### PITTSBURGH REGION CLEANIGHTLES

### PRCC GAZETTE

"DRIVING THE WAY TOWARD ENERGY INDEPENDENCE"

Volume 4, Issue 11 November 2015

## As home deliveries increase, UPS steps up alternative fuel vehicles

October 13, 2015 12:15 AM

As online shopping boosts demand for package deliveries to residential customers, United Parcel Service Inc. said last week it is exploring strategies to reduce its environmental footprint.

The Atlanta-based delivery company reported it has logged more than 500 million miles toward its goal of driving 1 billion miles with vehicles running on alternative fuel by the end of 2017. Its fleet includes vehicles powered by natural gas and biofuels, all-electric, hybrid electric, hydraulic hybrid, propane and biomethane.

UPS operates 5,800 alternative fuel and advanced technology vehicles worldwide, with 130 natural gas vehicles in Pennsylvania.

In addition to alternative fuel investment, the company is toying with a software that can determine the fastest, most fuel-efficient route to get every package to a customer's door.

Also last week, rival delivery company FedEx announced it would raise its fuel surcharge as the cost of delivering heavier packages to homes had grown. The surcharge determines how much the price of shipping a package will rise was fuel prices fluctuate. UPS raised its fuel surcharge in February.



By Daniel Moore / Pittsburgh Post-Gazette

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#### PITTSBURGH REGION CLEAN CITIES

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#### CALENDAR OF EVENTS

## BOARD OF DIRECTOR MEETING SCHEDULE FOR 2015

The PRCC Board of Directors meeting schedule is as follows:

January 6, 2016

April 6, 2016

July 6, 2016

October 5, 2016

All meetings will be at:

Five Star Development Inc.

1501 Preble Ave.

Pittsburgh, PA 15233

Starting at 9:30 AM

**Upcoming Events** 

**Annual Stakeholder Meeting March 2016 TBD** 

#### **Training Classes**

The PRCC is working with the National Alternative Fuels Training Consortium and the Community College of Allegheny County – West Hills Center to conduct training classes. These classes are free to Sustaining Members

Light Duty Natural Gas Vehicles ATE-115-WH85 1.CEU March 29, 2016 – April 7, 2016 Tuesdays and Thursdays 6:30mm to 10:30pm

Introduction to Hybrid Electric Vehicles Training ATE-136-WH85
1.0 CEU
April 12, 2016 - April 20, 2016 Tuesdays and

Wednesdays 6:30pm – 10:30pm

CNG Fuel Inspector Training ATE-601-WH85 1.0 CEU March 1, 2016 – March 10, 2016 Tuesdays and Thursdays 6:30mm to 10:30pm



To register for these classes go to <a href="https://ccaccentral.ccac.edu/WebAdvisor/WebAdvisor/WebAdvisor/WebAdvisor/TOKENIDX=9996794264&SS=2&APP=ST&CONSTITUENCY=WBST">https://ccaccentral.ccac.edu/WebAdvisor/

or contact Bob Koch at 412-788-7378 or <a href="mailto:rkoch@ccac.edu">rkoch@ccac.edu</a>







By: Kristie Kubovic, Director of Communications, Shale Media Group

Photos by: Shale Media Group

Pittsburgh Region Clean Cities hosted their 6<sup>th</sup> annual Odyssey Day at the Community College of Allegheny County (CCAC), West Hills Center in Oakdale, PA on October 16<sup>th</sup>. Odyssey Day organizer and Executive Director of Pittsburgh Region Clean Cities (PRCC), Rick Price, explained, "PRCC is part of the Department of Energy's (DOE) Clean Cities, a network of nearly 100 coalitions across the U.S. that organize events like this and work to reduce petroleum consumption through local initiatives." The goal is to provide cleaner transportation choices (and thus cleaner air) and less dependence on foreign oil.

