



PRELEMINARY DRAFT

December 2017

Beneficiary Mitigation Plan for the State of Georgia

Pursuant to the Environmental Mitigation Trust Agreement for State Beneficiaries

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Beneficiary Mitigation Plan for the State of Georgia

I. Executive Summary

As a result of consent decrees among Volkswagen AG, Audi AG, Volkswagen Group of America, Inc., and Volkswagen Group of America Chattanooga Operations, LLC (**VW**), and the United States, the U.S. Environmental Protection Agency (**EPA**), and the State of California, an environmental mitigation trust fund was established for the 50 States, Puerto Rico, and the District of Columbia (**State Trust**), to be used in accordance with the Environmental Mitigation Trust Agreement for State Beneficiaries (**State Trust Agreement**) for Eligible Mitigation Actions in order to mitigate excess oxides of nitrogen (**NO_x**) emissions that occurred as a result of VW utilizing defeat devices in diesel passenger vehicles manufactured between 2009 and 2016. The defeat devices used software that detected when the vehicle was being tested for compliance with federal emissions standards. The defeat device turned on the full emissions control system only during that testing process. During normal driving conditions, the software disabled parts of the emissions control systems, significantly increasing **NO_x** emissions from the vehicle.

State Trust funds in the amount of \$63,624,725.56 have been allocated to the State of Georgia to be used to implement Eligible Mitigation Actions in Georgia. The funding for implementation of selected Eligible Mitigation Actions is intended to mitigate the excess **NO_x** emissions that occurred in Georgia as a result of the defeat devices.

Eligible Mitigation Actions are defined in the Environmental Mitigation Trust Agreement and focus on reducing mobile source **NO_x** emissions. **NO_x**, when combined with volatile organic compounds (**VOCs**) and sunlight, reacts to form ground level ozone. Ground level ozone adversely impacts the respiratory system and cardiovascular health. Georgia has one area of the state that is not meeting the federal air quality standards for ozone – the Atlanta Metropolitan Area.

This document describes the overall goals of the Beneficiary Mitigation Plan for the State of Georgia. Georgia's preliminary decision on the use of the State Trust funds is to replace older, higher-polluting diesel transit buses in the Atlanta Metropolitan Area with a combination of new diesel and new all-electric buses that emit significantly less pollution. This will reduce **NO_x** emissions in the area of the state that bears a disproportionate share of the air pollution burden.

The Governor's Office of Planning and Budget (**OPB**), Georgia's lead agency in administering the Georgia funds under the State Trust, is seeking public comment on this draft plan. Comments may be submitted at <https://opb.georgia.gov/webform/vw-settlement-agreement>.

II. Environmental Mitigation Trust Agreement

On October 25, 2016, the United States District Court for the District Court of Northern California (the **Court**) approved the first partial consent decree addressing the installation and use of emissions testing defeat devices in 2009-2015 model year VW passenger vehicles with 2.0-liter diesel engines. The use of these defeat devices increased **NO_x** emissions, adversely impacted air quality, and violated the federal Clean Air Act. The State Trust was established as part of the 2.0 liter diesel engine partial settlement to fund eligible environmental mitigation

projects that reduce NO_x emissions where VW diesel vehicles equipped with the defeat devices were operated. Under the first partial consent decree, VW is required to pay a total of \$2.7 billion into the State Trust to be dispersed to the states. The initial share allocated to Georgia under the first partial consent decree is \$58,105,433.35.

On May 17, 2017, the Court approved a second partial decree pertaining to VW passenger vehicles with 3.0-liter diesel engines for model years 2009 through 2016 that were equipped with defeat devices. The 3.0 liter diesel engine partial decree requires VW to pay an additional \$225 million into the State Trust to fund Eligible Mitigation Actions. Georgia's allocation of the second partial settlement is \$5,519,292.21, making the total initial allocation of State Trust funds to Georgia **\$63,624,725.56**.

On March 15, 2017, Wilmington Trust, N.A. was appointed by the Court to serve as **Trustee** to administer the State Trust in accordance with the State Trust Agreement. On October 2, 2017, the Trust Effective Date (**TED**) was determined by the filing of the finalized State Trust Agreement¹ with the Court. On October 13, 2017, Georgia filed the "Certification for Beneficiary Status Under Environmental Mitigation Trust Agreement²" with the Trustee, as required by the State Trust Agreement. Governor Nathan Deal designated OPB as Georgia's lead agency in administering the Georgia funds allocated under the State Trust. After Georgia is deemed a Beneficiary by the Trustee, and at least 30 days prior to submitting its first funding request for State Trust funds for Eligible Mitigation Actions³, Georgia is required to submit to the Trustee and make publicly available the Beneficiary Mitigation Plan for the State of Georgia. The Beneficiary Mitigation Plan for the State of Georgia summarizes how Georgia will use the mitigation funds allocated under the State Trust Agreement. See **Table 1** for a summary of important dates.

