

U.S. DEPARTMENT of ENERGY

ALTERNATIVE FUEL NEWS

The Official Publication of the Clean Cities Network and the Alternative Fuels Data Center

Third National Clean Cities Stakeholders' Conference and Expo



Clinton Endorses Stronger Clean Air Rules

DOE Offers Alternative Fuel Grants

**Chrysler Announces Plans for
E-85 Minivan Production**

**Inside Interview
with Federico Peña**





Don't be surprised! No need to panic. This premier issue of *Alternative Fuel News* is brought to you by your familiar friends at the U.S. Department of Energy (DOE). Most of you are regular readers of DOE's publications, *Clean Cities Drive* and *AFDC Update*. As you know, the *Drive* has always explored the people and projects behind local Clean Cities coalitions from across the country. We've taken you to every one of the 54 designation ceremonies; featured stories and photos from our national conferences; profiled regional Clean Cities staff; and even invited you to read our diary from the California EV road trip. The *AFDC Update* has always been dedicated to providing you with the most unbiased up-to-date information on developments in the alternative fuels industry. We've introduced you to the latest R&D in alternative fuel vehicle technology; analyzed legislation and government rulemakings from the federal and state houses; reviewed the latest industry publications; and shown you how to order them. Between the two publications, we have attempted to provide you with all the tools you need to be an informed and effective player in today's alternative fuel marketplace.

With *Alternative Fuel News*, we are putting all this information inside one cover for your convenience. And since we'll be bringing *Alternative Fuel News* to you every 2 months, instead of quarterly, the information will be more timely than ever. We hope you'll find this new publication more useful in keeping current on what's happening in Clean Cities and alternative fuel markets around the country.

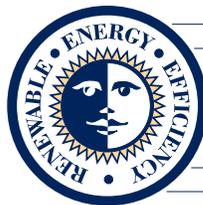
This first issue of *Alternative Fuel News* is loaded with information and fresh perspectives on the important issues that affect our stakeholders. On page 2, the cover story reviews the Third National Clean Cities Conference and features a "most memorable moments" list. This issue also introduces you to DOE Secretary Federico Peña in an interview on page 4. You'll find many familiar categories from the previous newsletters, such as Hot off the Press, Coordinator's Corner, and At the Pump, plus some exciting new columns.

We know it's hard to say goodbye to the *Drive* and *AFDC Update*, but by combining the two and creating *Alternative Fuel News*, we are confident you will benefit from a convenient, timely, informative and exciting DOE publication. . . . **Enjoy.**

Jeff Hardy —
National Clean Cities
Program Director

Lee Slezak —
Federal Fleet AFV
and Alternative Fuels
Data Center Program
Manager

CONTENTS



On the cover - photos from the Clean Cities Conference. Clockwise from top: electric vehicles on display; visitors at booth in exhibit hall; "Tonight Show" panel with guest host Ed Begley, Jr.; Clean Cities national partners; Clean Cities Program Director Jeff Hardy at opening reception; Honolulu Clean Cities wins Ford marketing contest. Center: Long Beach Mayor Beverly O'Neal shows her support for Clean Cities.

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DOE Holds Third National Clean Cities Conference

Record breaking attendance. Unprecedented sponsorship. Standing room only crowds. An overflow of exhibitors. The above description could refer to an electoral convention or even this summer's Lollapalooza festival, but it describes the scene in Long Beach, California, where more than 750 people gathered for the Third National Clean Cities Conference and Expo on June 23–26. The week-long extravaganza included an array of side events, drawing not only Clean Cities coalitions but a host of groups with varying interests in the alternative fuels industry.

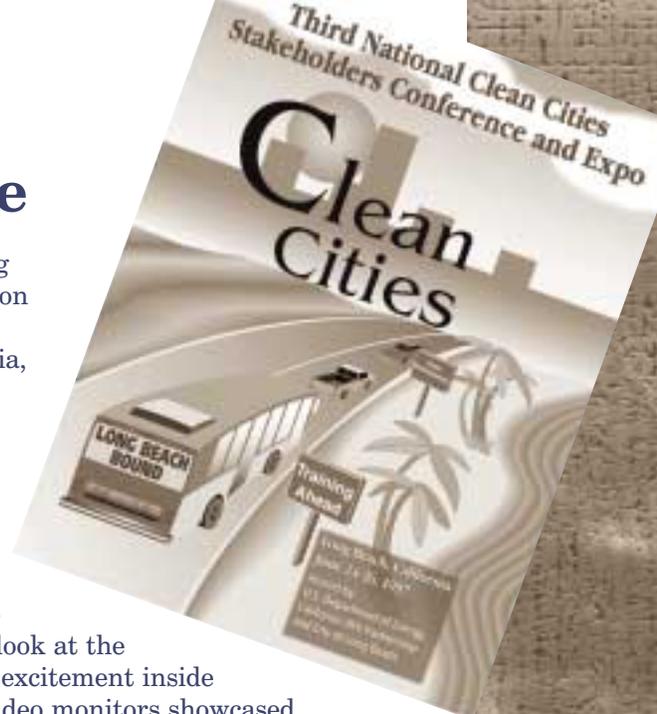
An electronic billboard outside the Sheraton Long Beach advertised the conference and suggested to drivers on East Ocean Boulevard that they drive an AFV (alternative fuel vehicle). Vehicle displays in and around the building provided passers-by with a first-hand look at the latest in light- and heavy-duty AFV technologies. There was even more excitement inside the Sheraton, where booths lined indoor and outdoor exhibitor areas, video monitors showcased Clean Cities programs, and three computer kiosks previewed the upcoming Clean Cities CD-ROM and stakeholder web sites. All these elements combined to create an innovative and energetic atmosphere outside the main meeting area, where Clean Cities partners developed and planned future AFV markets (see sponsorship box).

Following are descriptions of the week's most memorable moments:

1 Second National EV-Ready Stakeholder Meeting Held at Clean Cities Conference

One of the first side events of the week was the Monday afternoon workshop hosted by the Electric Transportation Coalition (ETC) for its Electric Vehicle (EV)-Ready Community Market Launch partners. Representatives of the 10 EV-Ready communities from around the country (Atlanta, GA, Boston, MA, Broward County, FL, New York, NY, Phoenix, AZ, Sacramento, CA, Detroit, MI, Los Angeles, CA, Richmond, VA, and Metropolitan Washington, DC) embraced the opportunity to share their accomplishments of the past year in their effort to become EV-Ready. The EV-Ready Workshop partners used this meeting to help plan activities, and participants brainstormed for ideas and offered suggestions on future direction of the EV-Ready Community program. Next steps in 1997–1998 include:

- Assess and recommend an EV-Ready Infrastructure Plan
- Conduct two National EV-Ready community meetings
- Seek implementation of EV-Ready Business Plans in as many as three selected communities
- Update EV-Ready community manuals.



