

NEWS RELEASE

Illinois Environmental Protection Agency

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Illinois EPA Announces Draft Plan to Fund \$108 Million in Alternate Fuel, Electric and Related Infrastructure Projects Agency Seeks Public Input on Draft Plan to Spend Volkswagen Settlement Funds

SPRINGFIELD — The state is unveiling its plan to spend its share of a multi-billion dollar Volkswagen Settlement. Illinois has been allocated more than \$108 million dollars after it was discovered Volkswagen installed emissions cheating software in certain diesel vehicles.

Illinois Environmental Protection Agency (Illinois EPA) Director Alec Messina announced today that the state's draft plan will use the money to fund mobile source projects such as locomotives, large and medium trucks, buses that reduce nitrogen oxide (NOx) emissions in Illinois, and related infrastructure – including electric charging stations.

"The substantial funding from the Volkswagen Settlement provides Illinois with the opportunity to achieve significant NOx emission reductions from mobile sources in areas that need it the most and to realize air quality benefits for its citizens," said Director Messina. "We look forward to public review of the draft Beneficiary Mitigation Plan and to the administration of Volkswagen funds in Illinois."

The draft Beneficiary Mitigation Plan (BMP) was developed after a thorough review of settlement requirements and after numerous meetings, discussions and communications with stakeholders. The draft is available on the Illinois EPA website. The Agency will accept formal public input through April 13, 2018.

Illinois seeks to achieve the maximum reduction of NOx emissions possible. Funds can be used to replace old diesel engines with new cleaner diesel, alternate fueled or electric engines. Illinois EPA anticipates a minimum of three rounds of funding.

The draft BMP seeks to maximize NOx reductions by focusing on:

- reducing NOx emissions in areas where the affected Volkswagen vehicles are registered, while considering areas that bear a disproportionate share of the air pollution burden, including environmental justice areas; and
- maximizing emission reductions and funding.

VW Draft Beneficiary Mitigation Plan/2

To this end, Illinois' draft BMP has identified three priority areas as well as categories and types of eligible projects. Eligible projects include on-road cleaner diesel, alternate fueled and electric trucks and buses, and non-road freight switchers, locomotives and tugboats/ferries. To promote electric vehicle adoption, Illinois will fund electric vehicle infrastructure in all eligible projects. Following public input, the Agency will submit a final BMP to the Trustee.

The Volkswagen Settlement consists of three programs: a vehicle recall and repair program (\$10 billion); a zero emission vehicle investment commitment (\$2 billion); and an environmental mitigation trust fund (\$2.84 billion to be dispersed to the states). The draft BMP, required by the Volkswagen Settlement, is Illinois' plan to allocate the funds.

Input on the draft plan, available at www.epa.illinois.gov/topics/air-quality/vw-settlement/index, should be sent to EPA.VWSettlement@illinois.gov. In addition to the draft plan, Illinois EPA has also developed a survey, available on the webpage, to help inform the Agency on projects and administration of funds. Survey responses are in addition to any public input received on the draft plan, but are likewise due by April 13, 2018. Illinois EPA will also continue to meet with interested groups throughout the public input period. Requests for such meetings should be submitted to Brad.Frost@illinois.gov.

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