Price added, "Odyssey Day is something that was developed by the DOE and the National Alternative Fuels Training Consortium (NAFTC) to recognize technology and educate the public on the importance of alternative fuel and advanced technology vehicles. Every year we try to introduce classes and panels to educate folks about new technology and continuing improvements to current technology, as well as have alternative fuel vehicles on hand, which attendees are able to drive. There is a lot of interaction between vendors and vehicle operators."

The presentations included subjects that ranged from the *Gaseous and Bio-Fuels Panel* to the *Clean Fuels/Clean Rivers Workshop*. Some of the featured speakers included: Bob Beatty, President, "O" Ring CNG Fuel System; Dr. Lutitia Clipper, CEO, Clipper Enterprises; Bob DeLucia, CEO, Veterans Taxi; Dave Dudo, Senior Vice President of Operations, Beemac Trucking; Ron Schramm, President, ProGas; and Joyce Turkaly, Director of Natural Gas Market Development, Pennsylvania Independent Oil and Gas Association (PIOGA).



The Gaseous and Bio-Fuels Panel looked at how the price of petroleum-based fuels affects the panelists' alternative fuel related business along with discussing how different legislative items would better help their businesses. In terms of legislative help for the alternative fuels industry, tax incentives or credits was a popular response among the panelists. Panelist Nick Hiller of Ford also relayed that unified state mandates on emissions would be beneficial and noted that the current price of petroleum has made Ford work on the power and efficiency of their alternative fuel vehicles.



Dave Dudo Beemac Trucking speaks on Odyssey Day

Additionally, panelist Dudo discussed his company's conversion to compressed natural gas (CNG) tractors. Beemac Trucking is a long-haul, steel hauling, flatbed carrier and logistics company headquartered in Ambridge, PA, that provides services to customers throughout North America. Beemac also built a CNG refueling station, Bee Green CNG Fueling, in Ambridge. The CNG station is the first and only one in Beaver County, PA. Dudo pointed out, "Diesel is one of Beemac's top expenses every year. Plus the price of petroleum-based fuel is unstable. When asking, 'What can I do to reduce costs?' CNG was the answer. Even with current low gas and diesel prices, there is still a considerable savings of roughly 40% with CNG. And if diesel is \$4.00/gallon, CNG is about a 70% savings over diesel. Plus our local headquarters is trying to do our part to be green."



Propane Lawnmower

In addition, the *DOE Clean Cities Workshop* went over the DOE website and all of the different tools that are available for people to utilize to demonstrate the economic and environmental benefits of using alternative fuels and how they can be compared to petroleum based fuels. The *Small Engines Presentation* looked at alternative fuels, like propane, being used in small engines, such as lawnmowers, trimmers, and outboard motors.



Progas LPG Truck

Propane distributor, ProGas, Inc., was on hand with three propane powered vehicles on display. These included their new Freightliner S2G Bobtail (used to deliver propane), Ford F650 Crane Truck (used to deliver fueling stations and other equipment to their customers), and Ford E350 Van (used as a demo for potential clients). ProGas is a supplier of propane products and autogas supplies that serves residential, commercial, and industrial accounts in western Pennsylvania, West Virginia, and Ohio. The company has been a driving force behind a slow and steady growth of propane autogas in the region.



Ron Schramm Progas LLC

The biggest users of autogas have been fleet vehicles, such as school buses, shuttles, taxis, and police vehicles. Schramm says, "Propane autogas is one of the leaders in the growth of the alternative fuels market. Even with falling gasoline and diesel prices, propane autogas continues to offer cost advantages over conventional fuels. Price is a key factor, but not the only factor. Fleet managers look at overall performance, efficiency, and productivity. Propane provides all of that and environmental benefits. Propane is one of the cleanest burning of all fossil fuels and is considered non-toxic and poses no threat to soil, surface water, or groundwater." ProGas is now supplying ten fleets and 14 school districts/private school bus operators in western Pennsylvania. The company also just signed three county school districts in West Virginia.



