



**Control of Emissions from Motor Vehicles**

Held on January 19th, 2017 at 1:30 pm

**by** Videoconference **from the** Nevada Division of Environmental Protection

4th Floor Great Basin Conference Room

901 South Stewart Street

Caron City, NV 89701

**to the** Nevada Division of Environmental Protection

Red Rock Room

2030 East Flamingo Road

Las Vegas, NV 89119

*These minutes are prepared in compliance with NRS 247.035. Text is in summarized rather than verbatim format. For complete contents, please refer to meeting tapes on file at the Nevada Department of Motor Vehicles.*

**THIS MEETING WAS PROPERLY NOTICED AND POSTED IN THE FOLLOWING LOCATIONS ON January 12th, 2017**

Department of Motor Vehicles  
555 Wright Way  
Carson City, NV. 89711

Nevada State Library  
100 N. Stewart St.  
Carson City, NV. 89701

Department of Motor Vehicles  
305 Galletti Way  
Reno, NV. 89512

Clark County Department of Air Quality Management  
500 Grand Central Pkwy  
Las Vegas, NV. 89106

Washoe County District Health Department  
1001 E. 9<sup>th</sup> St.  
Reno, NV. 89512

Department of Motor Vehicles Website  
[www.dmvnv.gov](http://www.dmvnv.gov)

Department of Motor Vehicles  
2621 East Sahara Ave.  
Las Vegas, NV. 89104

**1. Call to Order by the Chairman**

Chairman Daniel Inouye called the meeting of the Advisory Committee on Control of Emissions from Motor Vehicles to order at 1:30 pm.

**2. Roll Call**

<b>MEMBERS:</b>	<b>Representing</b>	<b>Present</b>	<b>Primary</b>	<b>Alternate</b>	<b>Voting</b>
Al Leskys	CC/DAQEM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rodney Langston	CC/DAQEM	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mike Sword	CC/DAQEM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Robert Tekniepe	CC/DAQEM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Shannon Rudolph	NDOA	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
William Striejewske	NDOA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Danilo Dragoni	NDEP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Joseph Perreira	NDEP	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sig Jaunarajs	NDEP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sarah Hills	NDEP	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Glenn Smith	DMV/CED	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Steve Mayfield	DMV/CED	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Robin Roques	DMV/CED	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mark Costa	NDOT	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sondra Rosenberg	NDOT	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Morgan Friend	DMV/CED	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Jeffrey Buss	U.S. EPA: Region 9	<input type="checkbox"/>		Ex Officio	
Julie Hunter	WC-AQMD	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Daniel Inouye - Chairman	WC -AQMD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Charlene Albee	WC-AQMD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yann Ling Barnes	WC-AQMD	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**3. Public Introductions**

**INTERESTED PARTIES:**

***Representing:***

Jessica Hernandez	DMV/CED
Rachel Phillips	DMV/CED
Joe Johnson	Citizen
Paul Enos	NV Trucking Association
Andy Mackay	NV Franchise Auto Dealers
Matthew Tuma	Governor's Office of Energy (GOE)
John Fairman	Governor's Office of Energy (GOE)
Kristin Hunicke	Opus Inspection
Tina Wolf	RTC Washoe
David Ross	Western Resource Advocates
Rebecca Nunez	Southwest Gas

**4. Public Comments**

A. No public comments.

**5. Approval of Agenda Order**

A. The agenda was approved by the committee as written.

**6. Approval of May 2016 Meeting Minutes and July 2016 Meeting Minutes**

A. The October 2016 meeting minutes were approved by the Committee with request that on page 5 the number \$1.2 million be changed to \$1.2 billion.

## 7. Volkswagen Environmental Mitigation Trust Agreement

A. Sig Jaunarajs (NDEP), gave presentation on the mitigation trust agreement from Volkswagen. The presentation is available as the last bullet at the following link.

<http://ndep.nv.gov/baqp/technical/VW.html>.

### ➤ Slide 1: Nevada Division of Environmental Protection – Bureau of Air Quality Planning

- Volkswagen Clean Air Act Partial Settlement

### ➤ Slide 2: Volkswagen Clean Air Act Partial Settlement The Issue in Summary

- Stems from the sale of approximately 590,000 model year 2009 to 2016 motor vehicles containing 2.0 and 3.0 liter diesel engines equipped with “defeat devices”
- The settlement stipulates what Volkswagen must do to address the 2.0 and 3.0 liter diesel cars on the road and the excess pollution from these vehicles; oxides of nitrogen (NOx)

