Class 8 local freight trucks and port drayage trucks model year 1992-2009</td>
<td>Repower with diesel or alt. fuel</td>
<td>Non-govt 40%</td>
</tr>
<tr>
<td></td>
<td>Repower with electric, including charging equipment</td>
<td>Govt 100%</td>
</tr>
<tr>
<td></td>
<td>Replace with diesel or alt. fuel</td>
<td>Non-govt 25%</td>
</tr>
<tr>
<td></td>
<td>Replace with electric, including charging equipment</td>
<td>Govt 100%</td>
</tr>
<tr>
<td>2. Class 4-8 school buses, shuttle buses and transit buses model year 2009 or older</td>
<td>Repower with diesel or alt. fuel</td>
<td>Non-govt 40%</td>
</tr>
<tr>
<td></td>
<td>Repower with electric, including charging equipment</td>
<td>Govt 100%</td>
</tr>
<tr>
<td></td>
<td>Replace with diesel or alt. fuel</td>
<td>Non-govt 25%</td>
</tr>
<tr>
<td></td>
<td>Replace with electric, including charging equipment</td>
<td>Govt 100%</td>
</tr>
<tr>
<td>3. Freight switching locomotives pre-Tier 4 that operate &gt;1000 hours per year</td>
<td>Repower with diesel or alt. fuel</td>
<td>Non-govt 40%</td>
</tr>
<tr>
<td></td>
<td>Repower with electric, including charging equipment</td>
<td>Govt 100%</td>
</tr>
<tr>
<td></td>
<td>Replace with diesel or alt. fuel</td>
<td>Non-govt 25%</td>
</tr>
<tr>
<td></td>
<td>Replace with electric, including charging equipment</td>
<td>Govt 100%</td>
</tr>
<tr>
<td>4. Ferries and tugs that have unregulated, Tier 1 or Tier 2 marine engines</td>
<td>Repower with diesel or alt. fuel</td>
<td>Non-govt 40%</td>
</tr>
<tr>
<td></td>
<td>Repower with electric, including charging equipment</td>
<td>Govt 100%</td>
</tr>
<tr>
<td>5. Oceangoing vessels</td>
<td>Shorepower</td>
<td>Non-govt 25%</td>
</tr>
<tr>
<td>6. Class 4-7 local freight trucks model year 1992-2009</td>
<td>Repower with diesel or alt. fuel</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td>Repower with electric, including charging equipment</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td>Replace with diesel or alt. fuel</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>Replace with electric, including charging equipment</td>
<td>75%</td>
</tr>
<tr>
<td>7. Airport ground support equipment with diesel Tier 0, Tier 1 or Tier 2 engine</td>
<td>Repower or replace with electric, including charging equipment</td>
<td>75%</td>
</tr>
<tr>
<td>8. Forklifts with greater than 8000 pounds lift capacity and port cargo handling equipment</td>
<td>Repower or replace with electric, including charging equipment</td>
<td>75%</td>
</tr>
<tr>
<td>9a. Light duty electric vehicle charging stations</td>
<td>Open to public at govt owned property</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Open to public at non-govt owned property</td>
<td>80%</td>
</tr>
<tr>
<td></td>
<td>Workplace or multi-unit dwelling not open to public</td>
<td>60%</td>
</tr>
<tr>
<td>9b. Light duty hydrogen fueling stations</td>
<td>Open to public and able to dispense at least 250 kg/day</td>
<td>33%</td>
</tr>
<tr>
<td></td>
<td>Open to public and able to dispense at least 100 kg/day</td>
<td>25%</td>
</tr>
</tbody>
</table>
V. SUMMARY OF COMMENTS RECEIVED

NJDEP solicited general public input beginning in November 2017. Stakeholders and other members of the public submitted more than 25 narrative comments and over 100 project proposals via NJDEP’s public Volkswagen Settlement webpage between November 2017 and September 2018. Those comments informed the development of the draft Beneficiary Mitigation Plan which was formally released for public comment on October 4, 2018.

The narrative comments received prior to release of the draft Beneficiary Mitigation Plan are summarized below:

- **Policy Recommendations:** Coordinate efforts with other agencies; fund projects for public and private entities; accelerate funding in early years to maximize NOx benefits; focus on replacement of diesel vehicles with zero emission vehicles; provide flexible scrappage options; use simple contracting mechanisms; incorporate reliable and defensible application evaluation methods.

