

[REDACTED]

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**From:** Yale Klat [REDACTED]  
**Sent:** Friday, July 22, 2016 3:17 PM  
**To:** Steve Dayton  
**Subject:** Re: vw settlement and IdleAir

Hi Steve,

Thanks for calling back the other day. I gathered from your voicemail that you needed some time to see who would be the lead agency and how the State would be handling the VW situation.

I've also used the time to get a better sense of the opportunity. I'd like to share our thoughts with the right contact at the state. Below is a letter that lays out our perspective. I hope you find the information useful. Please feel free to point me in the right direction with regards to the right contact.

Thanks once more,  
Yale

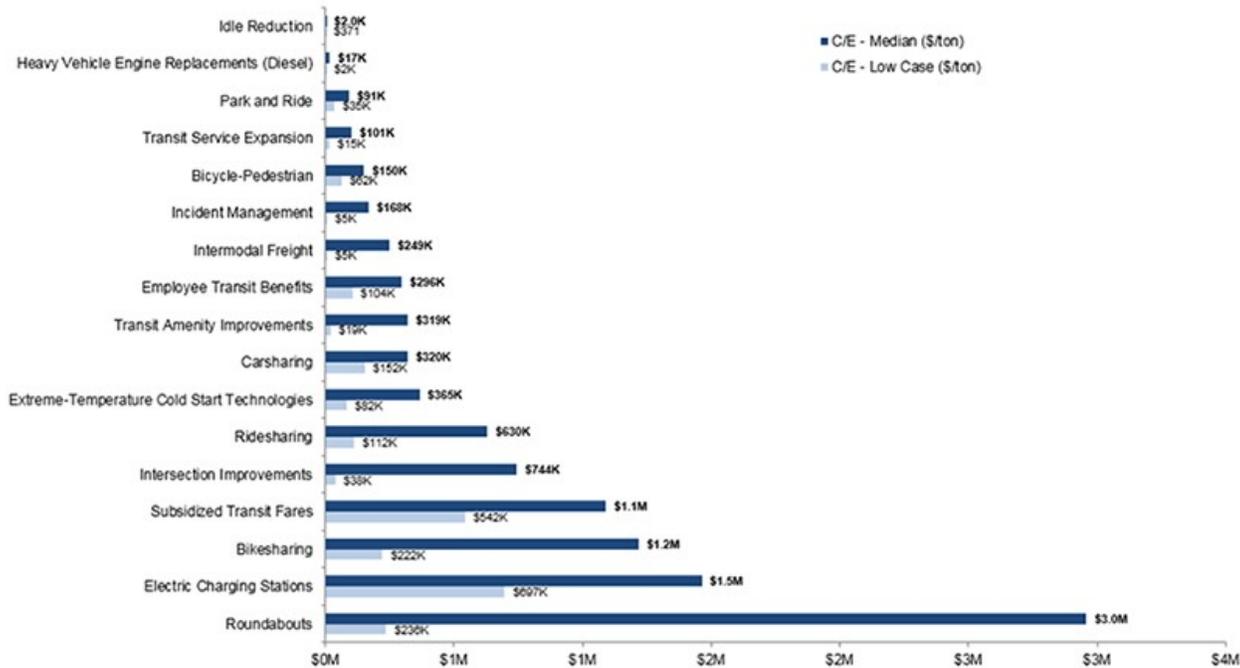
To whom it may concern:

We are writing to encourage you to provide input on a draft settlement agreement that is being negotiated between the U.S. government and Volkswagen, so that Texas has the flexibility necessary to make the best decisions on how to allocate settlement funds. Specifically, we are asking you to submit a formal comment to the U.S. Justice Department on the draft settlement agreement, urging the parties to include truck stop electrification as an "Eligible Mitigation Action" under Appendix D of the agreement. The deadline for comments is August 5, 2016.

Below we provide more details on the issue and where to submit the comments. In addition, we have attached a sample comment letter. Truck stop electrification is the single most cost effective method of mitigating diesel emissions, and your voice can improve this enormous opportunity for Texas air quality.

#### Background

The draft settlement agreement includes a \$2.7 billion mitigation fund, which will enable the States and Indian Tribes to invest in various projects, technologies, and activities that will help reduce NOX emissions caused by diesel engines. Unfortunately, the proposed agreement fails to include truck stop electrification as an eligible mitigation action that can receive investments from the States and Tribes. This is despite the fact that overnight idling by diesel trucks is a major source of NOX pollution, which have a disproportionate impact on disadvantaged communities where most truck stops and fleet terminals tend to be located. <http://bit.ly/2a19Pqs> Moreover, the Federal Highway Administration rates truck stop electrification (idle reduction) as the #1 cost effective solution to mitigate NOX emissions, at \$2k/ton of NOX. (See below and attached document).