Sponsorship List (in alphabetical order) for the Third National Clean Cities Stakeholders Conference and Expo

Platinum

American Honda
City of Long Beach
Ford Motor Company
General Motors
Southern California Edison
Southern California Gas Company

Silver

Air Quality Management District
Blue Bird
John Deere
Toyota

Bronze

CALSTART
California Department of General Services,
Office of Fleet Administration
California Energy Commission
Chrysler Corporation
Information Resources, Inc.
National Ethanol Vehicle Coalition
National Propane Vehicle Association
Natural Gas Vehicle Coalition
NOPEC Corporation
U.S. Postal Service

Associate

Air Resources Board
California Electric Transportation Coalition
Electric Transportation Coalition

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Hundreds Flock to California Alternative Fuel Vehicle Workshops

The California Alternative Fuel Vehicle Partnership (CAFVP) took advantage of the Long Beach location to hold its Third Annual CAFVP Fleet Forum on Tuesday in conjunction with the Clean Cities Conference. Four hundred alternative fuel stakeholders from California and beyond attended a series of workshops and presentations that covered a wide range of alternative fuel vehicle (AFV) issues. The day began with welcoming remarks from recently appointed California Energy Commission (CEC) chairman William Keese, who made his strong support for state-wide alternative fuel efforts very clear. The opening was followed by sessions on California Clean Cities coalitions, legislation updates, AFV procurement, technician training/vehicle support, incentive programs, infrastructure, and building codes/emergency response. A luncheon hosted by California Electric Utilities was highlighted with the premier showing of the California Fire Marshall's new safety training video, and Susan Patterson, CEC's manager of the light-duty AFV demonstration program, was recognized for her years of dedication to alternative fuels in California.

Another interesting aspect of Tuesday's side events was DOE's Fleet Forum, where a room full of industry stakeholders voiced their opinions in the ongoing and somewhat heated debate over incentives versus mandates for AFVs.

As the sun set on a second action-packed day, conference participants wound down at a reception hosted by General Motors in the outdoor exhibit area. As they mingled among the vehicle displays and exhibits, Clean Cities Program Director Jeff Hardy welcomed everyone to the conference, promising the excitement would continue in the days to follow.

The "Starbucks Speech"

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One of the most talked-about presentations and a highlight of the conference was the keynote address, or the "Starbucks Speech," given by DOE Deputy Assistant Secretary for Transportation Technologies, Thomas J. Gross. His creativity and "real-life" approach to the issue of alternative fuels made a lasting impression on attendees. He clearly outlined the growing need for alternative fuels to improve the country's energy security and air quality, but turned the focus of the issue on the American consumer. Gross questioned why American consumers demand more choice for everything from gourmet coffee to designer clothing, and yet are willing to go along with a single fuel type for vehicles. He rallied the Clean Cities stakeholders to continue their efforts to build the AFV market, and emphasized that working with "a few good fleets" would help get the job done.

The surprises continued on Wednesday as special guest, actor and environmentalist Ed Begley, Jr., appeared from the audience to participate in a "Tonight Show" session in which panelists discussed the status of the alternative fuel industry and offered their predictions for the future. Conferees were thrilled to hear from informative guests including moderator Cliff Gladstein, President, Gladstein and Associates; California State Senator Byron Sher; EPA Director of Mobile Sources Margo Oge; and INFORM Senior Fellow James Cannon.

**Tom Gross delivers
"Starbucks Speech"**

Linda Bluestein, Information Resources Inc./PIX 05223

Long Beach Mayor Beverly O'Neil supports Clean Cities Program.



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VIPs Speak Out

The conference officially kicked off with opening remarks and greetings from Long Beach Mayor Beverly O'Neil, who reiterated the importance of local government involvement in the Clean Cities network. The Mayor's enthusiasm and pride for the host city was matched by her overwhelming support for the program. Secretary of Energy Federico Peña made a guest appearance via videotape, in which he expressed his commitment to Clean Cities: "I want to emphasize that under my leadership DOE will continue to support your efforts as Clean Cities pioneers, and will continue to promote the expanded use of alternative fuels."

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A Few Good Fleets

Increased attendance, sponsorship, and exhibitor participation at the conference are all strong signs for the program—proof that a growing number of people get the Clean Cities message and believe alternative fuels are critical to cleaner air and independence from foreign oil. But these signs are also evidence that Clean Cities is just hitting its stride.

This year's conference theme, "A Few Good Fleets," was developed to introduce a new focus for Clean Cities and a slightly new direction for the program's growing momentum. It's based on the premise that Clean Cities should narrow its focus somewhat and, rather than concentrate on just the largest fleets, identify and target fleets that are inclined to make the switch to alternative fuels—not just the ones concerned with air quality, but those that would reap the economic benefits of alternative fuel use, such as local delivery and health care provider fleets. This theme was repeated throughout the conference, filtering its way from the general plenary sessions to breakouts . . . even down to the beach. Another theme, which reflected feedback from our 1996 conference in Atlanta, was "training." Following the daily morning plenary session, participants could select from more than 30 training workshops, including market development, media outreach, fund raising, quantifying the benefits of AFVs, product offerings from the automakers, AFV education and training, fleet case studies, grass roots legislative action, and the "few good fleets" identification strategies. The training sessions were held several times during the 2-day conference.

"Few Good Fleets" Identification Strategy Unveiled at Conference Training Workshop

Help is on the way. Clean Cities coalitions will have some help identifying those "few good fleets" in their area. The "Clean Cities Inclined Fleet Database," showcased at the fleet identification training workshop at the Clean Cities Conference, will provide coalitions with a complete listing of inclined fleets, or potential stakeholders, for each Clean City. The list will be collected from each city through a national Yellow Page system. Fleets will be identified, contacted, and screened in a phone interview to determine their inclination toward alternative fuel vehicle use. The end product will be a pared-down listing of fleets that includes business names, addresses, and phone numbers, as well as the original telephone interview questions to assist Clean Cities coordinators with stakeholder recruitment. The database will be available for each Clean Cities coalition by the end of this year, and can be maintained and updated by the coordinator through a mail merge system.

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A Fiesta for Alternative Fuels



Vehicles on display at Rancho reception.

Following the afternoon training workshops, a reception, hosted by the City of Long Beach Gas Department, was held at the Rancho Los Alamitos. The informal outdoor event created a productive setting for attendees to discuss the day's events and share past successes and ideas for the future. The evening's event culminated with an awards ceremony that honored 13 Clean Cities Coalitions for their accomplishments during the past year (see box).

