

**APPENDIX D-4**  
**Beneficiary Eligible Mitigation Action Certification**

## BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary State of Montana

Lead Agency Authorized to Act on Behalf of the Beneficiary Montana Department of Environmental Quality  
(Any authorized person with delegation of such authority to direct the Trustee delivered to the Trustee pursuant to a Delegation of Authority and Certificate of Incumbency)

<b>Action Title:</b>	Montana Clean Truck, Bus & Airport Equipment Rnd 2 - AGSE
<b>Beneficiary's Project ID:</b>	VWT2025-10
<b>Funding Request No.</b>	(sequential) 10
<b>Request Type:</b> (select one or more)	<input type="checkbox"/> Reimbursement <input checked="" type="checkbox"/> Advance <input type="checkbox"/> Other (specify): _____
<b>Payment to be made to:</b> (select one or more)	<input checked="" type="checkbox"/> Beneficiary <input type="checkbox"/> Other (specify): _____
<b>Funding Request &amp; Direction (Attachment A)</b>	<input checked="" type="checkbox"/> Attached to this Certification <input type="checkbox"/> To be Provided Separately

### SUMMARY

<b>Eligible Mitigation Action</b> <input checked="" type="checkbox"/> Appendix D-2 item (specify): <u>7. Airport Ground Support Equipment</u> <b>Action Type</b> <input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal): _____
<b>Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):</b> See attached Summary Supplement
<b>Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):</b> See attached Summary Supplement
<b>Estimate of Anticipated NOx Reductions (5.2.3):</b> See attached Summary Supplement
<b>Identification of Governmental Entity Responsible for Reviewing and Auditing Expenditures of Eligible Mitigation Action Funds to Ensure Compliance with Applicable Law (5.2.7.1):</b> Montana Legislative Audit Division
<b>Describe how the Beneficiary will make documentation publicly available (5.2.7.2).</b> See attached Summary Supplement
<b>Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8).</b> See attached Summary Supplement
<b>Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9).</b>

On February 27, 2018 MTDEQ sent e-mail notices of availability of funds to representatives of the U.S. Department of Interior and U.S. Department of Agriculture listed in subparagraph 4.2.8

If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions (5.2.10).

See attached Summary Supplement

**ATTACHMENTS**  
(CHECK BOX IF ATTACHED)

- |                                     |                     |   |
|-------------------------------------|---------------------|---|
| <input checked="" type="checkbox"/> | <b>Attachment A</b> | <b>Funding Request and Direction.</b>   |
| <input checked="" type="checkbox"/> | <b>Attachment B</b> | <b>Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4).</b>   |
| <input checked="" type="checkbox"/> | <b>Attachment C</b> | <b>Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11).</b>   |
| <input checked="" type="checkbox"/> | <b>Attachment D</b> | <b>Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000 (5.2.6). [Attach only if project involves vendor expenditures exceeding \$25,000.]</b> |
| <input type="checkbox"/>            | <b>Attachment E</b> | <b>DERA Option (5.2.12). [Attach only if using DERA option.]</b>  |
| <input type="checkbox"/>            | <b>Attachment F</b> | <b>Attachment specifying amount of requested funding to be debited against each beneficiary's allocation (5.2.13). [Attach only if this is a joint application involving multiple beneficiaries.]</b> |

**CERTIFICATIONS**

By submitting this application, the Lead Agency makes the following certifications:

1. This application is submitted on behalf of Beneficiary State of Montana, and the person executing this certification has authority to make this certification on behalf of the Lead Agency and Beneficiary, pursuant to the Certification for Beneficiary Status filed with the Court.
2. Beneficiary requests and directs that the Trustee make the payments described in this application and Attachment A to this Form.
3. This application contains all information and certifications required by Paragraph 5.2 of the Trust Agreement, and the Trustee may rely on this application, Attachment A, and related certifications in making disbursements of trust funds for the aforementioned Project ID.
4. Any vendors were or will be selected in accordance with a jurisdiction's public contracting law as applicable. (5.2.5)
5. Beneficiary will maintain and make publicly available all documentation submitted in

support of this funding request and all records supporting all expenditures of eligible mitigation action funds subject to applicable laws governing the publication of confidential business information and pers i tion. (5.2.7.2)