**Figure 3 . Median Cost-Effectiveness Estimates (Cost per Ton Reduced) of NOx Emission Reductions.** Figure from <http://bit.ly/2a3w6Vt>. Entire report can be found here <http://bit.ly/29U8S3t>. Select pages <http://bit.ly/2aeM1Iz> Sales data demonstrates that even better cost effectiveness can be achieved if limited vouchers drive higher utilization of existing infrastructure during this period of relatively inexpensive fuel.

Most people are unaware that over a million heavy duty diesel trucks idle for about 40% of engine run time because drivers who sleep in their cabs are unable to heat or cool their home away from home without idling a 500HP diesel engine. (Huai, T., et al., 2006. "Analysis of heavy-duty diesel truck activity and emissions data," Atmospheric Environment, 40, 2333-2344) See also <https://youtu.be/3oLsyLHUNqA> The Argonne National Laboratory estimates that rest-period idling results in the emission of about 11 million tons of carbon dioxide, 55,000 tons of nitrogen oxides, and 400 tons of particulate matter released annually in the US. See <http://bit.ly/29ZNu2r>.

IdleAir and Shorepower Technologies, two verified providers from the EPA SmartWay Verified List of Idling Reduction Technologies operate a combined network over 3500 electrified truck parking spaces nationwide. See <http://bit.ly/2a29OWn>. The IdleAir network alone reduced total diesel emissions by a verified 11,330 metric tons (60mt of CO, 11,114mt of CO2, 144mt of NOX, 4mt of PM and 7.3mt of VOC). The heavy duty zero emission supply equipment is known under the SmartWay program as **Electrified Parking Spaces or Truck Stop Electrification**. EPS/TSE uses electricity-powered components to provide the operator with climate control and auxiliary power without having to idle the main engine.

The omission of heavy duty zero emission supply equipment (otherwise known as verified actions of EPS / TSE) as an eligible mitigation technology under Appendix D-2 should concern anyone who desires efficient deployment of settlement funds. As previously stated, truck stop electrification is the single most cost cost-effective emission reduction, and the ONLY way to address a source of emissions within disadvantaged communities.

Although the proposed Mitigation Action Plan includes a provision for DERA Option for actions not specifically enumerated in Appendix D-2, we are concerned that this catchall provision is inadequate for several reasons. States are likely to choose direct assistance to enumerated technologies, not because they are superior, but to avoid the administrative burden of the DERA program. In fact some States decline to participate in DERA altogether.

Our "ask" is to specifically include EPS/TSE as an Eligible Mitigation Action in Appendix D-2. EPS/TSE delivers local air quality benefits with zero emissions at the point of use. The language can mirror that of "Option 9" for light duty electric charging infrastructure, and provide for vouchers for truck drivers to increase the number of drivers that are using existing truck stop electrification facilities.

**Please respond** to the notice of public comment by the deadline of August 5th, by emailing [pubcomment-ees.enrd@usdoj.gov](mailto:pubcomment-ees.enrd@usdoj.gov), with a subject line of "In re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, Case No: MDL No. 2672 CRB (JSC), and D.J. Ref. No. 90-5-2-1-11386," and ask that Electrified Parking Spaces / Truck Stop Electrification be listed as an enumerated technology. Feel free to copy and paste some or all of our content on the sample letter below under your own letterhead.

Kind regards,

John C. Cruden Esq.  
Assistant Attorney General  
Environment and Natural Resources Division  
U.S. Department of Justice

In re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, Case No: MDL No. 2672 CRB (JSC), and D.J. Ref. No. 90-5- 2-1- 11386.

Dear Mr. Cruden:

Our Office writes to request that States and Native American tribes be afforded adequate flexibility to consider allocating some of their funds to address extending truck idling. Too often, drivers idle their engines during overnight stays in order to maintain a safe and comfortable interior environment. The practice takes place on a large scale and frequently within disadvantaged communities. The Argonne National Laboratory estimates that rest-period idling results in the emission of about 55,000 tons of nitrogen oxides released annually in the US, and the US DOT finds idle mitigation to be the most cost effective mitigation measure. Truck Stop Electrification, an EPA SmartWay verified technology, provides long-haul truck drivers an alternative to idling their diesel engines during their overnight stays. We believe that States and Native American tribes should have the option of using this cost effective solution for a portion of their mitigation plan.

Specifically, we ask that you consider broadening list of eligible mitigation actions in Appendix D2 of the draft settlement to include Truck Stop Electrification, so that beneficiaries are allowed to expand the use of truck stop electrification through 1) installation of new TSE, and 2) vouchers for truck drivers which will increase the use of existing facilities."

Sincerely,

On Tue, Jul 5, 2016 at 2:49 PM, Yale Klat [REDACTED] wrote:

Dear Steve,

Hope all is well on your end. Are you familiar with the VW settlement? I am interested in learning a bit more about the process in general, if do you have a minute to chat. Even if TCEQ has not made any decisions about its portion, I am unclear how it might affect a potential DERA grant for TSE (in any state), and EPA would probably prefer we ask questions at the local level.

Kind regards,  
Yale

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