



**Minutes of Advisory Sub-Committee on  
Control of Emissions from Motor Vehicles**

Held on March 9th, 2017 at 1:30pm

**by** Teleconference **from the** Nevada Division of Environmental protection

4th Floor Great Basin Conference Room

901 South Stewart Street

Carson city, NV. 89701

**to the** Nevada Division of Environmental Protection

Red Rock Room

2030 E. Flamingo Rd., Suite 230

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  
March 6th, 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 Sub-Committee on Control of Emissions from Motor Vehicles to order at 1:35 pm.

**2. Roll Call**

<b>MEMBERS:</b>	<b>Representing</b>	<b>Present</b>	<b>Primary</b>	<b>Alternate</b>	<b>Voting</b>
Troy Seefeldt	DMV/CED	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mike Sword	CC-DAQEM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Joe Perreira	NDEP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Daniel Harms	NDOT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Daniel Inouye	WC-AQMD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### 3. Public Introductions

#### INTERESTED PARTIES:

#### *Representing:*

Terry Graves	NV Trucking Assn.
Jessica Hernandez	DMV/CED
Christina Bailey Shaver	NV Energy
Robert Tekniepe	CC/DAQEM
Morgan Friend	DMV/CED
Chris Robbins	Worldwide Environmental
Danilo Dragoni	NDEP/BAQP
Faun Parks	DMV / CED
Alejandra Romero	ECV
Robin Roques	DMV/CED
John Pietrzycki	Smog Hut
Steven Weiss	Smog Hut
Jennifer Taylor	Clean Energy Project
Jennifer Torres	Smog Hut
Shari Merrill	MGD America
Joe Johnson	Sierra Club
Veronica Bradley	Airlines for America

#### 4. Re-Nomination of the Chair and Vice Chair of the I/M Sub-Committee.

- A. Joe Perreira {NDEP}, has been appointed chairman of the Sub-committee. Mike Sword {CC-DAQEM} has been appointed as vice-chairman of the Sub-committee.

#### 5. Approval of February 8, 2017 meeting minutes.

- A. Corrections are being made and were deferred to the next scheduled Sub-Committee meeting for approval.

#### 6. Public Comments – Limited to 5 minutes per person

- A. No Public Comments.

#### 7. Update on Nevada Mitigation Plan Timeline

- A. Joe Perreira {NDEP}, this was added to the agenda because on February 23<sup>rd</sup> a motion to appoint Wilmington trust as the mitigation trustee was presented to the court overseeing the Volkswagen case and it may move all of our timelines back a couple of months. We were initially expecting t trustee to be appointed in February, not a motion to appoint. A hearing on the motion is scheduled for April 7, 2017. We are not expecting the court to rule for one to five days after a written order so mid-April is when we would expect the trustee to be appointed and we are also expecting a time lag between the appointment of the trustee and

the trust effective date. This will push NDEP's initial timelines back a couple of months. This will not push back any deadlines, only timelines.

## **8. Review and Discussion of recommendations for the Beneficiary Mitigation Plan.**

A. Joe Perreira {NDEP}, to start again today back with the draft objectives and goals, which are based on what was heard at the February meeting, it highlights a lot of the concerns that we had heard and our objectives in terms of reducing NOx. My hope is to finalize part one of our requirements to the draft mitigation plan as a sub-committee. The goal of the Nevada Volkswagen Environmental Mitigation Trust Program is to efficiently and cost-effectively reduce emissions of Oxides of Nitrogen from areas of the state where the vehicle subject to, or will be operated. In achieving this goal, the program must consider the following in the selection and implementation of eligible mitigation actions:

