



MEMORANDUM

AGENDA ITEM #VI.C

DATE: FEBRUARY 26, 2018
TO: COUNCIL MEMBERS
FROM: STAFF
SUBJECT: VOLKSWAGEN SETTLEMENT UPDATE

This memorandum serves as an update to the action taken by Council members at their December 5th, 2016 meeting through Resolution 16-03, urging the Governor of Florida to apply for and administer funds associated with the Volkswagen Settlement as well as developments on the Volkswagen-administered section of the settlement impacting South Florida.

In April 2017, the U.S. Environmental Protection Agency approved the National Zero Emission Vehicle (ZEV) Investment Plan to allocate \$2 billion (\$800 million in California alone, \$1.2 billion nationally) over a period of 10 years divided in four 30-month cycles. Volkswagen selected Electrify America to manage these funds. After a round of nominations, Electrify America chose 11 metropolitan areas nationally, plus six in California for the first 30-month cycle. South Florida was awarded under this first cycle. Electrify America hosted its kickoff meeting at the Council office in August 2017 to announce its plan to invest \$5 million in commercial, multifamily residential charging, as well as supercharger locations, and education and outreach to increase the use of electric vehicles. Another \$16 million will be invested in highway fast charging throughout the state of Florida (as of August 2017). The current cycle ends June 2019, where all charging infrastructure will be at least commissioned or under construction.

Throughout 2017, interested members of the Southeast Florida Regional Climate Change Compact met by phone to discuss the potential for a regional strategy to pursue funds from the Environmental Mitigation Trust portion of the VW Settlement. Prior to the effective date of Appendix D, the Florida Department of Environmental Protection sent out a Request for Information (RFI) of possible projects eligible under the settlement. The effective date for the Environmental Mitigation Trust section of the settlement was October 2, 2017. The national trustee is Wilmington Trust, N.A. which will manage the trust for the beneficiaries. Governor Rick Scott enrolled Florida as a beneficiary in November 2017, and selected the Florida Department of Environmental Protection as the administering agency for the state, confirmed by the Wilmington Trust at the end of January 2018. Florida's updated allocation is approximately \$166 million. Funds from the mitigation trust may then be used to upgrade aging diesel-powered vehicles with newer, cleaner diesel engines or alternative fuels including natural gas or electrification. Up to 15 percent of the allocation may be used to buy, install, operate and maintain new light-duty electric charging infrastructure. FDEP will need to submit a plan by the end of April 2018. FDEP has announced their intention to secure public input through online surveys in the near future.



As previously discussed, those on the Compact call agreed that Southeast Florida should work to develop a plan to submit to the State to bring a sizeable portion of these funds, commensurate with our vehicle consumer population, to this region of Florida. Additionally, the group agreed that existing work like the EV Community Readiness Plan completed on 2013 through the Council's Southeast Florida Clean Cities Coalition, should be leveraged in plan development. Other more recent plans that could be leveraged include the Regional Climate Adaptation Plan 2.0 and the South Florida Comprehensive Economic Strategy (2017-2022.) Communication with the Climate Compact's VW working group will continue as public input information is available and a FDEP submits a plan.

Recommendation

Information only.