



State Energy Strategy and VW Settlement

By: NH Office of Strategic
Initiatives

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Volkswagen Settlement

- New Hampshire is allotted almost \$31,000,000 under the terms of the Settlement Agreement
- NH's Beneficiary Mitigation Plan was submitted to the Trustee on October 7, 2019
- The Plan anticipates NH funding will be utilized over a 7 year period

NH Goals Statement

New Hampshire will use the Mitigation Trust to alleviate the excess nitrogen oxide emissions caused by the Volkswagen violations through implementation of cost-effective projects in all regions of the state. To best serve the state's economic and social well-being New Hampshire will focus on those projects that will result in broad public benefits, serve the state's economically challenged communities and make the state a welcoming environment for all ages, abilities and backgrounds to live, work, and play.

Funding Principles

- Replacement of publicly owned state and municipal vehicle fleets will benefit tax-payers by reducing maintenance and operating costs.
- Requiring some level of matching funds for all projects will result in more carefully and skillfully planned projects and will also enable more total projects to be implemented.
- Investment in electric vehicle charging infrastructure will support NH's tourism-based economy and will help attract and retain younger professionals to the state.
- It is appropriate to use the Mitigation Trust to reduce emissions in areas exposed to a disproportionate level of emissions, including economically challenged communities.
- All areas of the state should share in the benefits of the Mitigation Trust.

Funding Allotment

- Public/Government Vehicles and Equipment
 - 50 percent (\$15.5 million) - replace state and municipal vehicles and equipment under categories 1, 2, 6, and 10. (60% municipal/40% state)
- Electric Vehicle Supply Equipment
 - 15 percent (\$4.6 million) - acquisition, installation, operation and maintenance of electric vehicle charging stations

Funding Allotment – continued

- Competitive Project Solicitation
 - 20 percent (\$6.2 million) - available to all entities, public and private, through a competitive solicitation for projects in categories 1, 2, 6, 7 and 10.
- Administration Cost
 - 15 percent (No more than \$4.6 million) - utilized for administrative costs –with unused funds being added to the competitive project solicitation

Electric Vehicle Supply Equipment

- State investment of VW funds in EVSE should:
 - leverage private sector funding
 - require broad access to users
 - anticipate and prepare for technology advances in EVSE
 - consider EVSE in neighboring states & provinces and investments made by Electrify America
 - **take into consideration recommendations from the SB517 EV Infrastructure commission**
 - support NH tourism and ensure NH remains a destination for travelers from across the Northeast and Canada

First Projects

- OSI is committing approx. \$500,000 as match to the State Clean Diesel Program under the “DERA Option” (Diesel Emissions Reduction Act). Total program funding is approx. \$1.2 million.
 - Round 1 was 10/1 – 10/22
 - Round 2 is 10/23 – 11/16
 - Round 3 (if funds available) 11/17 – 12/14
- A solicitation for school bus replacement projects will be released in the coming month
 - May include electric, propane, natural gas or diesel replacements

Questions?

Program website:

<https://www.nh.gov/osi/energy/programs/vw-settlement.htm>

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