

# Volkswagen Settlement – Aviation Organizations Webinars: Responses to Submitted Questions

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- Q:** *Under mitigation category 9, can you confirm if light duty airport vehicles are eligible for VW funds? It appears that only the EV charging infrastructure is eligible.*

**A:** According to the VW settlement consent decree, eligible mitigation action #9 is for light duty zero emission vehicle supply equipment only. Therefore light duty zero emission vehicles are not covered by VW settlement funds. Full details of eligible mitigation actions are shown in Appendix D-2 of the VW 2.0L partial consent decree (<https://www.epa.gov/sites/production/files/2016-10/documents/amended20lpartial-cd.pdf>).
- Q:** *Will Buy America apply to vehicles?*

**A:** No. There is no mention of the Buy America program being a requirement for vehicles funded by the VW settlement funds. However, it is possible that individual states may impose a Buy America requirement as part of the procurement process.
- Q:** *Can you describe any implications if an airport receives VW funds, with respect to FAA eligibility? Will FAA discount an airport's future funding based on VW receipts?*

**A:** There are no implications. More specifically, the FAA will not reduce or discount an airport's future funding subsequent to VW funds being attained by the airport.
- Q:** *If an airline were to purchase an item with VW funds, must that item remain in the state in which it was purchased: i.e. keep the NO<sub>x</sub> reduction within the State's mitigation area?*

**A:** A vehicle purchased with VW funds would need to remain in the state to which said funds were allocated.
- Q:** *Would the purchase of brand new electric vehicles be covered if they're not replacing existing fuel-burning vehicles?*

**A:** No. Since this is a NO<sub>x</sub> reduction program, an eligible vehicle or its engine must be replaced in order for the funds to cover the costs of the all-new electric vehicle. The replaced vehicle must be disabled and disposed of according to the terms of the settlement consent decree (<https://www.epa.gov/sites/production/files/2016-10/documents/amended20lpartial-cd.pdf>).
- Q:** *Is there a prescribed procurement process that should be followed?*

**A:** Expect normal procurement processes unless a beneficiary (e.g. state) releases further guidance on how the funds would flow (upon an approved funding request) from the third-party trustee to the recipient through the beneficiary. Beneficiaries will need to certify that all vendors are selected in accordance with applicable state public contracting laws when they submit funding requests to the Trustee (Appendix D, P 5.2)

Note: Additional Q&As have been made available by the EPA at <https://www.epa.gov/sites/production/files/2016-11/documents/faqsecondedition.pdf>

7. **Q:** *Would these funds cover charging stations not only on-airport, but also off-airport?*  
**A:** With regards to eligible mitigation action #7 (airport ground support equipment) and several other actions (see full list in Appendix D-2 of the VW 2.0L partial consent decree - <https://www.epa.gov/sites/production/files/2016-10/documents/amended20lpartial-cd.pdf>), the settlement specifies that charging infrastructure associated with the new all-electric airport ground support equipment is covered. There is no further specification. As such, if an airport or airline uses these funds to replace existing diesel with new all-electric vehicles or engines, the associated charging infrastructure costs should be covered. This should be confirmed with the office of the beneficiary (e.g., state environmental department) that is managing the funds for a particular airport.
8. **Q:** *If an entity exists in multiple states, how would it go about requesting funding?*  
**A:** The entity should request funding for its airport projects individually; from each state in which a planned project is located.
9. **Q:** *With regards to eligible mitigation action #7, what is considered “airport ground support equipment”? Do jet-bridges count?*  
**A:** See Appendix D-2 #7 for the definition of eligible airport ground support equipment. This is a NOx reduction program; it is not for non-emission sources.
10. **Q:** *Given the possible competition for these funds, how can airport/airlines be competitive versus other non-aviation sectors’ projects?*  
**A:** While other non-aviation stakeholders/sectors may have larger projects, a beneficiary (e.g., state) may be inclined to approve smaller, carefully prepared, ready and available projects. It is uncertain whether there may be any issues with other projects, or if those do not require all funds. Furthermore, for some states aviation plays a prominent role in the state’s economy and deserves to be a high priority recipient. Therefore, despite competition for these funds, it is recommended to carefully prepare and submit aviation projects as soon as possible. In addition, airports and airlines are encouraged to reach out to the office(s) of the beneficiary (e.g., state environmental department) that is managing these funds for a particular state.
11. **Q:** *Are there requirements with respect to the air quality model that should be used to estimate NOx reductions?*  
**A:** No specific air quality models are prescribed as a requirement of the Consent Decree. We recommend that NOx reductions are computed using known models and/or references, such that it is tractable and transparent. Beneficiaries may also prescribe which models or references to use when calculating emission reductions.
12. **Q:** *Would some projects require updates to an airport’s Airport Planning Document?*  
**A:** It is possible that, depending on the extent of the project (e.g., one that includes infrastructure updates), updates may be required in the airport’s Airport Planning Document. Such changes should be coordinated with the FAA as soon as possible.
13. **Q:** *In determining the specified “Tier 0-2 Diesel engines or 3 g/bhp-hr”; is there a source of that would help owners determine their equipment’s status?*

**A:** Owners should consult their equipment manuals, and/or look for any labeling on the engine/vehicle itself (if still readable).

14. **Q:** *Can this funding be used for matching funds? Say you get a ZEV grant, where FAA pays 50%, can you use VW money to pay the Airport portion?*

**A:** There are no restrictions on whether the funds are used to fully fund a project or as matching funds. However, if used as part of any matching program, careful planning is recommended – for whatever reason, there is always a chance that the VW funding request is not approved. This may leave the applicant in a problematic situation.

15. **Q:** *Could you clarify the funding/reimbursement process, would airports make a purchase with their own funds and then get reimbursed by the VW settlement funds? Could each state have different methods for funding/reimbursement?*

**A:** A request for funding is necessary to obtain funds from the settlement. This request needs to include project details (see section 5.2 of Appendix D of the settlement consent decree) and may be made at any time. Individual beneficiaries may determine other requirements for project applications, but the Consent Decree itself does not have a reimbursement structure.

16. **Q:** *If ZEV charging equipment installed in customer areas - would airports be prohibited from charge to recover preventive maintenance and electricity costs?*

**A:** See Appendix D-2 #9 for detailed information on using Mitigation Trust funds for light duty zero emission vehicle supply equipment, which includes maintenance costs. Additionally, see Appendix C for more information on VW's zero emission vehicle investment commitment.

17. **Q:** *If charging stations were purchased for airlines use, would those be funded?*

**A:** Electric charging station infrastructure can be covered with these funds only in association with a repower or replacement of airport GSE with all-electric equivalents. See Appendix D-2 #7 regarding airport GSE.

18. **Q:** *If GSE is owned by airport will there be common use requirements, such as with the FAA's Voluntary Airport Low Emissions (VALE) program?*

**A:** No.

19. **Q:** *How do we know what Agency to contact within a State? For example Florida?*

**A:** Most states are setting up websites with contact information. These can be found via internet searches. FAA is also posting contact information for lead agencies within states as they are made available. See [https://www.faa.gov/airports/environmental/vw\\_settlement/](https://www.faa.gov/airports/environmental/vw_settlement/)