- **Funding Recommendations:** Use the full 15% for electric vehicle infrastructure; set reimbursement rates below maximum allowed to fund a broader number of projects; prioritize funding for commercially available products; scale funding to incentivize the cleanest engines available; provide a heavy duty vehicle replacement program; set funding allocations by category; set larger funding incentives for heavy duty engines that deliver large NOx reductions.

- **Electric Vehicles and Infrastructure:** Provide rebates, tax breaks and grants for EV charging; use intelligent siting and signage; use competitive bidding to allow for multiple vendors; give priority to urban areas, workplace charging, multi-unit dwellings and key destinations.

- **Alternative Fuel Vehicles/Technology:** Prioritize projects that can leverage existing refueling infrastructure; create fuel neutral funding programs; and use fuel cell technology for airport ground support equipment.

Additional comments were received during the public comment period for the draft Beneficiary Mitigation Plan which spanned from October 4, 2018 to November 7, 2018. Those comments are summarized and posted at [https://www.state.nj.us/dep/vw/bmp.html](https://www.state.nj.us/dep/vw/bmp.html). Also, a summary of project proposals received by NJDEP to date is posted at: [https://www.state.nj.us/dep/vw/bmp.html](https://www.state.nj.us/dep/vw/bmp.html).

VI. MITIGATION FUND INVESTMENTS

Consistent with Governor Murphy’s commitment to achieving 100% clean energy by 2050 and the State’s commitment to wide-scale deployment of electric vehicles, New Jersey’s goals for the
Mitigation Plan are to reduce NOx, benefit disproportionately impacted communities, and support the expansion of zero emission vehicle adoption across the state. Consequently, while DEP will evaluate all projects submitted, the Mitigation Trust spending strategy will focus on high-impact projects, including electrifying public transportation and heavy-duty vehicles/engines in disproportionately impacted communities. Additionally, the NJDEP will support pilot projects that will lead to scalable zero emission vehicle ventures, such as electric buses for public K-12 schools and higher education institutions. Finally, New Jersey will use the maximum allowable 15% of Mitigation Trust funding for electric vehicle charging/fueling infrastructure for light duty passenger vehicles (Category 9). NJDEP is particularly interested in pilot projects that enable residents of disproportionately impacted communities to access electric modes of transportation including electric transit buses.

In selecting projects, the NJDEP will consider several criteria:

**NOx Reduction**  The extent to which the project reduces oxides of nitrogen (NOx) in a cost effective\(^2\) and technically feasible manner.

**Environmental Justice**  The extent to which the project benefits a disproportionately impacted community.

**Learning value**  The extent to which the project is an opportunity to learn or model best practices, is scalable, and contributes to the expansion of zero emission vehicles/equipment in the state.

**Additional benefits**  The extent to which the project reduces greenhouse gas emissions (GHG) apart from NOx, is shovel-ready\(^3\), offers a greater-than-required cost share and/or provides energy and economic benefits.

NJDEP will use the following ratings in identifying the most qualified projects:

**Highly Recommended**  The project aligns extremely well with the objectives of the selection criterion under consideration. An overall rating of “highly recommended” may be given to projects that are “highly recommended” in one or more of the selection criteria, with projects that are “highly recommended” in multiple selection criteria being more likely to receive an overall project rating of “highly recommended.” A negative evaluation on the basis of any of the selection criteria may reduce the likelihood of a project receiving a “highly recommended” rating by the technical evaluators.

\(^2\) Cost effectiveness is measured in dollars per ton per year of NOx emissions reduced. The total estimated project budget, including administrative costs and the amount of cost share (if applicable), should be used in calculating cost effectiveness.

\(^3\) “Shovel-ready” means that the project proposal includes identified partner(s), location(s), source(s) of cost-share (if applicable) and an estimated timeline for implementation. NJDEP recognizes that for some vehicles and equipment, there may be a several month lag time between order and delivery. This lead time will not negatively affect NJDEP’s assessment of a project’s shovel-readiness.
Recommended: The project aligns well with the objectives of the selection criterion under consideration.