Clean Cities Coalition Awards

- Empire Award (for most stakeholders added) Baltimore Clean Cities
- Movers & Shakers Award (for most AFVs added) Dallas/Ft.Worth Clean Cities
- Movers & Shakers Award (for greatest percentage increase in number of AFVs) Norwich Clean Cities
- Gold Star Award (for most refueling sites added) Sacramento Clean Cities
- Rain Maker Award (for most grants/funds leveraged) Coachella Valley Clean Cities
- Legal Eagle Award (for supporting major legislation) West Virginia Clean State
- Legal Eagle Award (for supporting major legislation) Florida Gold Coast Clean Cities
- A Few Good Fleets Award (for having the largest number of private fleets) Wisconsin SE Area Clean Cities
- Fleet Finder Award (for best fleet identification system) Atlanta Clean Cities
- Eager Beaver Award (for most comprehensive program plan) Tulsa Clean Cities
- Triumph over Adversity Award Rogue Valley Clean Cities
- Tools of the Trade Award (for excellence in pollution reduction measurement) San Diego Region Clean Cities
- Madison Avenue Award (for best public outreach) Pittsburgh Region Clean Cities

Spotlight on 54 Cities

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Clean Cities throughout the United States

Day two of the conference kicked off with a plenary session that featured Clean Cities Program Director Jeff Hardy and Deputy Director Marcy Rood, who treated attendees to an entertaining dialogue and slide show that highlighted renowned accomplishments unique to each of the 54 Clean Cities. Proceedings continued as Cliff Gladstein took the stage once again to give the first of three presentations on corridor development, a primary objective for the Clean Cities Program this year. Gladstein's comments on the Interstate Clean Transportation Corridor on the West Coast were followed by an overview of the Northeast's I-95 corridor activities from DOE's Patricia Passarella, and a report on Clean Corridor efforts in Texas by Pete Parsons of the Texas General Land Office.



DOE File Photo

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Joe Romm Makes Second Appearance as Keynote Speaker

Clean Cities veterans in the crowd recognized Thursday's keynote speaker from the first Clean Cities conference in St. Louis. DOE Acting Assistant Secretary for Energy Efficiency and Renewable Energy, Joseph Romm, took to the podium for a second time in 3 years to share his thoughts on the importance of alternative fuels. Tying in the recent news of President Clinton's approval of more stringent air quality standards, he noted clean transportation will become a high priority and Clean Cities corridor expansion should be at the forefront of that effort. (See related story p. 9.)

Acting Assistant Secretary for EERE, Joe Romm

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Clean Cities Program Honors National Partners

Morning events concluded with the highly publicized Clean Cities National Partner Awards presentation, in which six organizations were honored for their exemplary contributions to vehicle acquisition and infrastructure development. The excitement and congratulations continued with another awards ceremony at the Ford-sponsored luncheon, which followed the morning plenary session. The Central Oklahoma and Honolulu Clean Cities coalitions were presented with checks for \$10,000 and \$5,000, respectively, as winners in the Ford Marketing Plan Contest.

A second opportunity to "design your own agenda" came Thursday afternoon with another round of training workshops. Time was also set aside that afternoon for regional workshops, during which Clean Cities coalitions from each DOE region met with their Clean Cities Regional program manager to discuss current issues in the area.

Clean Cities National Partner Award Winners

- U.S. General Services Administration
- SuperShuttle
- United Parcel Service
- U.S. Postal Service
- Ford Motor Company
- U.S. Department of Defense

Conference Draws to a Close

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Linda Bluestein, Information Resources Inc./PIX 05222

(left to right) Robert Beinenfeld (American Honda), Thomas Elliott (American Honda), Richard Kolodziej (NGVC), Jeffrey Hardy (DOE), Clara Chun (DOE), Steve Ellis (American Honda)

The week's events came to a close Thursday evening at American Honda's Corporate Headquarters. Attendees were offered an inside look at the latest Honda AFV technology on display, then attended a dinner reception hosted by Honda. Dinner concluded, yet the week's final event was far from over. Part 2 of the reception took place at the Sheraton, where attendees, vendors, and sponsors—still eager to connect with each other—continued to share ideas for alternative fuel market success and plans to build on what they learned at the Third (and most celebrated) National Clean Cities Conference. ✧

Inside Interview with Secretary of Energy Federico Peña



On March 12, 1997, Federico Peña was sworn in as the eighth U.S. Secretary of Energy. A former mayor of Denver, Colorado, Peña served as Secretary of Transportation during President Clinton's first term. He brings to this position a record of accomplishments in public sector management, common-sense regulatory reform, innovative organizational re-invention, and a commitment to promoting economic development.

At the Department of Transportation, Secretary Peña's leadership was instrumental in increasing the global competitiveness of America's transportation industry and improving travel safety. Of the 11 million jobs created since President Clinton took office, 500,000 are in transportation services. Peña helped revitalize the U.S. airline industry by signing aviation agreements with 40 nations, and promoted easier travel for Americans and tourists to the United States.

During his confirmation hearing, Secretary Peña took the opportunity to highlight the Clean Cities Program as an example of DOE's support for alternative fuel programs. Soon thereafter, Clean Cities staff sat down with Secretary Peña to discuss the Clean Cities Program and its importance to our nation's energy security and environmental health.

Alternative Fuel News: What makes Clean Cities such an effective program?

Secretary Peña: The two key ingredients are partnerships and commitments. By coming together as partners in the Clean Cities Program, we have assembled a network of individuals and businesses who work together toward common objectives. The partnership is usually endorsed by the community and approved by the mayor, which creates a favorable local market environment in each area. Other key partners include the women and men who are the fleet operators, fuel suppliers, and equipment manufacturers in the community, which brings us to the second key ingredient: commitments.

Commitments are the most important ingredients of Clean Cities. Energy independence has always been one of the nation's primary objectives, but the uncertainty of new automotive technologies and the availability of alternative fuels have kept us from pursuing our independence. In other words, the reluctance to make commitments continues to be our own greatest obstacle. Clean Cities turns this problem around. As partners, we can rely on each other to supply the necessary "piece of the puzzle" and together, we can commit to alternative fuels and vehicles.

AFN: What are the "big benefits" of Clean Cities?

Peña: Clean Cities helps coalitions create local markets for alternative fuels, which increases the availability of alternative fuel vehicles and infrastructure. In turn, it creates real reductions in oil use and emissions from transportation. The program is laying the foundation for a future transportation system that is more diverse and less dependent on imported oil.