**DATED: May 19, 2025**

  
\_\_\_\_\_  
Dan Walsh  
Air, Energy & Mining Division  
Administrator  
Department of Environmental Quality  
for

State of Montana

## **ATTACHMENT A**

### **FUNDING REQUEST AND DIRECTION**

*(Attachment to Appendix D-4, Beneficiary Eligible Mitigation Action Certification, pursuant to Paragraph 5.2 of the Environmental Mitigation Trust Agreement)*

Pursuant to the authority granted to Department of Environmental Quality [insert Lead Agency] to act on behalf of Beneficiary State of Montana under the Mitigation Trust, [Lead Agency] directs the Trustee to make the following payments from its subaccount no. 122969-012 to the following payees, for the amounts specified on the dates specified below.

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#### **LEAD AGENCY INFORMATION**

Beneficiary Name:	<u>State of Montana</u>	Lead Agency Contact Person:	<u>Neal Ullman</u>
Lead Agency Name:	<u>Department of Environmental Quality</u>	Lead Agency Email Address:	<u>neal.ullman@mt.gov</u>
Lead Agency Address:	<u>1520 East 6th Ave. Helena, MT 59601</u>	Lead Agency Fax:	<u></u>
Lead Agency Phone:	<u>406-444-6582</u>	Lead Agency TIN:	<u>81-0302402</u>

*Contact information entered above may correspond to Lead Agency or any authorized person with delegation of such authority to direct the Trustee delivered to the Trustee pursuant to a Delegation of Authority and Certificate of Incumbency*

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#### **MITIGATION ACTION INFORMATION**

Action Title:	<u>Montana Clean Truck, Bus &amp; Airport Equipment Rnd 2 -</u>	Funding Request No:	<u>VWT_10</u>
Beneficiary's Project ID:	<u>VWT2025-10</u>		

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#### **PAYMENTS REQUESTED**

*(attach additional pages if needed)*

Amount	Requested Date	Payee	Request Type
\$47,804.40	May 19, 2025	Montana Department of Environmental Quality	Advance

**PAYEE CONTACT AND WIRE INFORMATION**

*(fill out both tables below for each payee and payment identified in "Payments Requested" table on p. 1; attach additional pages if needed)*

**PAYEE CONTACT INFORMATION**

Action Title:	Montana Clean Truck, Bus & Airport Equipment Rnd 2 -	Beneficiary Project ID:	VWT2025-10
Payee Name:	Montana Department of Environmental Quality	Payee Contact Person:	Neal Ullman
Payee Address:	1520 East 6th Ave. Helena, MT 59601	Payee Email Address:	neal.ullman@mt.gov
Payee Phone:	406-444-6582	Payee Fax:	
Payee TIN:	81-0302402		

Payment Amount	Requested Date	Request Type
\$47,804.40	May 19, 2025	Advance

**WIRE INFORMATION**

Receiving Bank Name:	US Bank, NA		
Receiving Bank Branch:	Helena Branch		
Receiving Bank Address:	302 Last Chance Gulch, Helena, MT 59601		
Bank Swift ID:		National Routing No. / Bank ABA Number (Sort Code, BLZ)	092900383
Amount of Wire:			
Message to Payee:	Account name: State of Montana Federal ID #81-0302402, Account #156041200221		
Instructions to Receiving Bank:			
For Credit to:	VW Funding - Attn: Denise Kelly		
Other Special Instructions:			