Rice Energy Natural Gas Firetruck

There were also other various alternative fuel vehicles on display that included hybrid and plug-in electric vehicles, bio-diesel, dedicated and dual fuel propane, and dedicated and dual fuel CNG. Some vehicles exhibited included Rice Energy's natural gas fire truck (an emergency vehicle that runs on CNG); the PA Turnpike's CNG Dump Truck; Class A CNG tractors from Beemac Trucking, Giant Eagle, and Penn Power Group; and a propane school bus from West Allegheny school district. Additionally, attendees were able to drive a number of alternative fuel vehicles including the newest electric Tesla with autopilot, the Ford C-MAX Hybrid, and an electric powered Nissan LEAF.

Odyssey Day is particularly relevant in the Pittsburgh area, due to the region's location on top of the vast Marcellus and Utica Shale plays. CNG, propane, electric, hybrid, and biodiesel are some of the alternative energy forms being introduced to power eco-friendly vehicles. Many of these forms offer cleaner, cheaper options, while reducing greenhouse gases as compared to the traditional petroleum-based gasoline. As technology improves, more vehicles like these will emerge, in addition to the infrastructure needed to fuel these types of vehicles.

Price expressed, "Clean Cities has saved more than five billion gallons of petroleum since the program's inception in 1993 and looks to displace an additional 2.5 billion gallons of petroleum based fuels by 2020. The best thing about these events is educating people. It's the ability to give them correct information—not some misnomer. It is all about educating and allowing people, who may be on the edge of wanting to buy a vehicle, the ability to try those vehicles."

The 6<sup>th</sup> Annual Odyssey Day also marked the 20<sup>th</sup> anniversary of PRCC.

To see video click below.

https://www.youtube.com/watch?v=47aNj90ugro&feature=player\_embedded

### Audubon Society awarded two natural gas fueled vehicles



*November 5, 2015.* The

Audubon Society of Western Pennsylvania is making strides in its bid to become carbon-neutral by the end of 2016.

Headquartered at Beechwood Farms Nature Reserve in Fox Chapel, the group last week was awarded two compressed natural gas-fueled vehicles. One will be kept at Beechwood and one at Succop Nature Park in Butler.

"Natural gas-powered cars have cleaner emissions than gasoline-powered vehicles," Beechwood spokesperson Rachel Handel said. "By using them, we reduce the pollution we're putting into the air, helping us to reach our carbon-neutral goal."

The white Honda Civics were paid for by the EQT Foundation and Honda North.

The foundation is the charitable arm of EQT Corporation and supports programs that involve arts, education and the environment.

Each car is emblazoned with a painted bird feather on the side.

Audubon Executive Director Jim Bonner said the cars will be used to transport employees to school programs across the region, as well as for community outreach services such as Audubon's Citizen Science and native plant programs.

The cars did not require any modifications and average about 35-40 mph in city driving use, Bonner said.

### Blue Bird unveils its first CNG-fueled type C bus



*November 12, 2015*. Blue Bird Corporation, the leading independent designer and manufacturer of school buses, debuts its latest innovations at the National Association for Pupil Transportation's (NAPT) Annual Summit in Richmond, Virginia.

"This represents an unprecedented pace of new product launches and is an exciting time for Blue Bird and our customers."

"Along with the gasoline-powered Blue Bird Vision that we announced earlier this year, Blue Bird's four all-new powertrains in 2016 demonstrate our commitment to new products that customers want and value," said Blue Bird President & CEO Phil Horlock. "This represents an unprecedented pace of new product launches and is an exciting time for Blue Bird and our customers."

Blue Bird will begin production of its first Type C Vision bus fueled by compressed natural gas (CNG) in 2016. With its excellent performance and quiet operation, the Blue Bird Vision CNG will reduce fuel and maintenance costs while meeting stringent emissions standards. The CNG-powered school buses will utilize Blue Bird's exclusive and established partnership with Ford and ROUSH CleanTech, deploying Ford's 6.8L V10 engine and 6R140 transmission with ROUSH CleanTech's fuel system. Propane-powered school buses built by this proven Blue Bird, Ford and ROUSH CleanTech partnership have tallied more than 60 million miles. With the same engine and transmission architecture covering propane, gasoline and CNG-powered school buses, Blue Bird's customers and technicians are assured of simpler and easier maintenance and service. The new Type C CNG-powered model joins the Type D CNG bus currently offered by Blue Bird and will be available for delivery in late 2016.