Through education and training, Clean Cities helps communities with air quality, energy, and economic development needs. The local partnership approach is infectious. As a Clean Cities Program develops, momentum builds. The momentum generates increased local support, and spurs other communities within the state to work toward the same goals. The DOE Clean Cities Program is the single-largest coalition of organizations committed to the use of alternative fuels and vehicles.

Clean Cities also increases the product and supply of alternative fuels and vehicles by reducing uncertainties in this emerging market. The local partnerships create greater confidence in the alternative fuel market. This sends clear market signals to auto manufacturers, fuel suppliers, and motorists. The result is the production of new vehicles and new fuels that supply Clean Cities stakeholders with the products needed to achieve

greater energy diversity and cleaner air. Clean Cities creates opportunities for manufacturers to introduce new products, such as the GM EV1, the Chrysler E85 minivan, and the Ford natural gas F-series truck, just to name a few.

AFN: What's in store for next year?

Peña: We will focus on the performance of current Clean Cities, identify and recruit new fleets inclined to make the alternative fuel choice. We plan to increase program visibility and work closely with federal agencies, especially air quality officials. This synergy will promote the joint goals of fuel diversity and cleaner air. We will also concentrate on improving air quality in and around Clean Cities' airports. And what I am most excited about is the development of Clean Corridors.

AFN: What are DOE's goals with Clean Corridors?

Peña: Clean Corridors are the logical result of successful, thriving local Clean Cities efforts, and DOE plans to lead the Clean Cities in this endeavor. In 1998, we are requesting significant new funds to strengthen Clean

Cities and expand investments in corridor development. The FY 1998 request includes an additional \$1.0 million to solidify, measure, and leverage Clean Cities accomplishments; and an additional \$2.5 million for infrastructure and corridor development in coordination with the Clean Cities and states.

Three of our goals for Clean Corridors are to: link our major commercial and travel destinations with alternative fuel infrastructure; accelerate and attract refueling investment; and strengthen our current Clean Cities programs by building beyond their city limits.

AFN: How can Clean Cities help you carry out the DOE mission?

Peña: We need action and leadership in the transportation sector. Local, voluntary initiatives such as Clean Cities can be the mechanism by which all parties with a stake in alternative fuels can develop their plans together. By bringing fuel suppliers, vehicle manufacturers, and fleets together, Clean Cities builds the knowledge base and experience so vital to addressing our energy security concerns. *



Federal News

New Budget/Tax Agreement a Good Sign for LNG, Propane, Methanol

Liquefied natural gas (LNG), propane, and methanol may finally compete with gasoline and diesel on an even playing field, thanks to President Clinton's signature on the Taxpayer Relief Act of 1997. The new tax bill, signed by the President on August 8, 1997, reduces the largest barrier to the increased use of alternative fuels—the excise tax. The law goes into effect October 1, 1997.

The taxes on LNG, propane, and methanol will be determined on a per-energy basis. The tax on LNG will be reduced to 11.9 cents per LNG gallon, and that on propane will drop to 13.9 cents per propane gallon. The tax on methanol will be reduced to 9.15 cents per methanol gallon.

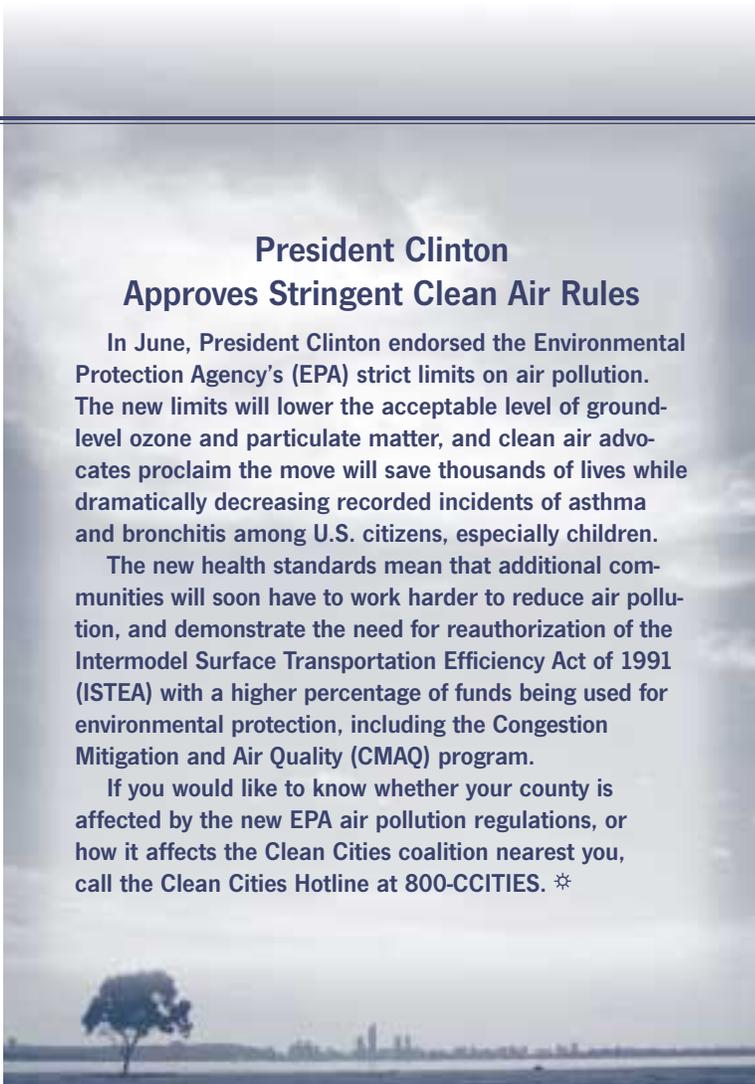
The newly enacted bill also exempts the cost of converting a vehicle to natural gas or another clean fuel from the luxury tax imposed on light-duty vehicles that cost more than \$30,000, and exempts the cost of a conversion from the depreciation limits applicable to luxury vehicles.

President Clinton Approves Stringent Clean Air Rules

In June, President Clinton endorsed the Environmental Protection Agency's (EPA) strict limits on air pollution. The new limits will lower the acceptable level of ground-level ozone and particulate matter, and clean air advocates proclaim the move will save thousands of lives while dramatically decreasing recorded incidents of asthma and bronchitis among U.S. citizens, especially children.

The new health standards mean that additional communities will soon have to work harder to reduce air pollution, and demonstrate the need for reauthorization of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) with a higher percentage of funds being used for environmental protection, including the Congestion Mitigation and Air Quality (CMAQ) program.