1. The potential beneficial impact of the selected eligible mitigation actions on air quality shall be considered in areas that share a disproportionate share of the air pollution burden within the state.
2. The selection of eligible mitigation actions should, on whole strive to fully mitigate the total lifetime access oxides of nitrogen emissions from these vehicles subject to settlement.
3. Given that oxides of nitrogen is a precursor in the formation of ground-level ozone and ozone is a significant concern with respect to public health. Ozone concentrations in several areas in the state have been measured in elevated levels approaching those that would violate federal ambient air quality standards, the reduction of ambient ozone concentrations should be considered the desirable co-benefit of the program.
4. To the extent practical and allowable, under the terms of settlement, program funds should be used to advance the transition to a clean, zero emission transportation future within the state. Eligible mitigation actions that are in alignment with the goals, the Nevada electric highway initiative and other strategic plans for electric vehicle charging infrastructure put forth by the Nevada Governor's office of energy shall receive funding priority.
5. Where possible and in consideration of the above, the Nevada Volkswagen Environmental Mitigation Trust Fund program will strive to balance environmental and societal benefits of the program among Nevada cities, counties, statewide interests, Nevada's businesses, industrial community and communities where environment justice concerns are evident to the benefit of all Nevada's citizens.

Daniel Inouye {WC-AQMD}, I think the language in the first couple of points came directly out of Appendix D, whenever we can mirror that language, it will make the approval of the plan that much more favorable.

B. Joe Perreira {NDEP}, are we as a sub-committee comfortable moving forward with this is our goals and objectives for the Beneficiary Mitigation Plan?

- **Q: Terry Graves {NV Trucking Assn}**, how does the electrical vehicle receive a priority? We want to reduce NOx. Spending money on the electric vehicle issue is probably not the biggest return. Getting high emission vehicles off the road would be much more productive.
  - **A: Joe Perreira {NDEP}**, when Nevada was selected as the lead agency for the Volkswagen Trust Settlement Funds, the governor indicated that he wanted us to maximize the 15% funding towards zero emission vehicle infrastructure spending. He also gave us the instruction to coordinate with the Nevada Governor's Office on Energy spending that money. They have indicated that Nevada Electric Highway is supporting it. That is where they would like to see the funding go. We can work with them on qualifying projects to use the funds.
- Joe Johnson {Sierra Club}, there seems to be a conflict between maximum reduction in item 1 and 2 which was sighted as part of appendix and the prioritization understanding in number 5. It seems we are prioritizing two areas of low impact from NOx and the items in 1 and 2 would indicate priority is to those areas that are affected. Would like to see transformation as indicated from fossil fuel to the non-fossil fuel transportation sector. I think, including that within the goal is an important consideration for the number of interests.
  - Joe Perreira {NDEP}, being that there might be some changes to make to this draft, I would like to bring this back to the sub-committee at the next meeting for round two. The revised draft will be sent to the Listserv.
- C. Joe Perreira {NDEP}, we will move on to number two of the categories of eligible mitigation actions that the beneficiary anticipates would be appropriate to achieve the stated goals, and the preliminary assessment of the percentages of funds anticipated to use for each type of eligible mitigation action. I know where we left off last time, we had preliminarily decided on categories 3,4,5, and 8 Freight Switchers, Fairies/Tugs, Ocean Going Vessels, Forklifts and Port Cargo handling equipment would presumably receive 0% of the total mitigation funds, largely because those industries don't exist in the state. Light duty, zero-emission vehicle supply equipment would receive its maximum 15% allocation. The diesel Emission Reduction Act option we would preliminarily fund at 5% of total mitigation funds and that would be to meet the voluntary match program for the next 10 years. It would necessarily prohibit funding from additional funds being passed through the DERA program if there are mitigation reduction projects that they would qualify through the DERA program. The remaining categories 1, 2, 6, and 7 would receive the remainder of the eligible mitigation funds. I don't know that we have received anything to break down those four categories into percentages yet.