#### **Title: Five Top Autogas Questions Answered**

Fleet managers have one common denominator: to maximize their fleet at the lowest possible cost. Many are considering propane autogas to fuel their fleet vehicles. Here are five questions they ask:

#### Q: Why should I consider propane autogas?

A: Propane autogas is a cleaner burning, cost-effective and domestically produced fuel with a robust infrastructure and economic efficiencies.

### Q: Is my current fleet compatible with propane autogas or do I need to buy new vehicles?

A: Many vehicles are compatible with conversions. If there's enough remaining life on the vehicle to provide a return on investment, it's a smart move. You can also purchase new vehicles that come equipped to run on autogas. Just be sure to work with an engine fuel system supplier that offers appropriate vehicle certifications from the Environmental Protection Agency and the California Air Resources Board.

#### Q: Would I need to install a fueling station?

A: That's up to you. Public propane autogas fueling stations exist in every state, with more opening every day. Propane retailers are available to provide convenient infrastructure for your fleet. Should you choose to install your own fueling station, you'll find the cost is even less than installing a gasoline station!

### Q: Is it more difficult to have my vehicles serviced if they run on propane autogas?

A: No. Service isn't an issue. If you have your own garage, your technicians can be trained in-house. You'll also find many outside maintenance facilities with trained technicians. For example, ROUSH CleanTech has more than 400 service facilities across the U.S. and Canada.

### Q: Will propane autogas help me meet government-mandated emissions requirements?

A: Yes. Propane autogas is an approved alternative fuel under the Clean Air Act. It's a non-contaminant of soil, air and water with virtually no particulate matter coming out of the tailpipe. Vehicles powered by autogas significantly reduce emissions, with 25 percent less greenhouse gases and up to 60 percent less carbon monoxide than gasoline powered vehicles, and 80 percent less total hydrocarbons compared with conventional diesel.



**Title:** ROUSH CleanTech: Supporting Clean Technology, Clean Jobs, Clean Business Practices Livonia, Michigan-based ROUSH CleanTech designs, engineers and manufactures propane autogas fuel system technology. Along with producing innovative automotive products and creating skilled automotive jobs, the company's business model helps solve the nation's energy crisis by reducing dependence on imported oil.

#### **Clean Technology**

Founded by motorsports legend Jack Roush, ROUSH CleanTech develops products that achieve a cleaner emissions profile while providing its customers a positive return on investment.

Compared to gasoline models, ROUSH CleanTech's propane autogas vehicles lower greenhouse gas, carbon monoxide and smogproducing hydrocarbon emissions. Compared to conventional diesel counterparts, propane autogas minimizes hydrocarbons, virtually eliminates particulate matter and lessens noise levels.

In Florida, Broward County Public Schools' propane autogas bus fleet emits 153,000 fewer pounds of nitrogen oxide and 3,100 pounds less of particular matter each year compared to the diesel buses they replaced. Each of AmeriPride's 25 trucks emits 95,000 fewer pounds of carbon dioxide emissions over its lifetime.

Other companies, including Frito Lay, SuperShuttle, ThyssenKrupp Elevator and U-Haul, own and operate propane autogas vehicles throughout the nation. They are savings thousands of dollars annually on fuel and maintenance costs and lowering their carbon footprint. All ROUSH CleanTech vehicles fueled by propane autogas meet or exceed certifications by the Environmental Protection Agency and the California Air Resources Board and comply with Federal Motor Vehicle Safety Standards and the National Highway Traffic Safety Administration

#### Clean Jobs, Clean Practices

Over its five-year period, ROUSH CleanTech experienced corporate growth from six to 90 employees. Customers are encouraged to visit the state-of-the-art manufacturing facility.

