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Development of California's Alternative Transportation Fuel Plan

*Joint Workshop of the
California Energy Commission
and Air Resources Board*

*Sacramento, CA
October 16, 2006*



Workshop Participation

- **Present to ask questions or make comments**
 - Fill out blue cards
- **To call and participate in today's meeting, please call:**
 - **Dial:** 888-790-1730
 - **Passcode:** FUELS
 - Call Leader:** Lorraine White
- **Follow along on the Webcast at:**
 - www.energy.ca.gov



Contacts and Information

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<http://www.energy.ca.gov/ab1007/documents/index.html>



Today's Agenda

- **Overview of Plan Development and Existing Policies**
- **Draft Market Assessment**
- **Proposed Assessment for the Full Fuel Cycle**
- **General Public Comments**
- **Written Comments Requested by October 20**



Plan to Increase the Use of Alternative Transportation Fuels

**AB 1007 (Pavley)
Statutes of 2005**



Plan Requirements

- **AB 1007**
 - **Conduct a Full Fuel Cycle Assessment**
 - **Define goals for 2012, 2017, 2022**
 - **Recommend strategies to achieve goals**
 - **Partner with ARB to develop plan**
- **Committee Scoping Order**
 - **Expanded the fuels considered**
 - **Added a Market Assessment**
 - **Harmonize with Air Quality Objective**



Scope Summary

| Fuels | Vehicles | Milestone Years |
|-----------------------------------|------------------|-----------------|
| Biodiesel (B5, B20) | <u>INCLUDED:</u> | 2012 |
| Ethanol (E10, E85, E-Diesel) | Light-duty | 2017 |
| Methanol | Medium-duty | 2022 |
| Natural Gas (LNG, CNG, DME) | Heavy-duty | 2030 |
| Hydrogen | On-road | 2050 |
| Electricity | Off-road | |
| XTLs (GTL, BTL, CTL, Pet-Coke-TL) | <u>EXCLUDED:</u> | |
| Propane (LPG) | Air craft | |
| | Marine vessels | |
| | Most Rail | |



Key Questions

- Emissions profile for fuels?
- Production and distribution of fuels?
- Market share of these fuels?
- challenges to increasing market share and use?
- What could overcome these challenges?
- Potential for alternative transportation fuel?
- Governments role?
- Economics of alternative fuels and vehicles?
- Economics compared with conventional fuels?



Actions to Date

- **Established ARB Partnership**
- **Initiated Outreach**
- **Initiated Analysis**
 - **Market Assessment**
 - **Full Fuel Cycle**
- **Defining Scenario Analysis**
 - **Incentives**
 - **In state production**
 - **Surveys**
 - **Economic Analysis**



Existing Policies/Initiatives

- **AB 2076 Report**
 - Reduce demand to 15% below 2003 levels by 2020
 - Double efficiency of cars and trucks
 - 20% of non-petroleum by 2020 and 30% by 2030
- **2005 IEPR**
 - Establish a PGC for transportation
 - Establish standard for B-5
 - Establish a renewable standard
- **EPAct 2005**



Next Steps

| | |
|--|----------------------|
| Market Assessment | November 2006 |
| Full Fuel Cycle | January 2007 |
| Status Report | December 2006 |
| Scenario Evaluation | February 2007 |
| Define Policy Recommendations | April 2007 |
| Draft Plan | April 2007 |
| Submit to Legislature | June 2007 |