



NEVADA DEPARTMENT OF
**CONSERVATION &
NATURAL RESOURCES**

February 26, 2018

Volkswagen Environmental Mitigation Trust
California Air Resources Board
Division of Rail and Mass Transportation
1001 "I" Street,
Sacramento, CA 95814

Nevada Division of Environmental Protection
901 S. Stewart Street,
Suite 4001
Carson City, Nevada 89701

SUBJECT: Beneficiary Mitigation Plans for Allocation of the Volkswagen Environmental Mitigation Trust

To Whom It May Concern,

The unprecedented impact and high-profile nature of the Volkswagen settlement make it imperative that projects undertaken with settlement proceeds achieve significant reductions in vehicle and transportation-related pollution across the United States. With this goal in mind, the Lake Tahoe basin in California and Nevada offers a unique, high-value opportunity to showcase a national model of putting Volkswagen settlement funds to the highest and best use.

The Lake Tahoe area is home to award-winning sustainability planning and implementation, with a nexus in advancing innovative transportation solutions based on regional coordination across multiple state and local jurisdictions. Under the Volkswagen Environmental Mitigation Trust, Lake Tahoe offers a unique opportunity to transform aging transportation infrastructure within a highly sensitive environmental area into a world-class sustainable resort destination.

Because the states of California and Nevada have significant stakes in protecting Lake Tahoe, our offices chartered a Bi-State Consultation stakeholder group after the Tahoe Regional Planning Agency (TRPA) adopted an updated Regional Transportation Plan/Sustainable Communities Strategy in 2017. The purpose of this group is to build consensus for transportation solutions in the Tahoe Region to protect the lake's fragile environment, support local communities, and revitalize the region's recovering economy.

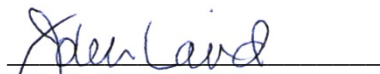
According to new transportation data, an estimated 10 million vehicles enter the Tahoe Basin annually. Peak recreation travel demand strains the basin's limited roadway network causing serious environmental, economic, and quality of life challenges. The area is ideally poised for corridor electrification since Lake Tahoe serves as a connection between Northern California and Nevada along Interstate 80 and US Highway 50. Similarly, the States wish to initiate projects that will actually take passenger vehicles off of the roads thereby reducing pollution and traffic congestion.

The Tahoe Region is an ideal candidate for an electric highway project spanning both states and the basin partnership has taken foundational steps toward implementation of this vision. With the goal of creating an "electric highway in the sky," the Tahoe Regional Planning Agency, along with regional partners, developed the award-winning Tahoe-Truckee Plug-In Electric Vehicle Readiness Plan. The plan serves as a blueprint to meet the current and future demand for zero-emission vehicles and transit services in the region. Further, it has established the region as an innovative leader in California and Nevada.


Electric vehicle use in the region already outpaces the current light duty vehicle supply infrastructure. The Tahoe Basin has transportation projects that can be implemented, that will result in significant pollution reductions. Aging diesel transit fleets are in dire need of replacing. Public and private investment in zero-emission vehicles is rapidly growing, but there is a significant funding gap to fully develop solutions that address these issues in a manner envisioned as part of Tahoe's regional transportation system.

We encourage the California Air Resources Board and Nevada Division of Environmental Protection to seriously consider the Lake Tahoe Region for the allocation of the Volkswagen Environmental Mitigation Trust. Investments in school, shuttle, and transit buses along with other infrastructure improvements have the potential to transform the Tahoe watershed into a global model of sustainability. We look forward to the opportunity to participate in the final development of the Beneficiary Mitigation Plan.

Sincerely,



John Laird
Secretary
California Natural Resources Agency



Bradley Crowell
Director
Nevada Department of Conservation
and Natural Resources