Under the State Trust Agreement, upon being deemed a Beneficiary, Georgia shall have the right to request State Trust funds up to the total dollar amount allocated to it, provided that no more than one-third of its allocation may be paid out during the first year following the Initial Deposit, or two-thirds of its allocation during the first two years after the Initial Deposit. Upon the tenth anniversary of the TED, any unused State Trust funds held by any Beneficiary shall be returned to the State Trust.

Table 1. Important Dates

Effective Date	Action
October 25, 2016	Partial consent decree approved (2.0-liter diesel vehicles)
November 22, 2016	VW makes initial deposit of \$900 million for the Trust Fund (Initial Deposit)
March 15, 2017	Wilmington Trust, N. A. appointed to serve as trustee

¹ A copy of the State Trust Agreement is available here: <https://www.epa.gov/sites/production/files/2017-10/documents/statebeneficiaries.pdf>.

² Certification for Beneficiary Status Under Environmental Mitigation Trust Agreement, State Trust Agreement, Form D-3.

³ Beneficiary Eligible Mitigation Action Certification, State Trust Agreement, Form D-4.

May 17, 2017	Partial consent decree approved (3.0-liter diesel vehicles)
October 2, 2017	Trust effective date (TED); finalized State Trust Agreement filed with the Court
October 13, 2017	Georgia files Certification for Beneficiary Status Under Environmental Mitigation Trust Agreement designating OPB as Georgia's Lead Agency
No later than January 30, 2018	Trustee publishes a list of approved State Beneficiaries
No later than 30 days prior to submitting the first funding request	Georgia must submit the Beneficiary Mitigation Plan for the State of Georgia to the Trustee.

III. Required Elements for the Beneficiary Mitigation Plan for the State of Georgia

Section 4.1 of the State Trust Agreement lists the information that must be contained in the state Beneficiary Mitigation Plans. The Beneficiary Mitigation Plan for the State of Georgia must summarize how Georgia plans to use its allocation of the State Trust funds, addressing:

- A. Georgia's overall goals for the use of the funds;
- B. The categories of Eligible Mitigation Actions that Georgia 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;
- C. A description of how Georgia 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 in Georgia; and
- D. A general description of the expected ranges of emission benefits that Georgia estimates would be realized by implementation of the Eligible Mitigation Actions identified in the Georgia Beneficiary Mitigation Plan.

The State Trust Agreement provides that state Beneficiary Mitigation Plans need only provide the level of detail reasonably ascertainable at the time of submission. The Beneficiary Mitigation Plan for the State of Georgia is intended to provide Georgia citizens with insight into the State's high-level vision for its use of the State Trust funds. The Beneficiary Mitigation Plan for the State of Georgia is not binding, nor does it create any rights in any person to claim an entitlement of any kind. OPB may adjust the goals and specific spending plans at its discretion after submission of the Beneficiary Mitigation Plan. If adjustments to the Beneficiary Mitigation Plan are needed, OPB shall provide the Trustee with updates to the Beneficiary Mitigation Plan, and shall make the updates available to the public at <https://opb.georgia.gov/webform/vw-settlement-agreement>.

A. Georgia’s overall goal for the use of the State Trust funds

The overall goals of the Beneficiary Mitigation Plan for the State of Georgia are:

- To reduce overall NO_x emissions in the State;
- To implement Eligible Mitigation Actions in areas not meeting the national ambient air quality standard for ozone or in a ozone maintenance area;
- To implement Eligible Mitigation Actions that further Georgia’s energy, environmental, and economic development goals, including those that support improved mobility;
- To implement Eligible Mitigation Actions with SMART (Specific, Measurable, Attainable, Realistic, and Timely) emissions reductions;
- To implement Eligible Mitigation Actions by working with entities that have administrative and programmatic structures in place for implementing diesel emissions reduction projects;
- To implement Eligible Mitigation Actions that can be completed within three years of request date; and
- To implement Eligible Mitigation Actions requiring no administrative costs from the State Trust funds to implement.

