



**STATE OF TENNESSEE**

**DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

**312 ROSA L. PARKS AVE., 2<sup>ND</sup> FLOOR, NASHVILLE, TN**

**REQUEST FOR INFORMATION (RFI)**

**VOLKSWAGEN DIESEL SETTLEMENT ENVIRONMENTAL MITIGATION  
TRUST**

**Issue Date:** December 12, 2017

**Due Date/Time:** January 23, 2018/11:59 p.m. (CT)

**Single Point of Contact:** Alexa Voytek

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**Note:** This RFI is not a solicitation for projects. Submitting a response to this RFI is voluntary and is not a prerequisite for responding to any future solicitations issued by the [Tennessee Department of Environment and Conservation \(TDEC\)](#) with regard to the State's allocation under the Volkswagen Environmental Mitigation Trust (EMT).

## **1. INTRODUCTION**

In 2015, Volkswagen (VW) publicly admitted that it had secretly and deliberately installed a defeat device—software designed to cheat emissions tests and deceive federal and state regulators—in approximately 590,000 model year 2009 to 2016 motor vehicles containing 2.0 and 3.0 liter diesel engines. The U.S. Department of Justice filed a complaint against VW, alleging that the company had violated the federal Clean Air Act.

\$2.9 billion in settlement funds from the resulting 2.0 and 3.0 liter partial settlements with the federal government will be placed into an Environmental Mitigation Trust, which will fund environmental mitigation projects that reduce NOx emissions. Trust funds will be allocated among beneficiaries (states, certain territories, and tribes) based on the number of impacted VW vehicles in their jurisdictions.

Tennessee's initial, combined allocation under the approved 2.0 and 3.0 liter partial settlements is \$45,759,914.40. TDEC has been identified by Governor Bill Haslam as the Lead Agency for purposes of administering Tennessee's trust allocation.

Beneficiaries of the EMT must develop a high-level Beneficiary Mitigation Plan (BMP), summarizing how the beneficiary plans to use the mitigation funds. Through this RFI, TDEC seeks cost information on eligible mitigation actions, in order to inform Tennessee's BMP.

Please note that this RFI is not a solicitation for projects. Information obtained from this RFI will be used solely for planning purposes.

## 2. INFORMATION REQUESTED

Under the EMT, the Trustee may only disburse funds for Eligible Mitigation Actions and Eligible Mitigation Action Administrative Expenditures specified in [Appendix D-2 to the Executed Environmental Mitigation State Beneficiary Trust Agreement](#).

Eligible Mitigation Action Categories include:

- Class 8 Local Freight Trucks and Port Drayage Trucks
- Class 4-8 School Buses, Shuttle Buses, or Transit Buses
- Freight Switchers
- Ferries/Tugs
- Shorepower for Ocean Going Vessels
- Class 4-7 Local Freight Trucks
- Airport Ground Support Equipment
- Forklifts and Port Cargo Handling Equipment
- Light Duty Zero Emission Vehicle Supply Equipment
- Diesel Emission Reduction Act (DERA) Option

A comprehensive listing and description of the Eligible Mitigation Action categories is included as Appendix D-2 (page 52) to the [Executed Environmental Mitigation State Beneficiary Trust Agreement](#). Please refer to this document for additional information, including definitions of certain terms. For eligible project types under the DERA Option, please reference the [DERA Option Factsheet for States, District of Columbia and Puerto Rico](#).

TDEC invites interested individuals and entities to provide cost information on Eligible Mitigation Action projects under the Volkswagen EMT. To respond to this RFI, please fill in the requested information for any or all project types outlined within the attached Excel Workbook, titled "Cost Information Workbook for TDEC VW RFI." Please note that an Eligible Mitigation Action project type's inclusion within the Cost Information Workbook is not indicative of a decision to fund such project type in the future.

The "Cost Information Workbook" requests the following information from RFI respondents:

### Sheet 1: Respondent Contact Information

- Company/Agency/Organization Name
- Contact Person
- Address

- Phone
- Email

## **Sheet 2: Cost Information (Broken Out by Eligible Mitigation Action Project Types)**

- Engine, vehicle, or equipment type
- Engine, vehicle, or equipment cost (in dollars)
- Cost to install engine (for repowers)
- Cost of charging infrastructure (for all-electric engines or vehicles) and cost to install such infrastructure<sup>1</sup>
- Equipment cost, cost to install, and operation and maintenance costs (for light duty zero emission vehicle supply equipment)

## **Sheet 3: Supplemental Information**

For each project type for which cost information is provided, please detail the following (if applicable):

- Method or resources used to calculate or arrive at cost estimates
- Serial # or VIN of vehicle/engine/vessel/equipment type referenced, if applicable
- For vehicles/vessels/equipment:
  - Make
  - Model
  - Model Year
  - Horsepower
  - Displacement
  - Tier level or emission standard (for nonroad vehicles, vessels, or equipment)
  - Fuel type
- For engine repowers:
  - Engine make
  - Engine model
  - Engine model year
  - Engine family name
  - Horsepower

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<sup>1</sup> Refueling infrastructure for diesel, compressed natural gas (CNG), liquefied natural gas (LNG), propane, or other alternative fuels is not included within the list of eligible mitigation actions set forth in Appendix D-2 to the Trust Agreement. The only allowable infrastructure costs are the cost of infrastructure associated with eligible all-electric engines, vehicles, or equipment and the cost of acquisition, installation, operation and maintenance of new, light duty zero emission vehicle supply equipment (Level 1, Level 2, and fast charging EV infrastructure, and hydrogen dispensing equipment).

- Displacement
- Tier level or emission standard (for nonroad engines)
- Fuel type

### **3. ADDITIONAL INFORMATION**

#### **Confidentiality of Information:**

TDEC's Office of Energy Programs is required by Tenn. Code Ann. § 4-3-514 (b)(1) to "maintain the confidentiality of all proprietary information it may acquire." Tenn. Code Ann. § 4-3-514 (b)(2) defines "proprietary information" as "trade secrets and commercial or financial information that is used either directly or indirectly in the business of any person submitting information...and that gives such person an advantage or an opportunity to obtain an advantage over competitors who do not know or use such information."

Any proprietary information included within a response to this RFI must be submitted as a separate attachment and must be clearly marked as proprietary.

#### **RFI Questions:**

All questions concerning this RFI should be directed to the TDEC Office of Energy Programs via email, [TDEC.OEP@tn.gov](mailto:TDEC.OEP@tn.gov). The subject line of your email should read: "Questions on TDEC VW RFI."

#### **RFI Responses:**

TDEC appreciates your participation and responses to this RFI. Submit your response via email to [TDEC.OEP@tn.gov](mailto:TDEC.OEP@tn.gov). It is recommended that attachments with file sizes exceeding 10MB be compressed (i.e., zipped) to ensure message delivery. The subject line of the e-mail containing your response to this RFI should read: "Response to TDEC VW RFI." Responses must be received by the stated due date/time on the cover page of this RFI.

#### **Public Posting of RFI:**

This RFI will be posted at the following location:

- Tennessee Department of Environment and Conservation's Volkswagen Diesel Settlement Webpage: <https://www.tn.gov/environment/program-areas/energy/state-energy-office--seo-/tennessee-and-the-volkswagen-diesel-settlement.html>.