

Coach USA is grateful for the opportunity to provide comments to the Texas Commission on Environmental Quality (Commission) in regard to the Texas Volkswagen Environmental Mitigation Program (program).

Coach currently serves over 6 million passengers in the United States annually, and has served over 60 million passengers in the United States since operations began in 2006. This includes over 720,000 passengers annually transported with an origin or destination in Texas. Coach USA serves Houston, Dallas, San Antonio and Austin, employs 251 Texans and has put \$52,000,000 in the local economy since 2006. We are proud of our deep Texas connections, and we look forward to working closely with the Commission on this project.

We have identified issues for the Commission to consider.

First, both private operators of public transportation and transit services and public transit agencies each utilize Class 4 through 8 on-road, heavy-duty equipment like motor coaches, articulated transit buses, and shuttle buses. Each are owned in accordance to a company transit asset management and fleet strategies.

Will both private operators of public transportation and transit services and public transit agencies be able to submit competitive funding requests through the Texas Volkswagen Environmental Mitigation Program, similar to what other states are doing, for example Nevada and New Jersey?

Coach USA maintains the settlement by and between Volkswagen and the Environmental Protection Agency due to violations of the Clean Air Act created an opportunity for a considerable reduction on NOx and other dangerous pollutants across the state of Texas including with companies and public agencies that utilize Class 8 on-road, heavy-duty equipment.

Any form of public or private entity that owns and operates Class 4 through 8 on-road heavy duty equipment must have the opportunity to participate in the state of Texas Volkswagen settlement fund to reduce diesel emission pollutants. It would be unfair if a private entity is disenfranchised due to the fact that they are not part of a transit agency, but are achieving what the Volkswagen settlement goals are with reducing NOx and other dangerous pollutants across the state of Texas. We encourage an open application process for both private operators of public transportation and transit services and public transit agencies.

Additionally, based on comments received, other states, for example, New Jersey, Nevada and New York, are requesting project timelines knowing that the Volkswagen Consent Decree is expecting settlement funding to be utilized in less than ten years from calendar year 2019. Most states are recommending a three to five year project schedule as well. Can you advise if the state of Texas is planning to

request proposals based on the consent order decree or based on what other states like New Jersey, Nevada and New York are doing by having applicants submit proposals based on a three to five year project schedule?

Coach USA believes based on best practices in other states and based on the state of Texas Volkswagen Environmental Mitigation Program, it is reasonable to anticipate that each settlement funding applicant will submit a project proposal with funding requests to be completed over a five year period.

Despite the considerable improvements to Global Positioning Satellite (GPS) technology, many public and private operators of public transportation providers account for their mileage based on logs within any geographic market that is a part of a states' NAAQS non-attainment designation areas. Additionally, the Environmental Protection Agency has typically required that the majority of annual mileage in NAAQS non-attainment areas. From a reporting perspective, will each recipient of Volkswagen settlement funding have an annual certification required for the units that are funded through the state of Texas Volkswagen Environmental Mitigation Program and certify that fifty percent of those miles are within state of Texas NAAQS non-attainment areas?

Coach USA believes each recipient of the Texas Volkswagen Environmental Mitigation Program funding is expected to certify, in writing, that no less than fifty percent of its annual mileage within any one or more NAAQS non-attainment area is defined within the program.

A final question for the Commission to consider, how is the state of Texas going to verify that a manufactured Class 4 through 8 bus meet all applicable safety standards in accordance to United States Department of Transportation laws and regulations so that funding from the VW settlement go to buses that are deemed to be safe on public roads and are able to reduce diesel emissions?

Coach USA is very grateful for the opportunity to comment, and for the diligent and open process the Commission is undertaking to address these issues. Coach USA is especially grateful for the Chairman's leadership on the Texas Volkswagen Mitigation Program.