If you would like to know whether your county is affected by the new EPA air pollution regulations, or how it affects the Clean Cities coalition nearest you, call the Clean Cities Hotline at 800-CCITIES. *



From the Automakers



Chrysler to Offer E85 Minivan in MY 1998

Chrysler announced plans to mass-produce an ethanol-powered minivan for model year 1998. As many as 200,000 3.3-liter Chrysler Voyagers and Dodge Caravans, approximately one-third of the automaker's total production capacity for 1998, will be equipped with flexible-fuel capabilities.

"This is the largest number of AFVs ever placed into the marketplace, and it is a great way for Chrysler to get back into the AFV industry," said Mike Clement, Chrysler's alternative fuels division manager. The minivan's versatility makes it the perfect vehicle to offer fleets and consumers. The vehicles can be ordered at Chrysler dealers nationwide.

Because the minivans have not been certified to meet California Air Resource Board Clean Air Standards, the Chrysler flexible-fuel minivan will not be available in California, Connecticut, Massachusetts, and New York.

General Motors Beefs Up Product Line

General Motors (GM) recently announced the availability of a bi-fuel compressed natural gas (CNG) sub-compact sedan in 1998.

GM is teaming up with natural gas vehicle (NGV) conversion kit-manufacturer IMPCO Technologies, Inc. to build a bi-fuel CNG Chevrolet Cavalier. Although labeled an original equipment manufacturer vehicle, its entire fuel delivery system is designed and placed into the vehicle by IMPCO technicians after the vehicle comes off the assembly line.

"We are working very closely at the GM plant in Detroit to engineer our system into its car," said Josh Pietak, an engineer at IMPCO. "We will receive the Cavalier from GM and retrofit our fueling system." IMPCO plans to sell 4,000–5,000 units to GM for use in the Cavalier, and IMPCO will fully warranty the entire natural gas fuel delivery system. The standard GM warranty applies to the remainder of the vehicle.

GM, Fuelmaker Team Up to Offer Savings on Refuelers

In an effort to "provide customers with a complete product package," Fuelmaker Corporation will offer rebates on all vehicle refueling appliances (VRAs), when purchased in conjunction with GM's 1997 bi-fuel GMC Sierra and Chevrolet C-Series light-duty pickup trucks.

Fuelmaker offers a 15% rebate until September 30, 1997 on all five of its VRA models. After the deadline, all VRA purchases will include a 10% rebate. Designed to fuel one to 30 vehicles in "time-" or "fast-fill" modes, suggested list prices for the VRAs range from \$4,300 to \$17,550.

Did You Know?

Toyota recently announced its 1998 RAV4-EV sport utility vehicle will go on sale by mid-October and will be marketed toward fleet customers. The vehicle will also be available for lease at \$499 per month with no mileage restrictions. Toyota plans to lease most of its RAV4-EVs for 36 months in California and the Northeast United States.

Did You Know?

FORD MOTOR COMPANY recently announced it will expand its alternative fuel vehicle (AFV) lineup in model years (MY) 1998 and 1999 with these new products:

- Bi-fuel F-150 Series pickups and bi-fuel Econoline vans powered by either natural gas or propane (MY 1998)
- The Ranger EV, Ford's first electric pickup truck (MY 1998)
- The E85 Ranger, a flexible-fuel pickup powered by a blend of up to 85% ethanol and 15% gasoline (MY 1999).

Ford will invest more than \$1 billion between now and 2003 to continue AFV and emission research and development.

For more information on the Ford AFVs, call Ford's Hotline at 800-ALT-FUEL. For a complete listing of AFVs offered from all manufacturers, call DOE's National Alternative Fuels Hotline at 800-423-1363 or check out the website at www.afdc.doe.gov



Courtesy of Ford Motor Company/PIX 05227



Courtesy of Honda Motor Company/PIX 05226

Natural Gas Civic Due Out in Model Year 1998

American Honda Motor Company recently announced that it is now taking orders for its 1998 model year natural gas-powered Civic GX. Production was originally slated for Fall 1997, but is now set for Spring 1998. The delay is due to a change in tank suppliers. "EDO's closure caused a delay in the production startup schedule," said Robert Bienenfeld,

manager of Honda's AFV Sales and Marketing. "We're fortunate to enjoy support from our top executives, so we should be able to get back on track quickly." Honda expects the incremental pricing to remain in the previously announced range of \$4,500.

Honda Offers Four-Passenger Electric Vehicle

The first deliveries of the EV Plus, Honda's two-door, four-passenger electric minivan, were taken in May 1997, and Honda hopes to lease about 300 during the next 2 years in Southern California and Sacramento. EPA tests rated the EV Plus range at 125 miles per charge with the NiMH batteries, and Honda is estimating a "real-world" range of 60 to 80 miles. Honda is leasing the EV Plus for \$455 per month, which covers the vehicle lease, roadside assistance, all maintenance, unlimited mileage, and collision and comprehensive insurance coverage.



On the Road

GRI Grants Bringing Life Back to AFV Refueling Infrastructure in Atlanta

When the last of Atlanta's Amoco natural gas refueling stations closed in December 1996, alternative fuel advocates questioned the city's enthusiasm about alternative fuel vehicles (AFVs), and wondered if the enthusiasm ended when the Summer Olympics did. Thanks in part to the Gas Research Institute (GRI) and the Checker Cab Company, AFVs are alive and kicking in "Hotlanta."

During the past year, Atlanta has received more than \$380,000 in grant monies from GRI to breathe life into its natural gas vehicle industry. Since the first GRI grant of \$100,000 was given to Atlanta, 20 Checker Cabs have logged more than 1,000,000 miles, and used thousands of gasoline-gallon equivalents of natural gas, with no natural gas-related problems, according to Kent Igleheart, Atlanta's Clean Cities coordinator.

Checker Cab has proven to be one of Atlanta's most loyal and visible members of the AFV industry, and it has had plenty of help. Atlanta Gas Light Company and Ford Motor Company have contributed their expertise in the day-to-day operations of the 20 taxis. Plans for the project include upgrading Checker Cab's

refueling station, providing additional testing on the 20 cabs, and adding 50 new natural gas-powered vehicles to the Checker Cab fleet.

Did You Know?

THE NATIONAL RENEWABLE ENERGY LABORATORY (NREL), in Golden, Colorado, sponsored and facilitated the Advanced Vehicle Showcase during the Summit of the Eight Conference to show the world's leaders and Summit reporters the progress being made on electric, hybrid-electric, natural gas, methanol, ethanol, and bi-fuel vehicles. Advanced buses were also on display, which transported media and Summit attendees throughout the event.

