

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY

VOLKSWAGEN CLEAN AIR ACT CIVIL SETTLEMENT

The State of Louisiana through the Department of Environmental Quality (LDEQ), as the named beneficiary, hereby proposes its Beneficiary Mitigation Plan based upon Clear Air Act Settlements in the Volkswagen Audi and Porsche partial consent decree.

BACKGROUND

On October 25, 2016, the Volkswagen (VW) Corporation, its affiliates and the EPA finalized a partial Consent Decree related to violations of the Clean Air Act (CAA) with regard to approximately 590,000 (2.0 liter) diesel vehicles sold in the U.S. These vehicles were fitted with defeat devices that during normal vehicle operation resulted in increased emission of nitrogen oxides (NOx). NOx emissions contribute to the formation of ground level ozone and are a significant health concern.

The consent decree provides for the establishment of an Environmental Mitigation Trust to provide funds to the states to remediate the air quality impacts of the 2.0 liter vehicle emissions. Louisiana's initial share is approximately \$18 million over a three-year period. The \$18 million to be distributed from the trust fund will pay for defined eligible projects also known as eligible mitigation actions. These include projects to reduce NOx from heavy duty diesel sources near population centers, such as large trucks, school and transit buses. A complete list of eligible mitigation actions is found in Appendix D-2 of the Consent Decree. The goal of each Eligible Mitigation Action shall be to achieve reductions of NOx emissions in the United States.

PROJECTS

The state will distribute the Mitigation Trust Fund dollars among lasting, sustainable solutions. To this end, the state will give preference to projects proposed by public agencies that offer long-term benefits to the community at large.

The state is considering the replacement of or repowering of publicly owned school buses as provided in the Consent Decree and the replacement of or repowering of aging state owned heavy equipment fleet vehicles that are eligible under the mitigation trust. The vehicles will be replaced with new cleaner vehicles and or new cleaner burning engines.

As identified in Appendix D, other options are available for consideration.

Comments on the proposed Beneficiary Mitigation Plan must be received by the LDEQ no later than 4:30pm on May 21, 2018. Comments may be submitted by email to VWSettlement@la.gov

or mailed to the Department of Environmental Quality, Attn: Perry Theriot, P.O. Box 4303, Baton Rouge, LA 70821-4303 or it may be hand delivered to 602 N. Fifth Street, Baton Rouge, LA 70802. All comments should reference Agency Interest Number 204948.

The full Partial Settlement, including Appendix D is available for review at: <https://www.justice.gov/opa/file/871306/download>.