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**From:** Michael Henning  
**Sent:** Saturday, September 8, 2018 11:23 AM  
**To:** VWSettle  
**Subject:** Grant? vs Class Action Suit?

Dear TCEQ,

Thank you for the good work you're doing and for allowing these public comments to have an effect on the final draft of the pending application.

Please consider the following:

By design, the current "**grant style**" application approach closes the door on small businesses while it opens the door wide for more of the corporate state, in handling monies benchmarked for the benefit of the general public. The nature of the cost-sharing percentage in relation to the application is problematic at the least.

Here's why.

Any small business participant will invariably need a corporate sponsor to help pay for the additional percentages necessary for the small business owner to qualify for receiving funds. Some small businesses simply may not have the wherewithal to even garner in a corporate sponsor, to begin with.

For those that do, the swayed authority will weigh heavily in the favor of the corporate sponsor, leaving the small business owner subordinate to the sponsor. This new arrangement could easily take over the project from the original applicant and place it squarely in the hands of the corporation's Board of Directors. What's wrong with this picture?

In order to avoid this potential conflict of interest, the State of Texas should award 100% of the funds needed for all awarded eligible applicants with a solid business plan, for immediate use rather than a percentage that would create the need for a partnership.

Also, this distribution of funds should be up front, not a reimbursement.

If only because some very legitimate Texas-based companies may be well suited to address the Nitrogen Oxide NOx reduction call to action effort but simply do not have the financial means to implement their specific technology. By allowing the funding to be distributed prior to the purchase of large-scale equipment two crucial missing elements in the current standing will then be correctly set in place.

1. It levels the playing field for New Comers without big corporate sponsors or Old Comers who just plain don't have the deep pockets needed to function with the Bigger Guys, yet.

2. Applying the funds this way is so much closer as to how a true class action suit would traditionally release funds rather than having such a formal "**grant style**" release as it now currently appears to be structured.

With all due respect although we are fully aware of the fact that this is an unusual format for TCEQ to work with and traditionally it has been "**grants**" that are distributed through TCEQ... The fact still remains that this is not a "**grant**". It truly is a **class action suit**. I believe that it should lean more in the direction of a **class action suit** rather than a **grant** since the VW Mitigation Fund is not a **grant** at all. It is 100% settlement funds for a **class action suit** and should be treated as such.

Thank you for your consideration.

Keep up the good work.

WE WILL *ALL* WIN

Looking Forward,  
Michael P. Henning

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