

Volkswagen Trust

Be Part of the Solution

Missouri's Volkswagen Trust Funds

EV Infrastructure Funding



What is the Volkswagen Trust?

- In 2015, VW admitted using software that caused certain diesel vehicles to perform differently during emissions tests so they would pass.
- During normal operation, these vehicles emitted nitrogen oxides (NO_x) at levels higher than EPA standards.
- VW paid \$2.9 billion into a trust fund to mitigate excess emissions
- Based on number of vehicles purchased in Missouri, the State was apportioned \$41 million



Beneficiary Mitigation Plan

- As a requirement of the Trust, MoDNR submitted a Beneficiary Mitigation Plan outlining:
 - Overall goal for the funds;
 - Selected mitigation actions to achieve the goals, and percentage of funds for each; and
 - Description of impact on areas that bear a disproportionate share of air pollution burden.
- Trust allows for 10 specific project types, mostly replacement of old diesel engines with newer engines or cleaner fuel types. Also allows for installation of EV charging infrastructure.



Beneficiary Mitigation Plan

- Trust allows for up to 15% of a state's allocation to be used for EV Infrastructure projects – Missouri committed to this level of funding in its BMP
 - About \$6.15 million dedicated to EV Infrastructure

9. <u>Light Duty Zero Emission Vehicle Supply Equipment</u>. Each Beneficiary may use up to fifteen percent (15%) of its allocation of Trust Funds on the costs necessary for, and directly connected to, the acquisition, installation, operation and maintenance of new light duty zero emission vehicle supply equipment for projects as specified below. Provided, however, that Trust Funds shall not be made available or used to purchase or rent realestate, other capital costs (e.g., construction of buildings, parking facilities, etc.) or general maintenance (i.e., maintenance other than of the Supply Equipment).



Stakeholder Involvement

- Early in process, created stakeholder workgroups consisting of the interested public and industry experts, including electric utility representatives
- Workgroup recommendations were used by department in developing the Request for Applications and other program documents
- Workgroup's priority is to ensure an EV driver can go anywhere in the state and know there will be chargers – called the Minimum Practical Network



Minimum Practical Network Siting

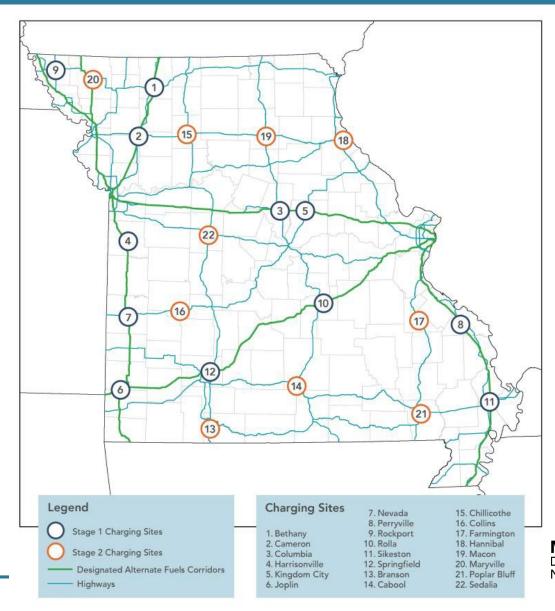
- Initial recommendations developed by utility stakeholders before VW Trust finalized
- Focused on Interstates and highways with more than 10,000 daily trips, targeting areas with 2,000+ population
- 41 identified sites:
 - 6 Electrify America sites
 - 12 sites funded by Ameren's Charge Ahead
 - 23 sites to be funded by VW Trust



Minimum Practical Network Siting



VW Trust EV Funding



MISSOURI DEPARTMENT OF NATURAL RESOURCES

VW Trust EV Funding

- Two Stages of funding:
 - **1. Stage 1** Interstates and high-traffic areas
 - Around \$3 million for 12 sites
 - Applications opened in FY21 and FY22
 - 2. Stage 2 Other highways for state coverage
 - Around \$3.15 million for 10 sites
 - Applications open now through October 12



Station Requirements

- VW Trust stations must include:
 - 2 Direct Current Fast Chargers, minimum 50kW charging rate
 - At least 2 methods of payment, one of which must be a toll-free number posted on or near the charger
 - Both CCS (J1772) and CHAdeMO charging ports
 - Ability to be upgraded or expanded
 - Dedicated EV parking spaces
 - Driver amenities (restrooms, shopping, entertainment, etc)
 - Must be located near specific highway intersections
- Optionally applicants may include:
 - Level 2 charging equipment
 - On-site renewable energy generation or energy storage
- Applicants must commit to operating station for 5 years following the award and include a 5-year warranty on installed equipment



Selection of Applicants

Application Scoring Category	Points Possible
Funds Requested Subject to 80% cap of VW funding per project	25
Lowest funds request gets 25 points, all other scores get fraction of points relative to lowest request: (lowest request/request) * 25	
Host Site Distance from Highway	15
Under ½ mile to highway access point: 15 points 0.5 to 1 mile to highway access point: 10 points 1 to 2 miles to highway access point: 5 points 2 to 12 miles to highway access point: 0 points Further than 12 miles: Disqualified	
Implementation	30
Qualitative scoring of Sustainable Business Model Plan (including discussion of demand charge as a significant cost driver), Commitment, Timeline, Experience, Innovation	
Equipment	30
Maximum DCFC Charging Rate 150kW and higher: 20 points 100kW for 149 kW: 15 points 50kW to 99kW: 5 points Payment Options	
Four or more options: 5 points Three or more options: 3 points Two options: 2 points	
Level 2 Option One dual-port Level 2 charger: 5 points One single-port Level 2 charger: 2 points	
Total Points Possible	100
Bonus Points: Renewable Energy Percentage of renewable energy to power the charging station 100% renewable energy: 10 points 51-99% renewable energy: 5 points Up to 50% renewable energy: 2 points Applications should purchase RECs from the local utility first. If those are unavailable, then the application should consider on-site solar installation with battery storage. If on-site renewable generation is impractical or infeasible, describe the plan to purchase RECs on the open market.	10

- Applicants may include as many site proposals as they want, but each is scored individually
- Site is given a score 0-100:
 - Up to 70 points based on technical details of proposal
 - Up to 30 points based on Scoring Committee judgement of business plan
 - Up to 10 bonus points for inclusion of renewable energy
- Scoring Committee is made up of members from MoDOT, DED, and DNR's APCP, Division of Energy, and Division of Administrative Services



Awardee Requirements

- Once notified of selection, awardees are expected to complete project within 18 months, with various milestones detailed in program requirements.
- Awardees must submit semi-annual progress reports until station is online.
- After station is online, quarterly metrics reports about usage and outages are due for the duration of the project (5 years).
- Awardees are reimbursed for up to 80% of the eligible project costs after station is confirmed to be online and other documentation is submitted.



Other Funding Sources

- Remaining VW Trust funding may be reallocated in 2027 to States that have efficiently spent first allocation
 - Missouri likely eligible to receive additional funds, but amounts cannot be predicted
- Bipartisan Infrastructure Law includes competitive Grants for Charging and Fueling Infrastructure open exclusively to State and local governments.
 - Around \$2.5 billion available nationally, \$1.25 billion dedicated specifically for community-level grants
- Bipartisan Infrastructure Law also includes National Electric Vehicle Infrastructure Formula Program, apportioned to State DOT's
 - \$5 billion available nationally, must build along Alternate Fuels Corridors first



Questions?

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https://dnr.mo.gov/air/what-were-doing/volkswagen-trust-funds

