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New Report Finds \$63.5 Million in Volkswagen Settlement Funds Headed to Wisconsin Could Help Accelerate All-Electric Transportation Revolution

Report Recommends Wisconsin Invest in up to 190 Electric Vehicle Fast Charging Stations and 67 All-Electric Transit Buses

MADISON – [A new report](#) from the WISPIRG Foundation finds that \$63.5 million from the Volkswagen settlement headed to Wisconsin could electrify up to 81 percent of the state highway network by paying for 190 new electric vehicle fast charging stations, while also purchasing 67 all-electric, zero-emissions buses for local transit systems. Doing so would save consumers and the state money, reduce dangerous pollution and accelerate further market transformation to an all-electric transportation system.

“Volkswagen lied to the American people and to Wisconsinites, and we all paid the price,” said Peter Skopec, WISPIRG Foundation Director. “This settlement is a huge opportunity to help clean up our transportation system and accelerate the transition to a healthier, more cost-effective 21st century transportation network. We have to make sure these funds are not squandered on dirty, outdated technology like diesel and natural gas instead of all-electric options that can help save money in the long term while protecting public health and the planet.”

Wisconsin is set to receive \$63.5 million dollars under the settlement – the second-highest amount in the Midwest, after Illinois. To take advantage of the settlement, Governor Walker will have to formally request the funds and appoint one of the state’s agencies to develop and administer a plan for how they are to be used.

According to the terms of the settlement, agreed to by VW and the U.S. Department of Justice, Volkswagen will pay a total of \$14.7 billion in damages for their role in violating federal clean air laws. The automaker sold more than half-a-million vehicles with “clean diesel” marketing that actually emitted up to 40 times the legal limit of dangerous NOx pollution. More than 11,500 vehicles in Wisconsin were affected by VW’s emissions cheating.

Of the civil damages outlined in the settlement, roughly \$10 billion will go toward compensating affected consumers, and the remaining \$4.7 billion will be divided into two separate funds to mitigate the environmental damages VW caused. Of that \$4.7 billion, \$2.7 billion will be placed in an Environmental Mitigation Trust (EMT) and sent directly to states based on the number of affected vehicles in that state.

“Wisconsin’s share of the Environmental Mitigation Trust, if spent wisely, can be an important down payment toward electrifying our state’s transportation system. The \$63.5 million in funds is sufficient to purchase up to 190 electric vehicle fast charging stations for use along the state’s highways, covering up to 81 percent of the system, or 9,500 total lane miles, along with 67 zero-emissions, all-electric buses,” said Skopec. “These investments would drastically reduce harmful pollution and benefit public health, protect the environment, combat global warming, and accelerate the market shift toward complete electrification of our transportation system.”

The WISPIRG Foundation report recommends that states use the maximum allowable amount of EMT funds, or 15 percent, on the purchase and installation of fast charging stations for the state’s highways. Such chargers can fully charge a zero-emissions, all-electric vehicle in fewer than 30 minutes. Wisconsin currently has only 18 fast charging stations, according to USDOT.

“More fast charging stations will make it easier for drivers to get around the state in increasingly cost-effective, environmentally friendly electric vehicles,” said Skopec. “Investing in fast charging stations helps ease consumers’ fears of running out of juice while on the road, which remains one of the biggest impediments to EV adoption, even as the technology and range continue to improve and costs continue to decrease.”

The report further recommends using the remaining 85 percent of EMT funds to purchase all-electric transit buses to replace aging, dirty, diesel buses. For one, electric buses are significantly more cost-effective over their lifetime than diesel buses, with potential savings of well over \$100,000 per bus. Additionally, because transit buses are used in urban, suburban and rural parts of the state, investing in clean all-electric transit buses could reduce inhalation of toxic fumes for the greatest possible number of people over the broadest possible area.

The remaining \$2 billion in VW settlement funds will be put into a Zero Emission Vehicle (ZEV) trust for actions intended to increase the sales, use and adoption of electric vehicles. VW will propose how to spend those funds, with sign-off from the EPA. ZEV funds can be used to complement a state’s use of its share of EMT funds. States may also apply for matching funds through the federal Diesel Emissions Reduction Act (DERA) program.

It was further [reported](#) that VW will now also plead guilty to federal criminal charges for customs violations, obstruction of justice, and conspiracy to commit wire fraud and violate the Clean Air Act. VW will pay a further \$4.3 billion in additional criminal and civil penalties in connection with this latest agreement.

You can read our full report [here](#).

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