### ➤ Slide 3: Volkswagen Clean Air Act Partial Settlement 3 Major Elements of the Settlement

- Buyback or Repair Requirement -Volkswagen is required to remove from commerce in the United States or perform an emissions modification on at least 85 percent of the affected 2.0 and 3.0 liter vehicles.
- Zero Emission Vehicles (“ZEVs”) Technology -Volkswagen must invest \$2 billion to promote the use of ZEVs. Example: Level 2 charging at multi-unit dwellings, workplaces, and public sites, direct current fast charging facilities accessible to all vehicles utilizing non-proprietary connectors, and brand-neutral education or public outreach on ZEVs.
  - Matthew Tuma (GOE), Governor’s Office of Energy is the lead agency on this portion. Out of \$2 billion, \$800 million will go to California; the remaining \$1.2 billion will be offered competitively to the rest of the country. This will be released in tranches separated by 30 months. Nevada sent in a proposal on the first cutoff date, Monday January 16<sup>th</sup>, through the Governor’s Office of Energy. Corridor connectivity, education and outreach in urban areas, as well as communities in Southern and Northern Nevada were included in the proposal. Anyone is able to submit and GOE is still accepting submissions until their next deadline.

Dates and additional information can be found on [ElectrifyAmerica.com](http://ElectrifyAmerica.com).

- **Q: Mark Costa (NDOT)**, asks if the funds are like competitive grants and if there will be matching requirement.
- **A: Matthew Tuma (GOE)**, yes they are like competitive grants but those details have not been released. Their guidance for the first call was vague. GOE is working with stakeholders and the next phase of the plan will be released in February. There is no information regarding how much if any of the funding will be matched.

➤ **Slide 4: Volkswagen Clean Air Act Partial Settlement 3 Major Elements of the Settlement Continued**

- **Volkswagen Environmental Mitigation Trust Agreement**-Volkswagen must fund a \$2.925 billion mitigation trust fund that will pay for defined eligible projects that reduce NOx to be implemented over a 10-year period
- All 50 states may elect to become beneficiaries and receive a specific allocation of funds from the total \$2.7 billion (about \$25 million for Nevada)
- Money can be used for any of the listed eligible mitigation projects that reduce NOx from heavy duty diesel sources near population centers

➤ **Slide 5: Volkswagen Clean Air Act Partial Settlement Eligible Mitigation Projects**

1. Class 8 Local Freight Trucks and Port Drayage Trucks
  2. Class 4-8 School Bus, Shuttle Bus, or Transit Bus
  3. Freight Switchers (Locomotives)
  4. Ferries/Tugs
  5. Ocean Going Vessels (OGV) Shorepower
  6. Class 4-7 Local Freight Trucks (Medium Trucks)
  7. Airport Ground Support Equipment
  8. Forklifts and Port Cargo Handling Equipment
  9. Light Duty Zero Emission Vehicle Supply Equipment
  10. Diesel Emission Reduction Act (DERA) Option
- Trust will pay a portion (25 to 100%) of the replacement/repower costs; recipient organization is responsible for providing applicable cost share.
  - In categories 1-8 you must have a piece of diesel equipment you are willing to destroy, replace, or rebuild.
  - Sig Jaunarajs NDEP, The Governor has indicated he would like to max out option #9. Option 9 will receive the allotted 15% of the total settlement amount to Nevada.
  - Each year NDEP receives a small grant for DERA projects. You can take some portion of the funding and apply it to a broader range of projects. Generators and non-road construction equipment are examples of projects that can be done through DERA. Only a portion of the project will be funded. Public entities could expect to receive higher percentages than private entities.

➤ **Slide 6: Volkswagen Clean Air Act Partial Settlement Mitigation Trust Timeline**

- Fall 2016 Court approves settlement
- Winter 2016 Court appoints trustee
- Spring 2017 Court approves trust
- Spring 2017 Nevada files for beneficiary certification
- Spring/Summer 2017 Court certifies Nevada as a beneficiary
- Summer/Fall 2017 Nevada submits mitigation plan
- Fall/Winter 2017 Nevada project solicitation begins

- **Q: Sig Jaunarajs (NDEP)**, asks when Funding will become available.
- **A: Joe Ferreira (NDEP)**, the initial deposit needs to be made 30 days after the trust effective date. The funds will not become available until there is an approved beneficiary mitigation plan.
  
- **Slide 7: Volkswagen Clean Air Act Partial Settlement How Will Nevada Participate**
  - NDEP will administer the program on behalf of Nevada; this includes preparing funding requests, project management plans & budgeting, disbursement of funds, and progress reporting.
  - The I/M Committee on the Control of Emissions from Motor Vehicles will serve as the advisory committee in establishing program goals & objectives, and will help select appropriate projects in a public forum for purposes of accountability and transparency.
  - NDEP will also develop a website, application procedure, list of eligible projects, and provide oversight of projects funded.
  