The office space applies clean building materials and practices, including recycled carpet and furniture, low VOC paints and adhesives, and Energy Star appliances. Internally ROUSH CleanTech has implemented policies such as compacting trash, which has reduced daily waste at a 3 to 1 rate. Corrugated boxes and materials pass through a baler before recycling. And President Joe Thompson reminds employees that little things make a big difference to the environment by actively encouraging proper recycling and turning off lights and electrical devices when not in use.

With respect to community, ROUSH CleanTech stays involved as an active member of many Clean Cities Coalitions. Also, as NTEA's Green Truck Association president, ROUSH CleanTech's Rob Stevens helps set standards and increase energy independence for the green trucking industry.

ROUSH CleanTech will continue its commitment and dedication to widely adopt the use of clean and responsible alternative fuel vehicles across the nation.

### MARAD to fund development of LNG-powered inland towboat

Oct 5, 2015 09:38 PM

### Interlake Steamship also wins grant to refit laker with exhaust scrubber

The following is the text of a press release issued by the U.S. Maritime Administration:

(WASHINGTON) -- The U.S. Department of Transportation's Maritime Administration (MARAD) today announced that it will provide over \$1 million to support the development of two new emission-reducing maritime solutions. The first is a cutting-edge liquefied natural gas (LNG) conversion demonstration project and the second is modification of an on-board air pollution control device that will aid the United States maritime industry's ongoing effort to decrease its environmental footprint, one more measure spearheaded by the Obama Administration's climate initiative to find cutting edge technologies that cut pollutant emissions.

"The Department continues to fund innovative projects that support a steady shift towards cleaner and sustainable transportation options," said U.S. Transportation Secretary Anthony Foxx. "This public-private venture will produce the data required to further develop even cleaner and more sustainable maritime transportation options."

Through a cooperative agreement, MARAD has provided \$730,000 to Pittsburgh Region Clean Cities (PRCC) to convert a towboat engine from diesel to LNG. Results from this demonstration project will help expand the development and availability of natural gas conversion technology for smaller scale tug, tow, and harbor vessels. PRCC will collect air emissions data before and after the conversion, which will allow for operational and emissions comparisons.

These demonstration projects are part of ongoing work by MARAD's Maritime Environmental and Technical Assistance Program (META) and the maritime industry to conduct research and demonstration projects in support of identifying alternative fuels and technologies for marine applications. The META Program is administered by the Maritime Administration's Office of Environment and is designed to foster collaboration with maritime stakeholders to address emerging environmental challenges

### **Life Cycle Engineering Joins Emission- Reduction Demonstration Project**

CHARLESTON, SC – October 5, 2015 – Life Cycle Engineering has joined with Pittsburgh Region Clean Cities' western Pennsylvania coalition, Clean Fuels Clean Rivers (CFCR), to conduct a cutting-edge demonstration project to monitor and reduce diesel emissions from marine vessels. The \$730,000 grant awarded to CFCR from the U.S. Maritime Administration (MARAD) is the first ever to be given by the federal government, specifically targeting the marine community operating on the Nation's inland rivers.

The coalition will convert a harbor towboat to burn liquefied natural gas (LNG) as its fuel source, monitoring the emissions before and after. The project will require developing the technology to support the LNG conversion and the emissions monitoring.

"Life Cycle Engineering proudly joins the CFCR Coalition on this path to exploring alternative fuel use as a method of enabling more environmentally friendly towboat operations," said Tom Risley, P.E., marine engineer, and Director of Energy Programs.



### LP Gas: Autogas accounts help boost retailer's gallon sales

July 16, 2015 cleanfuel In Uncategorized

Propane autogas doesn't comprise the majority of the gallon sales at ProGas Inc. But one of the company's owners says ProGas stands out from the competition in western Pennsylvania because of autogas.

ProGas, based in Zelienople, Pa., primarily serves the residential market. But owner Ron Schramm says autogas boosted the company's gallon sales when it entered the market three years ago.