For more information on the Advanced Vehicle Showcase or NREL's Center for Transportation Technologies and Systems, contact: **Barb Goodman at 303-275-4455.**



At the Pump

General Motors, Local Utilities Fund Recharging Stations in Southwest

Starting in June 1997, General Motors (GM) began to place nearly 100 inductive chargers at 50 stations at airports, grocery stores, shopping malls, and other high-visibility locations in Southern California and Arizona. "General Motors, with the help of local businesses, utilities, and state organizations, will continue to build charging facilities for public use, in support of the EV1, and the electric vehicle (EV) industry in general," said Jack Nowicki, director of infrastructure development at GM Advanced Technology Vehicle.

GM is partnering with Edison EV and the Los Angeles Department of Water and Power, with support from

Southern California Edison, San Diego Gas and Electric, Arizona Public Service, Salt River Project, and Tuscon Electric, to build an EV charging station expansion program in Southern California and Arizona.

Consumer Warehouse Adds EV Charging Stations

Costco, Edison EV and Southern California Edison (SCE) customers can recharge their EVs at no cost at any one of three Ventura County Costcos as part of the company's commitment to promote the air quality benefits of electric transportation. Edison installs the Delco MagneCharger inductive charging units; SCE supplies the electric power to support the units. Conductive chargers will be added in the near future, according to Costco officials. *



From the States

Rhode Island Adopts Law to Expand AFV Use

Rhode Island, led by its state energy department and local utility, Providence Gas, has jumped headfirst into the world of alternative fuel vehicle (AFV) incentives. The Rhode Island AFV Incentives Act of 1997 provides "tax incentives to individuals, groups, associations, corporations and other organizations that utilize domestically-produced alternative fuels . . . as set forth in the Federal Energy Policy Act (EPAAct) of 1992."

Beginning in January 1998, state tax credits as high as 50% will be allowed for costs incurred to construct or improve AFV refueling stations. Also under the legislation, a 50% tax credit will be allowed in the purchase of AFVs, or converting gasoline-powered vehicles to operate on an EPAAct-certified alternative fuel. The law expires December 31, 2002.

New York Must Offer ZEVs

A U.S. District Court in New York last August upheld New York's 2% 1998 zero emission vehicle (ZEV) requirements, calling the ZEV rule "an enforcement mechanism" that will foster compliance with smog standards, reports Jim Tierney, assistant attorney general at New York's Environmental Protection Bureau. Beginning in 1998, New York requires the top seven automakers to offer 2% of all cars and light-duty trucks as ZEVs, which generally mean electric vehicles. Two percent of all autos sold statewide equals about 8,000-

9,000 cars and light trucks, according to state officials, and automakers will be allowed to "buy" credits from other automakers to meet the requirements.

New York Awards \$3 Million to State's AFV Industry

The 1997 Clean Water/Clean Air Bond Act, which grants more than \$55 million for environmental programs, has become the largest incentive package in New York's AFV program. Governor George Pataki announced last week the state will award \$3 million during FY 1997-1998 for the purchase of 39 clean-fuel buses as part of the Bond Act's Clean Fuel Bus Program.

The following projects will receive awards:

- **MTA-NYC Transit Authority** will receive \$2 million for 10 hybrid-electric diesel buses that operate in Manhattan. These are the first buses of its kind to be operated in New York.
- **Central New York Transportation Authority** was granted \$300,000 for the purchase of seven compressed natural gas (CNG) buses to be used in Onondaga County. A new CNG refueling station is currently under construction to fuel the buses.
- **NYC Department of Transportation** will receive \$300,000 for 11 CNG buses in Queens and 11 CNG buses in Manhattan. New York City will contribute more than \$750,000 in matching funds. *



Clean Cities Roundup

Positive Results Come from Airport AFV Pilot Programs

Alternative fuel vehicle (AFV) programs under way at Sacramento International and Burbank/Glendale Airports allow 12 state agencies in California access to rental cars powered by alternative fuels.

“Through National Car Rentals, California state employees from the 12 agencies flying into Sacramento will be able to rent either a compressed natural gas (CNG) or electric-powered vehicle,” said Peter Stamison, director of the Department of General Services. “Free parking and recharging for the EVs are provided at various lots throughout the downtown areas.”

The California state agencies with access to the AFVs are: Air Resources Board, California Energy Commission (CEC), Department of Consumer Affairs, Department of Corrections, Employment Development Department, Franchise Tax Board, Department of Health Services, Department of Motor Vehicles, Department of Parks and

Recreation, Department of Social Services, Department of Transportation, and the Department of General Services.

“Since its inception in January 1996, the program has progressed without a hitch,” said Rick Slama, AFV coordinator for the Department of General Services. “At first, there were concerns about the limited range of the EVs, but so far there haven’t been any problems. In fact the program’s only downfall is that, for now, demand far outweighs supply.” Although no specific plans have been made, the state agencies in the program agree that an expansion is imminent, according to Slama.

Developed by the Office of Fleet Administration at the Department of General Services, the program is a partnership between the CEC, American Honda Motor Company, Inc., National Car Rental System, Inc., and the Sacramento Municipal Utility District. Two ultra-low emission CNG vehicles and two zero emission electric vehicles operate at each location. *



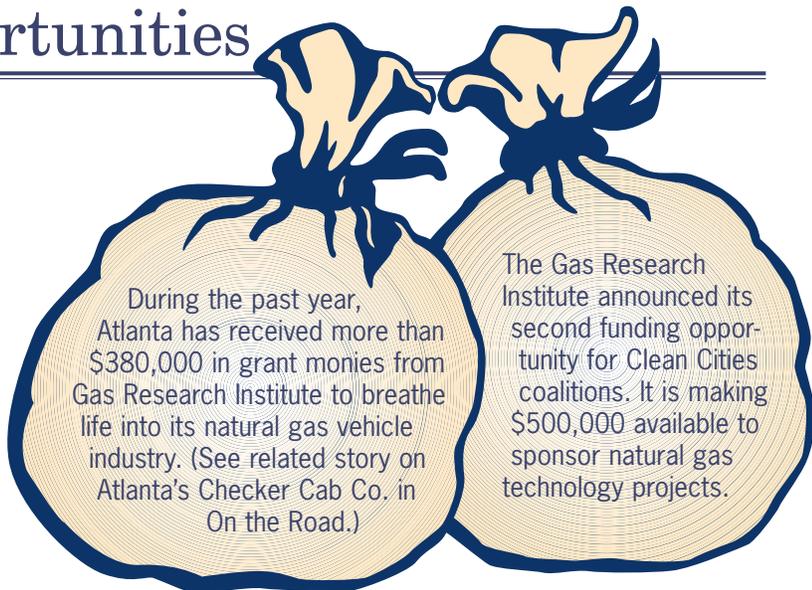
Funding Opportunities

DOE Offers Another Round of Grants for Alternative Fuel Promotion

On July 25, DOE announced the grant recipients of \$2.3 million made available under the Alternative Fuels Special Projects Section of the State Energy Program, in conjunction with the Clean Cities Program. The grants are designed to accelerate the introduction and increase the use of alternative fuels and alternative fuel vehicles (AFVs). Projects fell into two categories: (1) infrastructure and corridor development; and (2) purchases for AFVs, including heavy-duty vehicles, vehicle demonstration, infrastructure, program support, development of plans for specific capital investments, workshops for stakeholders and fleet operators, public education, and maintenance training.

