

A!ert

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Alert is a monthly update on transportation and air quality planning activities in the Delaware Valley.



Air Quality Regulations

Volkswagen Agrees to Pay \$14.7 Billion to Settle Allegations of Cheating Emissions Tests and Misleading Consumers

In June, 2016, German automaker Volkswagen agreed to pay up to \$14.7 billion to settle allegations of cheating emissions tests and deceiving customers in suits brought by United States and the State of California, and the U.S. Federal Trade Commission (FTC). Volkswagen will offer consumers a buyback and lease termination for nearly 500,000 model year 2009-2015 2.0 liter diesel vehicles sold or leased in the U.S., and pay up to \$10 billion to compensate consumers under the program. In addition, the companies will spend \$4.7 billion to mitigate the pollution from these cars and invest in green vehicle technology.

The settlements partially resolve allegations by the Environmental Protection Agency (EPA), as well as the California Attorney General's Office and the California Air Resources Board (CARB) brought under the Clean Air Act, relating to the vehicles' use of "defeat devices" to cheat emissions tests. The settlements also resolve claims by the FTC that Volkswagen violated the FTC Act through the deceptive and unfair advertising and sale of its "clean diesel" vehicles. The settlements do not resolve pending claims for civil penalties or any claims concerning 3.0 liter diesel vehicles. Nor do they address any potential criminal liability. The affected vehicles include model year 2009 through 2015 Volkswagen Jetta, Passat, Golf, and Beetle TDI diesel models, as well as the TDI Audi A3.

"Today's settlement restores clean air protections that Volkswagen so blatantly violated," said EPA Administrator Gina McCarthy. "And it secures billions of dollars in investments to make our air and our auto industry even cleaner for generations of Americans to come. This agreement shows that EPA is committed to upholding standards to protect public health, enforce the law, and to find innovative ways to protect clean air."

According to the civil complaint against Volkswagen filed by the Justice Department on behalf of EPA on January 4, 2016, Volkswagen allegedly equipped its 2.0 liter diesel vehicles with illegal software that detects when the car is being tested for compliance with EPA or California emissions standards and turns on full emissions controls only during that testing process. During normal driving conditions, the software renders certain emission control systems inoperative, greatly increasing emissions. This is known as a "defeat device." Use of the defeat device results in cars that meet emissions standards in the laboratory, but emit harmful Nitrogen Oxides (NOx) at levels up to 40 times EPA-compliant levels during normal on-road driving conditions. The Clean Air Act requires manufacturers to certify to EPA that vehicles will meet federal emission standards. Vehicles with defeat devices cannot be certified.



Save the Date

**Saturday,
October 16, 2016**

**Hazardous Household Waste
Collection
9:00 am – 3:00 pm**

*Location of Event:
Lower Merion Transfer Station
1300 N. Woodbine Ave.
Penn Valley, PA*

**Saturday,
October 22 2016**

**Hazardous Household Waste
Collection
9:00 am – 3:00 pm**

*Location of Event:
Streets Department Facility
3033 S. 63rd Street
Philadelphia, PA*

The FTC sued Volkswagen in March, charging that the company deceived consumers with the advertising campaign it used to promote its supposedly “clean diesel” VWs and Audis, which falsely claimed that the cars were low-emission, environmentally friendly, met emissions standards, and would maintain a high resale value.

The settlements use the authorities of both the EPA and the FTC as part of a coordinated plan that gets the high-polluting VW diesels off the road, makes the environment whole, and compensates consumers. The settlements require Volkswagen to offer owners of any affected vehicle the option to have the company buy back the car and to offer lessees a lease cancellation at no cost. Volkswagen may also propose an emissions modification plan to EPA and CARB, and if approved, may also offer owners and lessees the option of having their vehicles modified to substantially reduce emissions in lieu of a buyback. Under the U.S./California settlement, Volkswagen must achieve an overall recall rate of at least 85% of affected 2.0 liter vehicles under these programs or pay additional sums into the mitigation trust fund. The FTC order requires Volkswagen to compensate consumers who elect either of these options.

Volkswagen must set aside and could spend up to \$10 billion to pay consumers in connection with the buy back, lease termination, and emissions modification compensation program. The program has different potential options and provisions for affected Volkswagen diesel owners depending on their circumstances.

The settlement of the company’s Clean Air Act violations also requires Volkswagen to pay \$2.7 billion to fund projects across the country that will reduce emissions of NOx where the 2.0 liter vehicles were, are or will be operated. Volkswagen will place the funds into a mitigation trust over three years, which will be administered by an independent trustee. Beneficiaries, which may include states, Puerto Rico, the District of Columbia, and Indian tribes, may obtain funds for designated NOx reduction projects upon application to the Trustee. Funding for the designated projects is expected to fully mitigate the NOx these vehicles will emit in excess of EPA and California standards. The Clean Air Act settlement also requires VW to invest \$2 billion toward improving infrastructure, access, and education to support and advance zero emission vehicles.

For more information on the Volkswagen settlement, please visit: www.epa.gov

Air Quality Information



Climate Change May Extend Ozone Season

Extreme weather conditions associated with climate change may extend the ozone season in the Southeastern United States as drought-stressed trees emit more of the precursor compound that helps form the health-threatening pollutant. July and August have traditionally been peak ozone months, but a new study suggests those peaks could extend well into the fall as weather becomes warmer and drier.

In 2010, regional ozone levels in the Southeast, reached a peak in October, with higher levels of the pollutant than in July, providing a preview of what may happen as the climate changes. Ironically, the projected extension of ozone season comes at a time when summertime ground-level ozone levels continue to decline as a result of emission reductions mandated by the Clean Air Act.

"This study shows that our air quality, particularly ozone in the fall, is becoming more sensitive to the effects of climate change," said Yuhang Wang, a professor in the School of Earth and Atmospheric Sciences at the Georgia Institute of Technology. "The direction of climate change is such that we are likely going to see hotter and drier fall seasons, which may create larger ozone extremes in the Southeast. We are likely to have record ozone days in the fall, and we need to prepare for that."

The research, which was sponsored by the U.S. Environmental Protection Agency's Science To Achieve Results (STAR) Program, was reported in the journal *Proceedings of the National Academy of Sciences*. The paper is believed to be the first to connect variations in ground-level ozone concentrations to the drought stress on trees.

For more information on climate change’s impact on ozone production, please visit www.pnas.org.



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