*[Signature Block]*

Neal Ullman  
Montana Department of Environmental Quality

## SUMMARY Supplement Appendix D-4

<b>Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1)</b> DEQ set aside approximately 10% of the funds, or \$1.26 million to be available for eligible vehicle upgrades and replacements based on level of interest and demand due to vehicle technology advancements and other factors as authorized under Eligible Mitigation Actions 1-4, 6-8, & 10.
<b>Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2)</b> Montana DEQ solicited applications from public and private entities across Montana to partially reimburse the replacement and scrapping of projects authorized under Eligible Mitigation Actions 1, 2, 6 & 7. One application for an electric baggage tractor was received from the Missoula County Airport Authority (MSO). MSO owns and operates airport ground support equipment that are eligible for replacement under EMA7. Trust funds will help MSO replace one gasoline baggage tractor with a battery-electric replacement. The airport equipment will operate in Missoula County, which is a priority area identified in DEQ's Beneficiary Mitigation Plan. The equipment operates in an area that has high levels of PM-2.5 pollution, and diesel PM pollution when compared with the rest of Montana.
<b>Estimate of Anticipated NOx Reductions (5.2.3)</b> Montana DEQ estimated NOx emission reductions using the Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET) Tool provided by Argonne National Laboratories ( <a href="https://greet.es.anl.gov/afleet">https://greet.es.anl.gov/afleet</a> ). We calculated reductions for each of the pieces of airport equipment using the provided fuel type, usage, and replacement fuel. We estimate total reductions in NOx emissions of 183 pounds total over five years.
<b>Describe how the Beneficiary will make documentation publicly available (5.2.7.2)</b> MTDEQ maintains a webpage describing the Montana's Volkswagen Environmental Mitigation Program for State Beneficiaries. The Volkswagen Mitigation Trust webpage can be found at: <a href="https://deq.mt.gov/energy/Programs/fuels">https://deq.mt.gov/energy/Programs/fuels</a> . Copies of the funding request certifications to the Trustee will be available through links on this web page.  Application materials, reimbursement requests, and other documentation submitted by applicants and funding recipients for Montana's Volkswagen Environmental Mitigation Program are available to the public either through the website, or upon request pursuant to Montana Code Annotated Title 2, chapter 6, part 10.
<b>Describe any cost-share requirement to be placed on each NOx source proposed to be mitigated (5.2.8):</b> Airport equipment purchased by government airport authorities were eligible for reimbursement up to 70% of the cost of each new piece of equipment. MSO will receive a maximum of \$47,804.40 for replacement of one baggage tractor with a new all-electric model and the charging infrastructure associated with the new equipment. MSO's estimated cost share will be 30% with a total purchase price expected to be \$68,292.00.
<b>If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions (5.2.10)</b> The baggage tractor funded by this request will replace older gasoline equipment operating in Missoula County. Missoula County is identified in Montana's Beneficiary Mitigation Plan as a priority county based on annual mobile sources of nonroad NOx emissions. Missoula County is also one of the top counties for registrations of the offending Volkswagen diesel vehicles.

## **ATTACHMENT B**

### **PROJECT MANAGEMENT PLAN INCLUDING DETAILED BUDGET AND IMPLEMENTATION AND EXPENDITURES TIMELINE (5.2.4)**

This funding request will provide advance funds to the Montana Department of Environmental Quality (MTDEQ) for the implementation of airport ground support equipment replacements under the Montana Clean Truck, Bus & Airport Equipment Program Round 2. The actions covered by this funding request are consistent with Eligible Mitigation Action 7 (Airport Ground Support Equipment) of the State Trust Agreement and with Montana's Beneficiary Mitigation Plan (page 8), which allocated 10 percent of Montana's Volkswagen EMT funding for on project demand.

#### **AIRPORT GROUND SUPPORT EQUIPMENT TO BE FUNDED THROUGH THIS REQUEST**

One all-electric baggage tractor will be funded through this request. The successful applicant was the Missoula County Airport Authority.

#### **PROJECT SCHEDULE AND TIMELINE, CLEAN AIRPORT EQUIPMENT PROJECT**

<b>Project Milestone</b>	<b>Date</b>
Montana DEQ posts information and application materials on agency website; e-mail notification to Volkswagen Mitigation stakeholders list	21 October, 2024
Deadline for submission of applications	21 February, 2025
Review of applications	Within 14 days of application deadline
Formal notification to successful applicants	Within 30 days of application deadline
Montana DEQ submits Project Certification and Funding Direction for Advanced Funding	May 2025
Finalization of contracts with funding recipients	July 2025
Trustee allocates Advanced Funding to MTDEQ	July 2025
Montana DEQ reports on project progress	January 2026
Montana DEQ reports on project progress	August 2026
Montana DEQ reports on project progress	January 2027
Montana DEQ reports on project progress	August 2027
Montana DEQ reviews reimbursement requests from recipients and provides payments for projects completed.	Q1 2027
Deadline for completion of airport equipment replacement project	March 2027
MTDEQ reports project completion	August 2027