B. The categories of Eligible Mitigation Actions Georgia 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

The State Trust Agreement provides a full list of Eligible Mitigation Actions in Appendix D-2 of the State Trust Agreement. **Table 2**, below, provides the State of Georgia’s preliminary assessment of the percentages of funds anticipated to be used for each type of Eligible Mitigation Action. After evaluation of the Eligible Mitigation Action options, Georgia intends to use the State Trust funds currently allocated to replace older, higher-polluting transit buses serving Georgia citizens in the Atlanta Metropolitan Area which bears a disproportionate share of the air pollution burden in Georgia.

Table 2. Preliminary Allocation of Funds

Categories of Eligible Mitigation Actions	Funding Distribution	Allocation of Funds (%)
1. Eligible Large Trucks	\$0	0%
2. Eligible Buses	\$63,624,725.56	100%
3. Freight Switchers	\$0	0%
4. Ferries/Tugs	\$0	0%
5. Ocean Going Vessels Shorepower	\$0	0%

6.	Eligible Medium Trucks	\$0	0%
7.	Airport Ground Support Equipment	\$0	0%
8.	Forklifts and Port Cargo Handling Equipment	\$0	0%
9.	Light Duty Zero Emission Vehicle Supply Equipment	\$0	0%
10.	Diesel Emission Reduction Act (DERA) Option	\$0	0%
Total		\$63,624,725.56	100%

Two projects have been tentatively selected to receive funding from the State Trust: new diesel and all-electric transit buses for the State Road and Tollway Authority's (SRTA) Xpress system, and new all-electric terminal-to-terminal transit buses serving Hartsfield-Jackson Atlanta Airport (HJA). Funding for the HJA all-electric transit buses will include charging infrastructure. Georgia currently does not intend to use any of its allocation from the State Trust for administrative expenditures associated with implementing the selected Eligible Mitigation Actions. This will maximize the emissions benefits of the selected projects.

Project #1. SRTA Xpress transit bus replacements

Project #1 is for the proposed replacement of Xpress transit buses. Xpress transit buses operate in 12 counties and draws ridership from 40 counties, providing the Atlanta Metropolitan Area's commuters with a transportation option that can reduce emissions in Georgia in one of the most effective and efficient manners. The Xpress project was selected due to SRTA's service, which operates within the various counties that comprise the Atlanta Metropolitan Area. This is the only area of the state that is not meeting the current ozone standard. Additionally, the Atlanta Metropolitan Area is disproportionately impacted by mobile source NOx emissions and the Xpress project and system would continue to increase the capacity of Georgia's most congested highways and reduce mobile source NOx emissions through the reduction of private motor vehicle usage.

Xpress operates 27 routes with a fleet of 165 buses and 27 Park & Ride lots to link Atlanta Metropolitan Area commuters with major employment centers including Downtown, Midtown, Buckhead, and Perimeter Center. Xpress passengers have access to approximately 350,000 jobs within a 15 minute walk of an Xpress bus stop. Other benefits of the Xpress transit system include:

- Removing approximately 2,085,800 vehicles from Atlanta's freeways annually;
- Removing an estimated 175,000 cars from the I-285 and I-20 interchange annually. This location is identified as one of the worst bottlenecks in the U.S; and
- Saving nearly 56 million vehicle miles annually.

The majority of Xpress riders are regular commuters that rely on the service to get to and from work four or more days per week. In FY15, Xpress carried 2 million passengers over 50 million miles, saving all commuters over \$120 million in congestion costs. Xpress commuter buses make

up less than 2% of the vehicles in the I-85 Express Lanes during the peak commuting hours, but carry nearly 26% of the people using the lanes.

The proposed new SRTA Xpress transit buses are a combination of clean diesel and all-electric. Funding for the all-electric transit buses will include charging infrastructure. The purchase of new electric buses is one example of exploring alternative avenues in reducing all types of emissions throughout Georgia. **Figure 1** shows that the counties where the areas where Xpress transit buses are operated closely align with the 2008 ozone maintenance area counties⁴.