DOE hopes the grants will help strengthen the relationship between federal, state, and local governments and the Clean Cities Program.

“Ninety proposals were received this year, doubled from last year,” said Frank Mallgrave, DOE’s grants expert in the Office of Technology Utilization. The increase in proposals shows the market for AFVs is viable, and a priority for individual states. Thirty-four projects from 27 states were selected, which leveraged



During the past year, Atlanta has received more than \$380,000 in grant monies from Gas Research Institute to breathe life into its natural gas vehicle industry. (See related story on Atlanta’s Checker Cab Co. in *On the Road*.)

The Gas Research Institute announced its second funding opportunity for Clean Cities coalitions. It is making \$500,000 available to sponsor natural gas technology projects.

more than \$8.7 million in private and public sector funding. Recipients include stakeholders from 28 Clean Cities coalitions and eight local governments that currently vie for Clean Cities status.

According to Clean Cities Program Deputy Director Marcy Rood, “DOE hopes to maintain a similar level of funding next year. We are encouraging everyone with project ideas to work with their local Clean Cities coordinator as soon as possible to start developing a plan and proposal for next year’s selection.” *



Clean Cities Spotlight

Clara Chun, Clean Cities regional contact for California

CLARA CHUN has worked on the Clean Cities National Program in California for almost 3 years. Born and raised in the San Francisco Bay area, Chun graduated from Georgetown University in 1992 with a degree in International Relations from the School of Foreign Service. She went on to earn a Master's degree in International Management with a public policy component from the University of California at San Diego. Chun began her career at DOE in 1994 as a participant in the Presidential Management Internship Program.

Alternative Fuel News had a chance to talk with Chun during the Third National Clean Cities Stakeholders Conference and Expo and discuss her role as a member of DOE's Seattle Regional Support Office.

Alternative Fuel News: What first attracted you to the Clean Cities Program?

Clara Chun: I started in the San Francisco Regional Support Office (SFRSO) as part of the Presidential Management Internship Program, which recruits graduate school students for work in various government agencies. I had some background in environmental issues, and since Clean Cities falls under the jurisdiction of DOE's Office of Energy Efficiency and Renewable Energy, I thought it sounded interesting. When the SFRSO closed in 1995, I was lucky enough to be picked up by the Seattle RSO and posted in Oakland to continue working on Clean Cities activities throughout California. Lacking an extensive background in energy-related issues, it was just a wonderful happenstance, and I enjoy my job so much.

AFN: What do you think contributed to California's leadership with the alternative fuels effort?

CC: California is so active. The state began setting rules and mandates and began providing incentives long before the rest of the country. Legislatively, we lead the way. Also, as someone in the industry once said to me, "California has done a great job making people feel guilty for driving their cars." We recognize the fact that Californians need to drive, but at



Linda Bluestein, Information Resources Inc./PIX 05236

the same time, we realize there is something we can do to help reduce pollution from vehicle emissions. State-wide enthusiasm is already huge and growing every day. Industries, cities, school districts, utilities—all these groups believe alternative fuels can clean up what we ourselves have created. People recognize the value of alternative fuels and believe their use can make a difference.

AFN: So many active coalitions must make your job intense and complicated. What are the most rewarding and difficult aspects of your job?

CC: It's really two sides of the same coin. There are so many people out there who are active in Clean Cities. California has 11 coalitions, each hard at work in pursuit of projects to promote alternative fuels. And several more communities through-

out the state are seeking this designation. The best part of the job is being able to work with people who are committed to cleaner air and energy security, and willing to take risks and use alternative fuels. There's so much going on, just being a part of this movement with stakeholders committed to these causes is fantastic. At the same time, the hardest part of the job is not being able to give the hardworking stakeholders all the support they need and deserve, financially and in other ways, to complete their missions. Unfortunately, our RSO does not have the resources to attend and actively participate in everything the 11 coalitions do. I hope the support I can offer through Clean Cities is making a difference.

AFN: What projects will DOE work on to help Californian Clean Cities make their state a cleaner, healthier place to live?

CC: We are trying to strengthen the bonds within and among the Californian Clean Cities. The stakeholders need to know there are other people, other organizations in the same state doing the same things, striving to accomplish the same goals. It's important for all our coalitions to know we're in this together. I'd like to see the coalitions work more closely, maybe even getting together and forming one 501(c)(3) nonprofit organization under the umbrella leadership of the California Alternative Fuel Vehicle Partnership. Coalitions need to communicate regularly to increase the total effectiveness of California's Clean Cities

programs. One of my most important tasks is to create a way to facilitate that communication. The Interstate Clean Transportation Corridor (ICTC) is a tremendously effective way to encourage communication and teamwork between Clean Cities.

AFN: Can you explain your role in ICTC development?

CC: I serve on the ICTC Steering Committee, as liaison between ICTC and the California Clean Cities Coalitions. My primary responsibility is to make sure Clean Cities remains an integral part of ICTC development and information is distributed to the coalitions and their stakeholders. Clean Cities is such a natural fit when developing an alternative fuels corridor. And most of our Coalitions are located along major transportation routes,

which makes the union between ICTC and Clean Cities easy and convenient. Working together is mutually beneficial. Through the ICTC, the California Clean Cities coalitions will be more connected, not just in the geographic sense, but in that they will feel more like partners.

AFN: What do you think is the most important aspect of the Clean Cities program?

CC: The best part of Clean Cities is that it's made up of a group of people who have found a do-able, practical way to strengthen our energy security, improve our air quality, and promote economic development. We can't solve all our problems, but we can recognize one way to effect changes for the better, and we're doing it. ✱



Hot off the Press

ETC Releases EV profiles

The Electric Transportation Coalition (ETC) has announced the publication of *1997 EV Program Profiles: A Compendium of Electric Transportation Projects in the U.S.* The publication contains more than 40 summaries, submitted by members of ETC, of ongoing projects to advance the commercialization of electric vehicles (EVs).