## **Project Budget**

<b>Period of Performance: July 2025 – March 2027</b>			
<b>Budget Category</b>	<b>Share of Total Budget to be Funded by the Trust</b>	<b>Cost-Share to be Paid by Project Recipient</b>	<b>Total Budget Amount</b>
Costs associated with replacement of airport equipment	\$47,804.40	\$20,487.60	\$68,292.00
Contractor Support	\$0	\$0	\$0
Subrecipient support	\$0	\$0	\$0
Administrative Costs (15%) Program planning, development, outreach, and administration	\$0	\$0	\$0
<b>Project Totals</b>	<b>\$47,804.40</b>	<b>\$20,487.60</b>	<b>\$68,292.00</b>
<b>Percentage</b>	<b>70%</b>	<b>30%</b>	<b>100%</b>

## **PROJECTED ANNUAL TRUST ALLOCATIONS**

	2025	2026	2027
1. Anticipated Annual Project Funding Request to be paid through the Trust	\$605,830.35	\$2,335,296.23	\$2,335,296.23
2. Anticipated Annual Cost Share	\$1,921,899.24	\$467,059.25	\$467,059.25
3. Anticipated Total Project Funding by Year (line 1 plus line 2)	\$2,527,729.59	\$2,802,355.48	\$2,802,355.48
4. Cumulative Trustee Payments Made in Previous Years Against Cumulative Approved Beneficiary Allocation	\$8,387,796.26	\$8,993,626.61	\$11,328,922.84
5. Current Beneficiary Project Funding to be paid through the Trust (line 1)	\$605,830.35	\$2,335,296.23	\$2,335,296.23
6. Total Funding Allocated to Beneficiary, inclusive of Current Action by Year (line 4 plus line 5)	\$8,993,626.61	\$11,328,922.84	\$13,643,148.38
7. Beneficiary Share of Estimated Funds Remaining in Trust at Start of Year	\$5,276,422.81	\$4,670,592.46	\$2,335,296.23
8. Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (line 7 minus line 5)	\$4,670,592.46	\$2,335,296.23	\$0.00

## **ATTACHMENT C**

### **DETAILED PLAN FOR REPORTING ON ELIGIBLE MITIGATION ACTION IMPLEMENTATION (5.2.11)**

The Montana Department of Environmental Quality (DEQ) will provide detailed reporting on this funding request under Eligible Mitigation Action 7 (Airport Ground Support Equipment) in two ways: 1) timely updates to DEQ's Volkswagen Environmental Mitigation Program web page and 2) semi-annual reports to the Trustee as required by subparagraph 5.3 of the Environmental Mitigation Trust for State Beneficiaries.

#### **DEQ Website**

DEQ has a webpage dedicated to the Volkswagen Environmental Mitigation Program that includes projects and actions that are eligible for funding and the status of funding. The website is found at: <https://deq.mt.gov/energy/Programs/fuels>. Copies of funding request certifications to the Trustee will be available through this web page. This page will link to current and past projects and categories funded through the Trust.

Application materials, reimbursement requests, and other documentation for Montana's Volkswagen Environmental Mitigation Program are available to the public either through the website, or upon request pursuant to Montana Code Annotated Title 2, chapter 6, part 10.

#### **Semi-Annual Reports to the Trustee**

As required by subparagraph 5.3 of the Environmental Mitigation Trust Agreement for State Beneficiaries, DEQ will submit a report to the Trustee within six months of the first disbursement and thereafter no later than January 30 and July 30 for preceding six-month periods. These reports will describe the progress implementing current and any other Eligible Mitigation Action ongoing during the reporting period. These reports will include a summary of all costs expended and a complete description of the status (including actual or projected termination date), development implementation, and any modification of the Eligible Mitigation Action. These semi-annual reports to the Trustee will be available for public access through links on the main Volkswagen Trust page on the DEQ website.