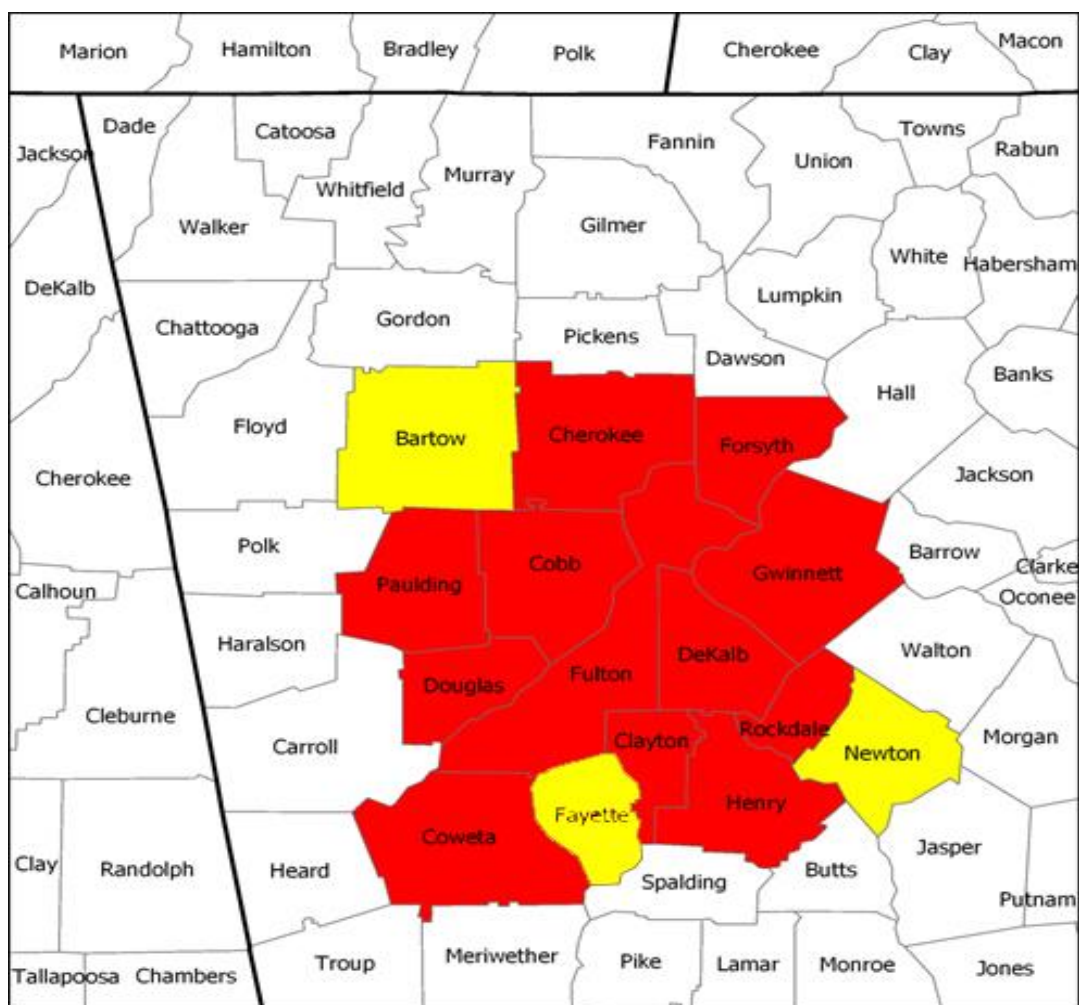


Figure 1. Counties where current Xpress transit buses operate are highlighted in red. The red and yellow counties identify the maintenance area for the 2008 8-hour ozone standard.

Project # 2. All-electric terminal-to-terminal transit bus replacements at HJA

Project #2 is for the proposed replacement of terminal-to-terminal diesel transit buses at HJA with all-electric buses, including charging infrastructure. The terminal-to-terminal buses transport passengers from the international terminal to the domestic terminal and back. This project is part of an overall strategy at HJA to reduce diesel emissions at the airport. HJA

⁴ See Section C. below for discussion of ozone maintenance area counties.

terminal-to-terminal transit buses operate in Clayton and Fulton counties, which are part of the 2008 ozone maintenance area.

Project #1 and Project #2 both meet the overall goals established for the Beneficiary Mitigation Plan for the State of Georgia, as shown below in **Table 3**. Both projects are for government-owned buses, and are eligible for allocations up to 100% of the cost of the new transit buses and charging infrastructure.

