



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

- **Lorraine White, Current Project Manager**
 - (916) 654-4075
 - lwhite@energy.state.ca.us
- **Tim Olson, Future Project Manager**
 - (916) 654-4528
 - tolson@energy.state.ca.us
- **Margret Kim, Public Advisor**
 - (800) 822-6228
 - pao@energy.state.ca.us
- **Energy Commission's Website**

<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