- Veronica Bradley {Airlines for America}, I don't want to speak to any numbers for mitigation action number seven for Airport ground equipment. We do have several members who are interested in partnering with airports to be able to electrify their ground support equipment. The variety of equipment is pretty large, there is only a small portion of equipment on airport ground that has related equivalent electric information that I can get for you, to give you something to go off of.
- Joe Perreira {NDEP}, the subcommittee is currently informally receiving written comments. If anyone would like to present information to us, I will be happy to pass it along to the subcommittee. Basically, looking for justification for funding. In my research of ground support equipment, I'm having trouble finding things relating the cost of fully electric equipment and numbers of equipment in the state. It's hard to portion money to ground support equipment when I don't know anything about the ground support equipment situation in the state other than just kind of grouping it with a portion of emissions as well.
- Mike Sword {CC-DAQEM}, stated the Airlines has approach Clark County and questioned if the Airport would be paying for infrastructure to support the electrical equipment and what kind of experience the airlines has with the cost of that infrastructure in other places. He has heard that airlines have done this with other airports in other areas. He will be in contact with Veronica Bradley to have further discussion, off line with members who have done this project in other states such as Washington and California.
- Danilo Dragoni {NDEP/BAQP}, I feel the main approach is not necessarily to have to quantify the percentage of the remaining categories. I think it's quite premature in respect to the development of the mitigation plan. I don't think that the trustee will discriminate or negatively see our mitigation plans if we don't describe in detail the percentage that we want to allocate for each category. Actually, the mitigation plan is not even binding.

D. Joe Perreira {NDEP}, item number 3, which is 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. I had asked of both the counties, Washoe and Clark, to consider what would be the best way to prioritize funding in those counties in terms of making the county smaller. The very northern tip of Washoe County may not be where we want to spend all of our mitigation funds, so how can we better prioritize funds in those counties? I would like to ask both of those counties if they have anything to bring to the table.

- Daniel Inouye {WC-AQMD}, how are we going to see the best return on our investment? With Washoe County, the northern half is very rural and the southern

half is where the urban areas are, where the emissions are and where the population is. Using some geography that drives it to the southern part would be appropriate. We had discussed hydrographic basin, but I think just an east-west line using township and range would be appropriate for Washoe County area south of 22/north would basically cover the urban area, so that would be a good first cut. 22/north is above cold springs. Some other factors might come into play, like socioeconomic data, vehicle miles traveled, and those things can help shape it and focus it. The first cut being a North/South delineation and then using some of the other factors to help focus it within the southern Washoe County would be appropriate.

We need to acknowledge some other parts of the state. Washoe County and Clark County have more ozone and NOx issues, at least putting some criteria out for the rest of the state. It could be something related to percentage of air quality standards, so that other areas like Carson City County get on the scoreboard.

- Mike Sword {CC-DAQEM}, for Clark County, our perception is that it should probably mirror the nonattainment area that we have submitted for the 2015 ozone standards. That would be the Las Vegas Valley including 164A, 165 & 212. It would be confined to that area; the highly populated areas. We have a lot of rural areas that are not very populated. The ozone issues and most of the NOx issues are within the nonattainment area.
- Joe Perreira {NDEP}, speaking to the processes I don't think we're intending to neglect the rest of the state I just think that we're looking to prioritize funding in dense population centers and areas where NOx and ozone is a serious concern based on the February meeting. Not to disregard funding to the rest of the state. I wanted to present our assumed excess emissions associated with the Volkswagen vehicles across the state.

Provided vehicle counts as of Calendar year 2015, by model year of the effected vehicles broken down by county across the state. This information was provided by DMV, I prepared estimates of the total excess emissions associated with the Volkswagen vehicles in the state. I broke the life of these vehicles down into three categories from 2009 to September of 2015, when the effected vehicles were driving without any issues, or any recall notice associated with them. Then from October 2015 through June 2019, which is the period from when the recall first began to the required 85% recall rate, part of the 2 liter consent decree. If Volkswagen does not get 85% of their effected vehicles off the road by June 30<sup>th</sup> 2019 they have to pay an additional \$85 million per percentage point in to the mitigation trust for every percent short of 85%. I used emission factors 1.4661 grams of NOx emitted per mile by these vehicles. For statewide total emissions, we are assuming that these vehicles will emit 684 excess tons of NOx in a lifetime. When you break that down by county, 430 excess tons of NOx in Clark, 128 excess tons of NOx in Washoe and 126 excess tons of NOx across the rest of the state.