Table 3. Identified Projects Meet the Overall Goals of the Beneficiary Mitigation Plan for the State of Georgia

Plan Goals	Project #1	Project #2
To reduce overall NO _x emissions in the State	Yes	Yes
To implement Eligible Mitigation Actions in areas not meeting the national ambient air quality standard for ozone, or in ozone maintenance areas	Yes	Yes
To implement Eligible Mitigation Actions that further Georgia's energy, environmental, and economic development goals, including those that support improved mobility	Yes	Yes
To implement Eligible Mitigation Actions with SMART emissions reductions	Yes	Yes
To implement Eligible Mitigation Actions by working with entities that have administrative and programmatic structures in place for implementing diesel emissions reduction projects	Yes	Yes
To implement Eligible Mitigation Actions that can be fully implemented within three years of award date	Yes	Yes
To implement Eligible Mitigation Actions requiring no administrative costs from the Trust to implement	Yes	Yes

Additional Projects:

For mitigation funds not used on Project #1 and Project #2, Georgia will ensure that additional Eligible Mitigation Actions selected support the Georgia Beneficiary Mitigation Plan's overall goals as listed in III.A. In addition, funding priority may also be given to:

- Eligible Mitigation Actions designed to achieve the greatest NO_x emission reduction or offset for the dollar (i.e., capital cost effectiveness in dollars/ton);
- For Eligible Mitigation Actions that require cost-share, Eligible Mitigation Actions with verified funding;
- Eligible Mitigation Actions in areas that receive a disproportionate quantity of air pollution from diesel fleets;

- Eligible Mitigation Actions located in fine particulate matter (PM_{2.5}) maintenance areas; and
- Eligible Mitigation Actions located in areas with toxic air pollution concerns.

OPB reserves the right to adjust the overall goals of the Beneficiary Mitigation Plan, and the specific Eligible Mitigation Actions selected. If OPB determines that adjustments to the Georgia Beneficiary Mitigation Plan are needed after it is submitted to the Trustee, OPB shall provide the Trustee with an update to the Beneficiary Mitigation Plan in accordance with the State Trust Agreement. Any updates will be made available to the public at <https://opb.georgia.gov/webform/vw-settlement-agreement>.

C. A description of how Georgia 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

The Atlanta Metropolitan Area bears a disproportionate share of the air pollution burden, including impacts resulting from the VW defeat devices, for the following reasons:

1. NO_x emissions contribute to ground level ozone formation. The Atlanta Metropolitan Area is the only area of the state that is not meeting the current ozone standard

EPA sets national ambient air quality standards (NAAQS)⁵ for the certain air pollutants, including ozone. Higher levels of ground level ozone can make it more difficult to breathe. Lung diseases such as asthma, emphysema, and chronic bronchitis are aggravated in the presence of high levels of ozone. NAAQS are set at a level that is protective of human health with an adequate margin of safety. The NAAQS are periodically reviewed by EPA, and revised if needed. All of the state of Georgia is currently designated by EPA as attainment or unclassifiable/attainment for the 2008 ozone NAAQS,⁶ although the 15-county Atlanta Metropolitan Area is a maintenance area for the 2008 ozone NAAQS. Also, in 2015, EPA lowered the ozone standard to 70 ppb.⁷ Some air quality monitors in the Atlanta Metropolitan Area are measuring ozone concentrations that are above the 70 ppb standard.⁸ See **Figure 2** for ozone concentrations in the parts of Georgia with ozone monitors.

⁵ The United States Environmental Protection Agency (EPA) sets national ambient air quality standards (NAAQS) for the following air pollutants: carbon monoxide, lead, particulate matter, nitrogen dioxide, ozone, and sulfur dioxide.

⁶ On June 2, 2017, the EPA finalized the re-designation of the 15-county Atlanta Metropolitan Area to attainment for the 2008 ozone NAAQS. The 2008 ozone NAAQS is a 75 ppb standard (8-hour average).

⁷ On November 16, 2017, EPA designated counties in Georgia as attainment/unclassifiable for the 2015 ozone NAAQS, with the exception of counties that are in the Atlanta MSA (39 counties) and the Jacksonville, Florida MSA (Camden County).

⁸ Georgia has recommended that Bartow, Cobb, Clayton, DeKalb, Fulton, Gwinnett, Henry and Rockdale counties be designated as nonattainment areas for the 2015 ozone standard. Xpress operates in all of these counties, and the terminal-to-terminal transit buses operate in Clayton and Fulton counties.

