

**NC Alternative Fuels Consortium
Meeting May 9, 2007 - 1:30-3:30
State Energy Office
1830A Tillery Place
Raleigh, NC**

Meeting Summary

In attendance: Ron Allison, MFM; Bruce Thompson, NCDOT; Cynthia Moseley, SEO; Sharon Stroud, SEO; Michael Williams, Dept of Corrections; Don Sykes; P & C; Bryan Roy, NCSC; Anne Tazewell, NCSC; By phone: Larry Shirley, SEO; Hoyt Phifer, UNC-G

Petroleum Displacement Plan

Report:

The full PDP report drafted by the State Energy Office has now gone from the Governor's Office to the General Assembly. There was concern over the potential \$10M price tag for state fleet to meet PDP goals (for vehicles, E85 refueling infrastructure and incremental fuel costs) as this expense was not included in the Governors FY-06-07 budget. Jennifer Epperson, Policy Advisor to Governor Easley, is now working on alternative fuels and has been added to the AFC meeting/mail list. A FY 05-06 PDP Summary Report (excluding funding needs) has also been sent to state agencies.

MFM letters supporting use of E85 and E10 whenever feasible

A letter is being drafted by SEO for MFM to send out to all drivers assigned MFM vehicles. The primary message of this letter is for state drivers to fill up at DOT sites where they can at use E10 (therefore displacing 10% petroleum to meet PDP goals). A second letter is being drafted that will go to the Cabinet Secretary's to encourage more fueling at DOT sites (75% if MFM leased vehicles fuel at private sector service stations). Including information about fueling at existing private sector service station was discussed but the group thought it would send a mixed message about refueling and opted to wait and send out another letter in the future.

A third letter will be addressed to Cabinet Secretary's to instruct assigned FFVs to fuel with E85 if they are passing within 5 miles of an existing E85 station. There are currently 10 private stations selling E85 in NC along with the MFM site on Blue Ridge Road in Raleigh. Station locations at: <http://www.4cleanfuels.com/mapping.asp>

Wright Express analysis on missed opportunities to use E85 or E10

Bryan Roy, PDP coordinator at the NC Solar Center, has been given permission by MFM to access the MFM vehicle system and Wright Express fuel tracking system. Using data from these sources an analysis and report will be issued outlining "missed opportunities" for E10 & E85 refueling by state vehicles passing within 5 miles of a station with these fuels.

FY 2006-07 reporting; will send out requests in early August

Request for FY'06-07 PDP reporting will be sent out in August. In the meantime if there are any questions about the PDP, developing your plan and how to track your progress contact Bryan Roy at 919-513-0852.

EPAct Credit Banking and Selling Program

Rules, Guidelines, Annual Plan Approved

The EPAct Credit Banking and Selling Program rules were approved and went into affect May 1st. Program guidelines and the annual plan for 2007-2008 was reviewed and discussed. See attached final Program Guidelines and 2007-08 Annual Plan. The annual plan was approved by the Energy Policy Council on May 14. The state will begin to sell up to 789 credits with the proceeds going to expand E85 refueling infrastructure. Funds will be split between MFM and NCDOT.

E85 Refueling Site Criteria/Considerations

- NCDOT is in the process of evaluating the best locations to install E85 at DOT fueling sites. For DOT, some of the sites that have the largest number of outside users have the smallest potential for DOT FFVs. It is critical for future DOT E85 refueling site success that there is broad support and use of DOT sites by other state agencies
- Dept of Corrections leases 2,600 FFVs from MFM and owns 1,800 FFVs. Dept of Correction facilities are often located next to DOT facilities making them an important consideration when determining DOT E85 locations.
- SEO would like to see E85 refueling become available at DOT site in Asheville to help Land of Sky Clean Vehicle Coalition designation into DOE Clean Cities program. However, Marion site is preferable for DOT. There are two Dept of Corrections facilities next to DOT in Marion with large number of FFVs- and UNC-A (w/ FFVs also) is 8-10 miles from DOT Asheville site
- An analysis is underway to determine a priority list for MFM regarding the best locations for E85 refueling based on potential volume. MFM funds may go to increase the number of NCDOT fueling sites, college/universities, other state agencies with significant numbers of FFVs or private sector service stations that could potentially serve a large number of state vehicles.

Entities interested in developing E85 refueling for state fleet vehicles are encouraged to contact: Anne Tazewell or Bryan Roy at the NC Solar Center anne-tazewell@ncsu.edu, bryan_roy@ncsu.edu ; Ron Allison at MFM ron.allison@ncmail.net or Bruce Thompson DOT at rbthompson@dot.state.nc.us to discuss your situation and interests in E85 refueling.

Getting more state agency/university EPAct involvement

There are state agencies and universities that have not been submitting EPAct reports to the State Energy Office. All state entities are required to meet EPAct requirements of

purchasing AFVs for 75% of the LDVs (8500 lbs or less). If use of alternative fuels is tied to the vehicle purchase (only on-road vehicles count) then the credits earned by the state can be traded /sold to expand funding for alternative fuel use in NC. E Pact reporting is a challenge for Universities such as NC State because there is no central purchasing entity with in the university system. To learn more about E Pact reporting requirements contact Cynthia Moseley at 919-733-2953 and visit:

<http://www1.eere.energy.gov/vehiclesandfuels/epact/state/index.html>

Announcements

CFAT Request for Proposals

2007 Clean Fuel Advanced Technology (CFAT) call for projects. Proposals due July 16. Up to \$625,000 is available for transportation related emission reduction projects in 24 NC counties. Public and private entities (including all state agencies, colleges, universities) are eligible to apply. These are federal funds that require a 20% state match.

Request for Proposals

http://www.ncsc.ncsu.edu/resources_by_sector/information_resources/2007_CFAT_RFP.doc

Application Form

http://www.ncsc.ncsu.edu/resources_by_sector/information_resources/2007_RFP_Application.doc

A conference call is planned to discuss application and eligibility requirements:

June 15 1:00-3:00 Call in number is 919-515-7150

E85 State Contract Bid

Purchasing and Contracting has issued a bid for state wide purchasing contract for E85. This is significant because up to this point E85 has only been available to the State in Raleigh through an agency specific contract (MFM). Bids will be opened May 22. The E85 Transport bid can be found at:

<http://www.ips.state.nc.us/ips/bidlist.asp?category=85&name=Oil+and+Gas&department>

Agencies interested in E85 are encouraged to forward this bid opportunity to local fuel providers and /or contact Don Sykes at P & C (919-807-4521) about potential volume in order to have information to provide potential bidders as to quantity.

Next Alternative Fuels Consortium Meeting August 28th 1:30-3:00 at SEO