The thought is that we make our decisions in terms of where would like to see the money spent prioritize funding across the state. Having an idea of where these vehicles are and where the emissions occurred will contribute to prioritizing the funding. It's not saying completely that 63% of the funds will be spent in Clark County or that 20% will be spent in Washoe County, it's kind of guiding numbers going forward.

- **Q: Danilo Dragoni {NDEP/BAQP}**, you spoke about 85% of the affected vehicles will be taken off the road. Will the cars be fixed or taken off the road?
- **A: Joe Perreira {NDEP}**, Recalled, Retrofitted or Lease terminated/bought back. The vehicles in their current form of emitting NOx up to 40 times the EPA limit, 85% of vehicles will no longer be doing that. Whether they are in a scrapyards or they have been fixed and still on the road. June 30<sup>th</sup>, 2019 is when they need to be off the road, or they will pay a fiscal penalty.

E. Joe Perreira {NDEP}, invites questions or comments about how we should consider the potential beneficial impact of the eligible mitigation action? Another thing to consider includes the environmental justice issues which is something I would like to present to the committee for the next meeting.

- Daniel Inouye {WC-AQMD}, the number of vehicles per county and excess emission per county, that is a factor and later on in the process we will give that some weighting through the evaluation process? I don't know about specific weighting, but I think we should leave it open. We have all these factors and they are going to be given certain weight in the final priority list so we know that one single criteria will be part of the equation, not the final deciding factor. For example: environmental justice may get 3%.
- Joe Perreira {NDEP}, I would be interested in getting comments on how that should work, it's not something NDEP has decided on. It's something we were hoping to get input from the Sub-Committee on.

F. Joe Perreira {NDEP}, number 4, a general description of the expected ranges of the emission benefits the beneficiary estimates to be realized by implementation of the eligible mitigation actions identified in the beneficiary mitigation plan. Would first like to finalize numbers 1 and 2.

## 9. Informational Items:

A. Joe Perreira {NDEP}, the next morning I will be bringing a new draft of the goals and objectives. Morgan Friend, DMV has provided information relating to trucks 14,001 pounds and greater, heavy-duty diesels, in the state of Nevada that spend at least 50% of the time in this state. She provided those numbers to me for model years as old as they go through 2007. I would like to present this information at the next meeting.

- B. Daniel Inouye {WC-AQMD}, we need the goals and objectives polished up so that we can take action and get this task off the list. I want to make sure that we use the language that is included in appendix D. If appendix D says this is what we are looking for in a plan, we need to make sure that we include that, so that they can check the box. We have to get past the first step of having an acceptable plan. With the mitigation plan, some of the categories that you talked about are too early to determine right now, we will have to put those aside. Maybe more discussion on number 2, the categories of eligible mitigation, we can tie that in with comments about the directive of 15% maximum allocation for infrastructure and the other categories.

## 10. Public Comments:

- A. Joe Johnson {Sierra Club}, would like the minutes included on Listserv in a timelier manner.
- B. Steven Weiss {Smog Hut}, requested to be added to the Volkswagen Listserv.
- C. Joe Perreira {NDEP}, NDEP is running and maintaining a Listserv associated with the Volkswagen settlement and how it relates to the state of Nevada. The advisory committee itself, maintains an interested party listing.

Jessica will provide Joe Perreira with Steven Weiss' contact information so he can be added to the Volkswagen Listserv interested party list. Anyone who is on Listserv may be a part of the interested party list if they are interested.

- **Q: Steven Weiss {Smog Hut}**, with the funds that are being distributed, Are there any state incentives being given as far as purchasing electric vehicles?
- **A: Joe Perreira {NDEP}**, in general, we aren't incentivizing the purchase of electric vehicles. We are providing funding for qualifying projects. If you were looking to replace say a school bus with an electric school bus, if that project is selected, then it would receive funding.

## 11. Next Meeting and Adjournment:

- A. The next meeting will take place on Wednesday, April 5<sup>th</sup> at 1:30 pm.
- B. The meeting ended at 2:32 pm.