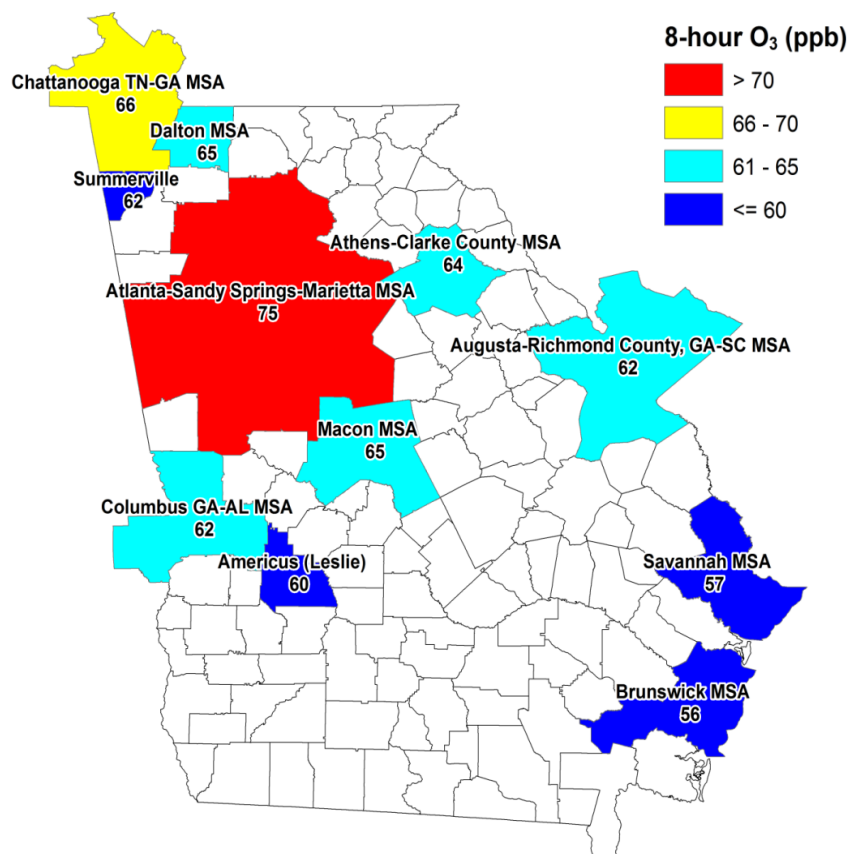


Figure 2. Ozone in Metropolitan Statistical Areas (MSA) in Georgia⁹

The defeat devices utilized by VW in diesel passenger vehicles used software that detected when the diesel passenger vehicles were being tested for compliance with federal manufacturing standards. The defeat device turned on the full emissions control system only during that testing process. During normal driving conditions, the software disabled parts of the emissions control systems, increasing NO_x emissions from the diesel passenger vehicles to up to 40 times¹⁰ EPA standards. The excess NO_x emissions that occurred as a result of the VW diesel defeat devices likely contributed to the high ground level ozone concentrations in the Atlanta Metropolitan Area. Projects #1 and #2 will reduce NO_x emissions in the Atlanta Metropolitan Area. The NO_x reductions are expected to have a positive impact on ground level ozone concentrations.

2. The Atlanta Metropolitan Area is disproportionately impacted by mobile source NO_x emissions.

As shown in **Figure 3**, below, the Atlanta Metropolitan Area is disproportionately impacted by mobile source NO_x emissions, compared to the rest of Georgia. Mobile sources are responsible for 81.6% of the NO_x emissions in the Atlanta Metropolitan Area. Georgia-wide, this percentage is much lower at 66.7%.

⁹ Ozone design values for 2014-2016.

¹⁰ <https://www.epa.gov/enforcement/reference-news-release-volkswagen-spend-147-billion-settle-allegations-cheating>

