



April 3, 2017

Delaware Department of Natural Resources & Environmental Control  
100 W. Water Street, Suite 6A  
Dover, DE 19904

RE: Proterra Comments on VW Settlement Appendix D

Proterra appreciates the opportunity to provide comments on the funding allocated under Appendix D of the Volkswagen (VW) Consent Decree.

Proterra designs and manufactures the world's most fuel-efficient battery electric bus and features on-route, fast-charge technology that offers functionally unlimited range, as well as an extended range version that enables transit agencies to travel 350 miles on a single charge. Proterra's CATALYST™ bus achieves 22+ MPGe performance, 500%+ better than diesel and CNG buses, eliminating toxic diesel particulate matter and reducing carbon emissions by 70% or more compared to CNG or diesel buses. In addition, the cost of maintenance differential is substantial in comparison to fossil fueled buses. Using the APTA average of 34,000 miles per year and the FTA required 12-year life, a Proterra bus will save a transit agency over \$200,000.00 per bus on average compared to a fossil fuel transit bus.

Our mission is simple: to deliver clean, quiet transportation to all communities by replacing heavy-duty, fossil-fueled transit buses with zero-emission public transit buses. The harmful effects of vehicle exhaust from medium and heavy-duty trucks are on the rise and have been for years. The EPA reports that medium and heavy duty vehicles account for 20% of GHG emissions and oil use in the United States' transportation sector, but represent only 5% of the vehicles on the road. Similarly, GHG emissions from heavy duty vehicles across the globe are growing rapidly and are expected to surpass emissions from passenger vehicles by 2030. There is thus a strong need to not only mitigate past criteria pollutant emissions, but to continue to reduce toxic air pollutants in the medium and heavy duty sector.

The Volkswagen settlement provides a much-needed opportunity to address this growing environmental concern and further demonstrate that commercially available zero-emission technologies have the lowest cost of ownership, improved maintenance and performance, and better serve a diverse range of communities' public transit needs, including the reduction of GHG and the elimination of criteria emissions.

We strongly recommend that Delaware direct 85% of the Appendix D settlement funds to incentivize the deployment of zero emission, battery electric transit buses and medium duty vehicles to help reduce GHG emissions and vehicle miles traveled, as well as provide other health and associated benefits throughout Delaware.

We propose that Delaware adopt two specific funding programs that have significantly accelerated the adoption of heavy duty EVs and, as a direct result, helped reduce NOx and GHG emissions. First, we urge Delaware to adopt the competitive funding programs in place in CA and at the federal level. The CA Zero-Emission Truck and Bus Program is a competitive funding program that allows all manufacturers of zero-emission technology to partner with transit agencies and compete for project funding.

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It is very much modeled after the highly competitive Federal Transit Administration's Low or No Emission Program, which has helped fund the purchase of zero-emission transit buses across the US. The CA program is important in that it allows newcomers to receive funding for not only buses, but also chargers (EVSE). Second, the Hybrid & Zero-Emission Truck and Bus Voucher Incentive Program (HVIP) is a pool of money that is used by transit agencies on a first come, first served basis to bridge the gap between purchasing a fossil fuel vehicle and a zero-emission vehicle. For example, the transit bus OEM can receive a voucher for up to \$160,000 per EV vehicle, which amount is then deducted from the cost of the bus. New York City (New York Truck Voucher Incentive Program) and Chicago (Drive Clean Truck Voucher Program) have implemented similar programs. These programs have proven valuable in allowing agencies (and commercial properties) to grow their fleets of zero-emission buses.

Appendix D of the VW Settlement allows each beneficiary to invest up to 15% of its allocation of Trust Funds on costs associated with deploying new, light duty EVSE. Proterra recommends that Delaware dedicate its entire 15% towards electric vehicle charging infrastructure. Proterra's newly-introduced extended range bus, the E2, supports SAE J1772 CCS charging, which is also the standard adopted by many light duty OEMs. Accordingly, the additional investment in charging infrastructure has the added benefit of accelerating EV adoption across the light duty sector as well.

Thank you for the opportunity to provide comments on the VW Consent Decree programs. We look forward to continuing to work together to help carry out the goals and initiatives of the Environmental Mitigation Trust. Please feel free to contact me directly at (925) 698-1431 or [kleacock@proterra.com](mailto:kleacock@proterra.com).

Sincerely,

*F. Kent Leacock*

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