- **Slide 8: Volkswagen Clean Air Act Partial Settlement Next Steps. . .**
  - Wait for Court to declare Trust Fund is approved and in place (called the Effective Date); then Nevada can file for Beneficiary Status
  - Work with I/M Committee on the Control of Emissions from Motor Vehicles to develop program goals & objectives that meet air quality needs, consider public input, and are acceptable to the Court-appointed trustee
  - NDEP to continue work on program administrative components and financial logistics
  
- **Slide 9: Volkswagen Clean Air Act Partial Settlement Beneficiary Mitigation Plan Requirements**
  - i. The Beneficiary's overall goal for the use of the funds;
  - ii. The categories of Eligible Mitigation Actions the Beneficiary anticipates will be appropriate to achieve the stated goals and the preliminary assessment of the percentages of funds anticipated to be used for each type of Eligible Mitigation Action;
  - iii. A description of how the Beneficiary will consider the potential beneficial impact of the selected Eligible Mitigation Actions on air quality in areas that bear a disproportionate share of the air pollution burden within its jurisdiction; and
  - iv. A general description of the expected ranges of emission benefits the Beneficiary estimates would be realized by implementation of the Eligible Mitigation Actions identified in the Beneficiary Mitigation Plan
  
- **Slide 10: Useful Links**
  - <https://www.vwdieselfinfo.com/> Official Volkswagen TDI Emissions Settlement webpage

- <https://www.vwcourtsettlement.com/en/> Official webpage on the Volkswagen/Audi Diesel Emissions Settlement Program (information for owners of subject vehicles)
  - <https://www.epa.gov/vw> Official USEPA webpage on Volkswagen Light Duty Diesel Vehicle Violations for Model Years 2009-2016
  - [https://www.arb.ca.gov/msprog/vw\\_info/vw-diesel-info/vw-diesel-info.htm](https://www.arb.ca.gov/msprog/vw_info/vw-diesel-info/vw-diesel-info.htm) Official California Air Resources Board webpage on VW diesel emissions issue
- Sig Jaunarajs (NDEP), explained that each year NDEP receives a federal grant for DERA projects. Suggests formation of a sub-committee to meet more frequently and discuss required 4 elements:
    1. What our overall goal for the use of the funds as a state
    2. Which of the 10 categories will result in the most emission reductions
    3. How to consider the potential beneficial impact
    4. General description of the expected range of benefits
  - Daniel Inouye (WC-AQMD), invites discussion from the committee.
- B. Morgan Friend (DMV CED), explained that representatives from DMV, NDEP, and their legal representatives will be meeting to discuss the amount of participation and responsibilities of the DMV and what can be done within the I/M Committee. If a motion to form a sub-committee is made today, the DMV cannot move to take any action until this meeting occurs.
- C. Sig Jaunarajs (NDEP), in regulation it is stated that any vehicle with a known defeat device cannot be registered. As part of the mitigation trust these vehicles need to stay on the road until they can be bought back by Volkswagen or repaired.
- D. Suggestions were made to implement emergency regulations so we could move forward.
- E. Mark Costa (NDOT), suggests a sooner meeting to discuss the results of the DMV meeting.
- F. Discussion on formation of sub-committee. Open meeting law will be followed. Public comment will be welcomed. No action has been taken.
- G. Danilo Dragoni (NDEP), just because we are not able to apply as of yet, does not mean there should not be work started. Anyone interested in being enrolled in the email list for listserv for information on the Mitigation Trust may contact Sig Jaunarajs, Joe Perreira, or Danilo Dragoni.
- H. Paul Enos (Nevada Trucking Society), suggests private sector trucking companies that have older vehicles and put a greater amount of miles on the road and emissions in the air. Suggests not giving 100% to municipalities due to the cost difference when replacing equipment. Suggests mileage thresholds.
- I. Mark Costa (NDOT), suggests a working group to come up with alternative scenarios, not make any decisions, and just provide information and data.
- J. Joe Johnson (member of the public), brings up the issue of transparency and public participation.

- K. Daniel Inouye (WC-AQMD), states that any meeting of the sub-committee will follow open meeting law.

**11. Informational Item(s)**

- A. Morgan Friend (DMV CED), vehicle renewal fee receipts now have Smog Spotter information listed as part of the handout.
- B. Sig Jaunarajs (NDEP), less than a month from the legislative session, there is nothing that pertains to the I/M Committee.

**12. Public Comments – Limited to 5 minutes per person**

- A. No Public Comments

**13. Next Meeting and Adjournment**

- A. The next I/M Advisory Committee meeting is set for Thursday, January 27, 2017 at 10:00 am.
- B. The meeting adjourned at 2:52pm