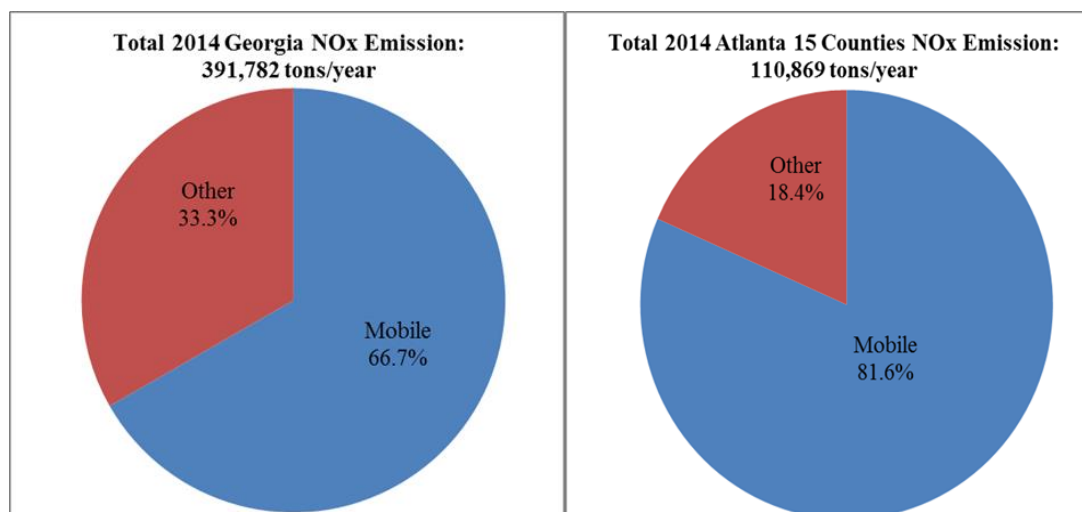


Figure 3. Percent of 2014¹¹ Mobile NO_x emissions in Georgia versus Atlanta Metropolitan Area

Reducing mobile source NO_x emissions in the Atlanta Metropolitan Area is a highly effective strategy for reducing ground level ozone because ground level ozone formation in Atlanta is NO_x limited.¹² Hence, selecting mitigation projects that reduce mobile source NO_x emissions in the Atlanta Metropolitan Area is a priority of the Beneficiary Mitigation Plan for the State of Georgia. Projects #1 and #2 will reduce mobile source NO_x emissions in the Atlanta Metropolitan Area by replacing higher-emitting diesel transit buses with new diesel and all-electric transit buses.

3. Seven of the top ten counties in Georgia with the highest number of affected VW diesel vehicles are located in the Atlanta Metropolitan Area

As shown in bold in **Table 4**, seven of the top ten counties in Georgia with the highest number of affected VW diesel vehicles are located in the Atlanta Metropolitan Area.¹³ This demonstrates that the Atlanta Metropolitan Area bore a disproportionate share of the increased air pollution burden as a result of the defeat devices. This is one of the reasons why the Beneficiary Mitigation Plan for the State of Georgia focuses on reducing emissions from diesel engines in the Atlanta Metropolitan Area.

¹¹ 2014 is the most recent year available for the National Emissions Inventory (NEI).

¹² NO_x limited means that reducing NO_x vs. VOCs is the most reasonable and effective strategy to reducing ozone concentrations. Ozone is formed by a photochemical reaction involving NO_x and VOCs in the atmosphere. In the Atlanta Metropolitan Area, naturally occurring (biogenic) VOCs are much higher than anthropogenic VOCs. Hence, reducing anthropogenic VOCs has little effect on ozone concentrations compared to strategies that reduce anthropogenic NO_x emissions for the Atlanta area.

¹³ Based on GA Department of Revenue registration data for Model Years 2009-2014 VW diesel passenger vehicles.

Table 4. Georgia Counties with Affected VW Diesel Passenger Vehicles

GA County	Number of Affected VWs
Fulton	1,148
Cobb	908
Gwinnett	898
DeKalb	821
Chatham	365
Forsyth	357
Cherokee	340
Columbia	232
Hall	232
Coweta	229

D. A general description of the expected ranges of emission benefits Georgia estimates would be realized by implementation of the Eligible Mitigation Actions identified in the Beneficiary Mitigation Plan

The range of NO_x emissions reductions expected as a result of the Eligible Mitigation Action projects described in Section III. B. is between 100 tons and 200 tons of NO_x over the life of the new buses.¹⁴ The emissions reductions were calculated using EPA's Diesel Emission Quantifier (DEQ).¹⁵ The NO_x emissions reduction range accounts for potential project variability within the Eligible Bus category for both the SRTA Xpress and HJA projects. The SRTA Xpress transit buses will be replaced with a combination of new diesel buses and all-electric buses. The terminal-to-terminal transit buses at HJA will be replaced with all-electric buses. The intent of the State Trust Agreement is to mitigate the excess emissions that occurred as a result of the use of the VW diesel passenger vehicle defeat devices. Projects #1 and #2 will contribute towards mitigation of the excess emissions that occurred as a result of the VW diesel passenger vehicle defeat devices.

