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On October 25, 2016, Judge Charles R. Breyer, of the United States District Court for the Northern District of California granted final approval to the settlement agreement between Volkswagen and private plaintiffs to resolve civil claims regarding eligible Volkswagen and Audi 2.0L TDI vehicles in the United States. Concurrently, Judge Breyer also approved a Consent Decree between Volkswagen and the U.S. Department of Justice on behalf of the Environmental Protection Agency (EPA) and the State of California by and through the California Air Resources Board (CARB) and the California Attorney General; and a Consent Order between Volkswagen and the U.S. Federal Trade Commission.

The settlement partially resolves allegations that Volkswagen violated the Clean Air Act ("CAA") by the sale of approximately 500,000 model year 2009 to 2015 motor vehicles containing 2.0 liter diesel engines equipped with "defeat devices" ("CAA 2.0 liter partial settlement").

Under the partial settlement, Volkswagen will pay \$2.7 billion to fully remediate the excess NOx emissions from the affected 2.0 liter vehicles. This money will be used to establish a mitigation trust that will be administrated through a mitigation trustee, with allocations to specific state, territorial, and tribal government beneficiaries to use for specific NOx reducing actions (eligible mitigation actions).

Under the settlement terms, Kentucky will receive an initial allocation of \$19,048,080 to be distributed through the Volkswagen Settlement Environmental Trust.

Therefore, with the court approving the Volkswagen Partial Consent Decree, I, Governor Matthew G. Bevin, name the Kentucky Energy and Environment Cabinet as the "Lead Agency" with delegated authority to become the legally binding administrator of the Volkswagen Settlement Environmental Trust.


Matthew G. Bevin
Governor