The profiles included in the compendium are grouped by state, and include information on EV purchase incentives, EV-related state legislation, and an EV glossary of terms. Copies of the program profiles are available for \$5.00 from ETC (202-508-5995).

Clean Cities Document Gets Facelift, Name Change

The 57 DOE Clean Cities and the many coalitions that seek designation can attest that the process of becoming an official Clean City involves much more than just signing your name on the dotted line. In an effort to help petitioning coalitions with the designation process, Clean Cities staff at DOE Headquarters revised and renamed the program's primary guidance document, *The Road to Clean Cities*. The new *Clean Cities Roadmap* was unveiled at the "New Coalitions Training" workshops at the Clean Cities conference. "The Roadmap is a more prescriptive, step-by-step guide to creating and developing a program plan and memorandum of understanding, the two major requirements for designation into the Clean Cities program," said Barbara Wolfe, Clean Cities organizational analyst and author of the new document. The final version is now available through the Clean Cities hotline. To obtain your own copy of *The Roadmap*, call 800-CCITIES now, or download it from the Clean Cities web site: www.ccities.doe.gov

DOE, NATEF Offer Two New Technical Videos for AFV Technicians

The National Automotive Technician Education Foundation (NATEF), in cooperation with DOE, has released *Alternative Fuels Vehicle Technician*, a video designed to elevate interest among students and automotive technicians, while highlighting the growth potential in alternative fuel vehicle (AFV) service. The NATEF training video illustrates the driving forces behind the growing numbers of AFVs in use today, and how an automotive technician can locate opportunities in this new industry.

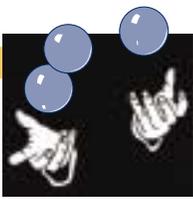
The video is available in 28- and 15-minute versions, and a presenter's guide is included with every video.

For more information on how to obtain a copy of *Alternative Fuels Vehicle Technician*, contact Bob Rodriguez, DOE project technical specialist at NATEF, 703-713-0100.

1997-1998 NGV Purchasing Guide Now Available

The Natural Gas Vehicle Coalition (NGVC) recently made available *The 1997-1998 Natural Gas Vehicle Purchasing Guide*. The Guide lists all light-, medium- and heavy-duty on- and off-road vehicles powered by natural gas engines. Alphabetically listed by manufacturer's name, the Guide is a comprehensive source of up-to-date information on natural gas vehicles and engines available from all original equipment manufacturers. Each listing includes contact information, model numbers, product description, specifications, and availability.

For more information on how to obtain a copy of *The 1997-1998 Natural Gas Vehicle Purchasing Guide*, fax or e-mail your request to Greg Zilberfarb at 703-527-3025 or gzilberfarb@ngvc.org. ✱



Coordinator's Corner

Dan Hyde, the Clean Cities Coordinator for the Las Vegas Coalition, has been appointed to a transportation planning committee for the area, examining plans for the construction of a monorail system and the addition of 500 alternative fuel buses to the local transit system.

The Norwich Clean Cities Coalition is working with the Mashanpucket Pequot Indian tribe to purchase 58 alternative fuel transit buses and install a public access refueling station. The program plans to have a compressed natural gas school bus by this fall and an electric school bus by the end of 1997.

An environmental award from Renew America was given to the Salt Lake City Clean Cities Program for its clean fuel activities. The program is currently working on legislative issues such as tax credits for alternative

fuel vehicle (AFV) operators, and allowing operators of AFVs access to high-occupancy vehicle lanes.

The Delaware Clean State Program hosted the National Alternative Fuels Training Program and Trade Show, July 16-17, in Dover, Delaware. Governor Thomas R. Carper made the opening remarks at the 2-day event, which was sponsored by Ford Motor Company, Chesapeake Utilities, PAF Fueling Systems, the Wilmington Area Planning Council. The workshop was developed to introduce alternative fuel technologies, infrastructure, safety regulations, and incentives to administrators and fleet managers.

The Los Angeles Board of Airport Commissioners last February approved a request for bids to purchase 39 AFVs at a cost of \$3.75 million, for use at Los Angeles International Airport. Ten of the expected AFV purchases are LNG transit buses, at a cost of \$3 million. *



On the Web

**Clean Cities Web Sites:
Regional Information Is
Just a Keystroke Away**

Clean Cities web sites are good resources to learn about regional alternative fuel activities, refueling sites, local funding, and events. Although not all the Clean Cities have web sites at this time, detailed information on all Clean Cities is available on the DOE Clean Cities web site at: www.cities.doe.gov/cities_list/profiles.html.

The following is a list of Clean Cities web sites:

- Atlanta:** www.4cleanair.com/ccatl.html
- Greater Philadelphia:** www.libertynet.org/~gpccp/
- Pittsburgh Region:** www.pitt.edu/~altfuels/
- Honolulu:** www.hawaii.gov/dbedt/ert/ccfshcc.html
- Salt Lake City:** dasdgs.state.ut.us/clean.htm
- West Virginia:** www.state.wv.us/wvdev/



Upcoming Conferences and Events

Clean Airport Summit

October 7-9, Denver, Colorado.
Contact Clean Airport Summit
conference staff 703-528-4316

Fuel Cell Vehicle Conference

October 20-22, Frankfurt, Germany.
Contact Melanie Searle 207-781-9800

Border Energy Forum

October 21-22, Las Cruces, New Mexico.
Contact Soll Sussman 512-463-5039

World Conference on Transportation Fuel Quality

October 23-24, Washington DC.
Contact Carrie McVay 800-352-6141

Propane Gas Association of Canada Annual Transportation Symposium

October 23-24, Alberta, Canada.
Contact Rita Guest 403-543-6503

International Alternative Fuels Conference and Trade Fair

November 18-19, Dallas, Texas.
Contact Carlton Bell 512-475-1402

Congress of Cities Expo

December 5-6, Philadelphia, Pennsylvania.
Contact David Lee 703-318-0300, ext. 567

International EV Symposium 14

December 12-17, Orlando, Florida.
Contact Laurie Wood 404-299-7764

Did You Know?

Last summer, DOE unveiled a new Internet site for alternative fuel providers and state fleets to report their compliance with the AFV acquisition requirements of the Energy Policy Act. This site will not only allow fleets to report their AFV acquisitions to DOE, but to request credits for early and excess AFV acquisitions and trade them to other fleets in the program. The address for the Alternative Fuel Provider and State Fleet AFV Acquisition and Credits Database is www.ott.doe.gov/credits.