Acceptable: The project provides limited value with respect to the selection criterion under consideration.

Not Recommended: The project would not adequately promote the outcomes described for the selection criterion under consideration.

NJDEP anticipates spending its Trust allocation in three, $24.1 million phases. For each phase, NJDEP anticipates primarily funding pilot electrification projects, including the replacement of heavy duty vehicles/engines such as buses, trucks, and non-road equipment in urban areas disproportionately impacted by diesel emissions, as well as electric vehicle charging/fueling infrastructure installation in strategic locations across the state. After each phase, NJDEP may modify its approach based on experience implementing the previous phase of pilot projects. This phased approach will also allow NJDEP to adjust priorities and investments based on advancements in engine and vehicle technology.

If NJDEP’s overall goals and spending strategy changes significantly, this Beneficiary Mitigation Plan will be revised. Revisions will be provided to the Trustee and posted on NJDEP’s public website: [www.state.nj.us/dep/vw](http://www.state.nj.us/dep/vw)

VII. ANTICIPATED ENVIRONMENTAL BENEFITS

The repower and replacement of eligible vehicles, engines and equipment may provide a wide range of emission benefits based on many variables, including the type of vehicle or engine replaced, the initial age of the engine, and the engine power rating. Actual NOx emission reductions will vary based on the specific projects funded and will be calculated as funding is disbursed. In addition to NOx benefits, which are the primary goal of the Mitigation Trust, most projects will achieve co-benefits of particulate matter and other criteria pollutants. Environmental benefit summaries will be posted on NJDEP’s public facing website: [www.state.nj.us/dep/vw](http://www.state.nj.us/dep/vw).

Based on current USEPA exhaust emission standards for NOx, NJDEP estimates the following emission reductions:

- Electric engines/equipment that repower or replace eligible engines/equipment will reduce 100% of tailpipe emissions;
- Electric vehicle charging/fueling infrastructure will facilitate and promote the adoption of electric vehicles that have significantly less (in the case of plug-in hybrids) or no tail pipe emissions, compared to internal combustion engines;
- Heavy duty highway vehicles may achieve up to a 96% reduction in NOx emissions per vehicle, based on replacing a model year 1992 engine with a model year 2007 engine;
- Non-road equipment replacements, depending on the type of equipment and engine
power rating, may achieve between a 20% and 95% reduction in NOx emissions for each engine;

- Replacing the oldest (Tier 0) locomotive engines with the newest (Tier 4) engine may enable up to an 89% NOx reduction per engine;
- Repowering a ferry or tug engine may provide up to an 80% NOx reduction for each vessel; and
- Shorepower projects may reduce all NOx exhaust emissions from ocean-going vessels.

Project benefits will be estimated using the USEPA’s Diesel Emissions Quantifier or Argonne National Laboratory’s Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET) Tool and will be updated once the project is fully implemented, and actual data is received from the project partner. Co-benefits of GHG and fine particulate matter (PM 2.5) will also be calculated where possible. Projects implemented under the Trust will also reduce public exposure to diesel particulate matter, which the California Air Resources Board has classified as a known human carcinogen. Projects will also improve ambient air quality and human health in communities located in nonattainment areas and/or that bear a disproportionate share of the air pollution burden.

VIII. CONSIDERATION OF ENVIRONMENTAL JUSTICE COMMUNITIES

Pursuant to Governor Murphy’s Executive Order 23, NJDEP will develop guidance for all executive branch agencies and departments to consider environmental justice in the performance of their responsibilities. Once released in early 2019, NJDEP will use the guidance to inform the evaluation of future projects to be funded pursuant to the VW Mitigation Trust. NJDEP will also leverage its existing relationships with vulnerable communities and their active community organizations, as well as continuing to collaborate with the Environmental Justice Advisory Council, to solicit input on the funding of projects under the VW Mitigation Trust.

IX. ENERGY AND ECONOMIC BENEFITS

Investing in the replacement of heavy duty vehicles/engines with zero emission vehicles/engines, along with the installation and operation of light duty zero emission vehicle charging/fueling infrastructure, will not only reduce NOx, but also provide a wide range of energy and economic benefits to the State. New Jersey will allocate the maximum allowed to light duty zero emission vehicle charging/fueling infrastructure to support the deployment of electrified transportation options and further enhance the State’s efforts to reduce greenhouse gas emissions from the transportation sector. As the state works towards advancing the deployment of renewable energy and zero emission vehicles, strategic investments in zero emission vehicles and associated infrastructure will be necessary.