**ATTACHMENT D**

**DETAILED COST ESTIMATES FROM SELECTED VENDORS FOR EACH PROPOSED EXPENDITURE  
EXCEEDING \$25,000 (5.2.6)**

<b>Agency</b>	<b>Equipment</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Fuel</b>	<b>Quantity</b>	<b>Expected Purchase Price</b>
Missoula County Airport Authority	Baggage tractor & charger	TLD	JET-16	Electric	1	\$66,439.00

Each applicant for the Montana Clean Truck, Bus & Airport Equipment Program were required to seek at least three price quotes for airport equipment and submit them with their application.



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sales@aerospecialties.com  
[www.aerospecialties.com](http://www.aerospecialties.com)



Quote Number:AS1Q27619-01

Date of Quote:05-05-2025

Quote Valid Through: Jun 4, 2025

Sold To:	Ship To:	Your Sales Rep:
<b>Missoula County Airport</b>	<b>Missoula County Airport Authority</b>	<b>Tony Cale</b>
Dan Neuman	Dan Neuman	GSE Sales Manager
11911 Windemere Drive	11911 Windemere Drive	Phone: +1 208-378-9888
Missoula, MT 59804	Missoula, MT 59804	Email: <a href="mailto:tonyc@aerospecialties.com">tonyc@aerospecialties.com</a>
USA	USA	

Ship Via	Incoterms	Payment Terms	Reference
T10	DAP	Prepay	

Thank you for your interest in AERO Specialties. Attached is the quote along with additional information requested. We appreciate the opportunity to earn your business. If you have any questions please let me know.

Part #	Description	Lead Time	Qty	Unit Price	Ext. Price
JET-16 Electric Lithium	New TLD JET-16 Electric Aircraft, Baggage and Cargo Tractor. 4500DBP. Lithium Powered.	<b>T92219 Stock</b>	1	\$60,034.00	\$60,034.00

**Standard Spec:**

**Front tow hitch**

**iBS lithium-ion battery 277 Ah / 80 V - 1 pack**

**Keyless ignition switch - outside CE area (see comments)**

**Curtis console for system parameters & troubleshooting**

**Draw bar pull 2000 daN (with ballast)**

**Front light protections**

**Cab with sliding doors: 2 sliding doors, heater/demister, heating rear windscreen, front&rear windscreen wiper and washer, rear windscreen protection**

2025039	ProCore EDGE 12.8kW		1	\$6,405.00	\$6,405.00
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Part #	Description	Lead Time	Qty	Unit Price	Ext. Price
<b>Totals</b>					
<b>FOR UNITED STATES CUSTOMERS ONLY:</b>  Due to laws concerning sales tax collection in the USA's various states, AERO Specialties will now collect sales tax from all customers that are not tax-exempt. The state/county's sales tax will be charged at the time of invoicing. Please provide your exemption documentation or relevant information during order placement if you are a reseller or a tax-exempt customer.				<b>Subtotal</b>	\$66,439.00
				<b>Estimated Tax</b>	\$0.00
				<b>Estimated Shipping</b>	\$0.00
				<b>Grand Total</b>	<b>\$66,439.00</b>
<b>Lead times are quoted in business days and subject to change.</b>				<b>Deposit Required</b>	<b>\$66,439.00</b>
<p align="center"><b>BEWARE OF CYBER FRAUD!</b></p> <p align="center"><i>Before wiring any funds, call the AERO Specialties representative at a number you know is valid to confirm the instructions and be wary of any request to change wire instructions you have already received.</i></p>					
<p><b>We greatly appreciate and value your business and want to ensure transparency in all aspects of our customer relations. Starting on January 1, 2025, we will be implementing a small card processing fee for all credit card transactions on orders valued at \$5,000.00 USD and above. This fee is necessary due to the rising costs associated with card processing.</b></p>					
<b>Quotation Notes and Acceptance</b>					
<p><b>To accept and purchase the equipment on this quotation, sign below and return:</b></p> <p>Acceptance Date: _____</p> <p>Print Name: _____</p> <p>Signature: _____</p>					