IV. Providing the Public Access to Information

Section 4.2.7 of the State Trust Agreement describes Georgia's obligations with regard to consideration of public input on the Beneficiary Mitigation Plan for the State of Georgia, and for providing the public access to all documentation and records submitted to the Trustee, including those submitted in support of each funding request made by OPB for State Trust funds. The public input plan and public access plan is contained in Certification Form D-3, which was submitted by Georgia to the Trustee on October 13, 2017, and is described below.

A. OPB VW Mitigation Webpage

OPB has created the OPB VW Mitigation Webpage, which can be found at <https://opb.georgia.gov/webform/vw-settlement-agreement>. The OPB VW Mitigation Webpage provides information regarding the State Trust Agreement and the State Trust. Documents submitted by Georgia to the Trustee will be available to the public on the OPB VW Mitigation

¹⁴ DEQ uses 20 years.

¹⁵ <https://www.epa.gov/cleandiesel/diesel-emissions-quantifier-deq>

Webpage including those submitted in support of each funding request. Information will also be available to the public on the Trustee’s website at <http://www.vwenvironmentalmitigationtrust.com>. The OPB VW Mitigation Webpage will be updated as needed.

B. Public Input Process for Georgia’s Draft Beneficiary Mitigation Plan

The OPB VW Mitigation Webpage provided a centralized site for receiving comments and suggestions from Georgia citizens on the development of Georgia’s Beneficiary Mitigation Plan. Interested parties were provided the opportunity to submit proposed mitigation plans or projects via the OPB VW Mitigation Webpage, and offer input on plan development through an online survey. **Table 5**, below, summarizes the survey results¹⁶ on the types of Eligible Mitigation Actions that should be included in the Georgia Beneficiary Mitigation Plan. Eligible buses were selected most often by commenters.

Table 5. Summary of Comments Received on Preferred Mitigation Options¹⁷

Eligible Mitigation Options	Selected by Commenters
1. Eligible Large Trucks	23
2. Eligible Buses	35
3. Freight Switchers	5
4. Ferries and Tugs	3
5. Ocean Going Vessels Shorepower	3
6. Eligible Medium Trucks	22
7. Air Ground Support Equipment	6
8. Large Forklifts and Port Cargo Handling Equipment	3
9. Light Duty Zero Emission Vehicle Supply Equipment	13
10. DERA Option	20

Georgia’s draft Beneficiary Mitigation Plan will be made available to the public on the OPB VW Mitigation Website. OPB will provide a public comment period, and consider the comments received from the public on the draft Beneficiary Mitigation Plan before submitting the final Beneficiary Mitigation Plan to the Trustee.

¹⁶ The survey allows the public the option of selecting more than one mitigation action.

¹⁷ As of November 1, 2017.

V. Process for Updating Georgia’s Beneficiary Mitigation Plan

The Beneficiary Mitigation Plan for the State of Georgia is intended to provide Georgia citizens with insight into the State’s high-level vision for use of the State Trust funds. The Beneficiary Mitigation Plan for the State of Georgia is not binding. The State of Georgia may adjust the goals and specific spending plans. If the Beneficiary Mitigation Plan is modified, OPB will provide the Trustee with updates to the Beneficiary Mitigation Plan for the State of Georgia, and make the updates available to the public at <https://opb.georgia.gov/webform/vw-settlement-agreement>.

VI. Conclusion

This draft Beneficiary Mitigation Plan for the State of Georgia was developed in accordance with the requirements of the State Trust Agreement.

This draft plan summarizes:

- Georgia’s overall goals for the use of the State Trust funds;
- The categories of Eligible Mitigation Actions that Georgia 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;
- A description of how Georgia 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; and
- A general description of the expected ranges of emissions benefits that Georgia estimates would be realized by implementation of the Eligible Mitigation Actions identified in the Beneficiary Mitigation Plan.

After evaluation of Eligible Mitigation Action options, Georgia intends to use all of the State Trust funds currently allocated to Georgia to replace older, higher-polluting transit buses serving Georgia citizens in the Atlanta Metropolitan Area with new buses with lower emissions. Two specific projects have been identified: replacing diesel transit Xpress buses with new diesel and new all-electric buses, and replacing diesel terminal-to-terminal buses with all-electric buses at HJA. The selected projects meet the overall goals of Georgia’s Beneficiary Mitigation Plan and will reduce mobile source NOx emissions in the Atlanta Metropolitan Area, which is the one area of the state that is not meeting the 2015 ozone NAAQS. The majority of the VW passenger diesel vehicles sold or leased in Georgia with the defeat devices were located in the Atlanta Metropolitan Area.