Investing in electric vehicles, equipment, and charging/fueling infrastructure will accelerate the market and is a critical strategy for reducing transportation-related air pollution, including criteria air pollutants, mobile source air toxics and greenhouse gas emissions (GHGs), not to mention enhancing energy diversity, saving consumers money, and promoting economic growth. Transportation is the largest source of GHGs in the State and adversely affects the health and well-being of our citizens.
Leveraging the Mitigation Trust to deploy electric alternatives will help improve air quality, reduce the use of petroleum-based fuels in the transportation sector, protect consumers against volatile energy prices, and support the growth of jobs, businesses and services. In addition to immediate environmental benefits, existing markets will be transformed, thus amplifying the effect of these investments. Investing in the medium and heavy duty electric vehicle market will spur technological advancement and increase demand for advanced batteries and chargers. Strategically catalyzing the market with the Mitigation Trust is an investment in clean air. In addition, electrifying transportation options in disadvantaged communities addresses barriers to clean mobility for those living in such communities.

X. PROJECT PARTNERS

This Mitigation Plan was developed and will be implemented in collaboration with our partner agencies including the Board of Public Utilities, the New Jersey Department of Transportation, and New Jersey Transit. In addition, we will work with electric vehicle charging/fueling infrastructure providers, electric vehicle manufacturers, trade associations, environmental justice organizations, and other partners to build a strong and successful ZEV industry here in New Jersey.

XI. PUBLIC INPUT

Public input was solicited through the comment and project solicitation period that began in November 2017 and shaped the priorities in this Mitigation Plan. NJDEP launched a publicly accessible website www.state.nj.us/dep/vw in the Fall of 2017 to share information regarding the settlement and provide a forum for future posting of the Mitigation Plan and related documents. The website includes the option for stakeholders to sign up for a listserv to receive email notification of any public meetings, mitigation plan updates, grant announcements, etc. The website also includes a dedicated email address for questions: vwcomments@dep.nj.gov.

Public input was solicited on the draft Mitigation Plan via webinars, public face-to-face forums, and the option to submit written comments as explained below.

Written comments. Interested parties were invited to submit comments on the draft Beneficiary Mitigation Plan until November 7, 2018 by sending to vwcomments@dep.nj.gov using the form available at www.state.nj.us/dep/vw.

Webinars. Webinars were held on October 12, 2018 at 10:00 a.m. and October 17, 2018 at 6:30 p.m.

Public outreach sessions. NJDEP also held outreach sessions as follows.

1. October 17, 2018 from 2:00 p.m. - 4:00 p.m. at NJDEP Headquarters in Trenton, NJ

2. October 22, 2018 from 2:00 p.m. - 4:00 p.m. at the North Jersey Transportation Planning
Authority in Newark, NJ

3. October 22, 2018 from 6:30 p.m. - 8:30 p.m. at the North Jersey Transportation Planning Authority in Newark, NJ

4. October 30, 2018 from 2:00 p.m. – 4:00 p.m. at the Camden County Municipal Utilities Authority in Camden, NJ

5. October 30, 2018 from 6:30 p.m. – 8:30 p.m. at the Camden County Municipal Utilities Authority in Camden, NJ

During the webinars and outreach sessions, NJDEP presented an overview of the draft Beneficiary Mitigation Plan, received comments, and answered questions. Comments are summarized and posted at:  https://www.state.nj.us/dep/vw/bmp.html. Also, a summary of project proposals received by NJDEP to date is posted at:  https://www.state.nj.us/dep/vw/bmp.html.

NJDEP will continue to share information with interested parties as follows:

- NJDEP will update the website routinely to include updates on the State’s Beneficiary Mitigation Plan, opportunities for public input, and project solicitations.
- In addition, NJDEP will make all semiannual reports describing the progress implementing each funded project publicly available by posting on the website  www.state.nj.us/dep/vw
- Further, NJDEP will post documentation and records submitted to the Trustee in support of each funding request on the website  www.state.nj.us/dep/vw.