According to Schramm, he had experience working for a family business that provided autogas to a few accounts in the 1970s. He never considered autogas for ProGas until recently, though. In 2012, he attended a Propane Education & Research Council (PERC)-led educational session on autogas at the Southeastern Convention & International Propane Expo. The session discussed how to market, promote and sell autogas. The session convinced him ProGas could grow because of that market.

"They said if you wanted to grow your gallons, [autogas] is an area you can concentrate on," Schramm says. "I was at least familiar with it because I dealt with it in the '70s, and since then the technology got better."

In 2012, Schramm reconnected with Globe Airport Parking, an airport shuttle bus service he worked with in the '70s. Schramm wanted to see if it would consider switching to autogas. He used PERC's marketing concept to guide the discussion.



This year, ProGas wants to provide autogas to landscapers. According to PERC, a growing list of mower OEMs now offer propane-powered engines for landscapers. Schramm says ProGas delivered a presentation to the landscaping industry at the Tri-State Alternative Fueling Expo and Conference in an effort to reach more potential customers.

"A number of our accounts are school districts using autogas for their school bus fleet," Schramm says. "Every school district has grass to cut, so for ProGas it seems to be a natural progression to develop a marketing plan to include the landscaping market."

Schramm says he wants to encourage small propane retailers to provide autogas — especially those in rural areas where there might not be as many large retailers to provide the fuel.

"Any retailer can get involved in it," Schramm says. "It's not as hard as it looks."

According to Schramm, commitment is key to entering any new market – including autogas. He says business owners need to develop a plan for any new market they enter, and stick to the plan.

"If you choose a plan, you need the commitment to follow through and do whatever it takes to make it succeed," Schramm says. "PERC gave us the tools to succeed, and in the end it was up to us to execute and make that happen." See original article here

**Question of the Month:** How can I improve my gas mileage while driving this winter?

**Answer:** Whether taking that long-awaited ski trip or just commuting to work in the frigid weather, there are several things you can do to improve your fuel economy and save money in the wintertime.

### Why You Get Worse Gas Mileage When It's Cold

Cold weather and winter driving conditions can reduce your fuel economy significantly. On particularly chilly days, when temperatures drop to 20°F or lower, you can expect to see up to a 12% hit on your fuel economy for short city trips. During very quick trips—traveling only three to four miles—your fuel economy could dip even lower (as much as 22%)!

This reduction in fuel economy is due to several factors. First of all, cold temperatures increase the time it takes your vehicle to warm the cabin, engine, drive-line fluids, and other components up to fuel-efficient operating temperatures. Cold fluids increase the friction on your engine and transmission, which can reduce fuel economy.

Let's take a moment to address one of the main myths about driving in cold weather:

**Myth:** To warm up your engine and vehicle cabin in the wintertime, you should let the engine run for several minutes before driving.

**Truth:** Most manufacturers recommend driving off gently after about 30 seconds of idling. In fact, the engine will warm up faster when driving. Idling can use a quarter to half a gallon of fuel per hour, and even more fuel if the engine is cold or accessories like seat heaters are on.

Also keep in mind that winter gasoline blends in cold climates have slightly less energy per gallon than summer blends. This is because refineries alter the chemical makeup of gasoline to allow it to evaporate more easily in low temperatures, ensuring proper engine operation.

Aerodynamic drag is another consideration. In simple terms, cold air is denser than warm air, so when temperatures drop, wind resistance increases slightly. This requires a little more power from your engine to drive at a given speed. The effects of aerodynamic drag on fuel economy are most significant at highway speeds.

#### **Winter Fuel-Saving Tips**

The following tips can help you warm your car (and fingers!) more efficiently and improve your fuel economy in the winter:

- Park in a warmer place like a garage that traps heat to keep the initial temperature of your engine and cabin higher than it would be outside in the elements.
- Avoid idling to warm up the engine and cabin. See more information above.
- Avoid using seat warmers more than necessary, as they require additional power.
- Plug-in electric vehicle (PEV)
  owners: Pre-heat your vehicle while
  still plugged in. Since PEVs use battery
  power to provide heat to the cabin,
  cabin and seat heaters can drain the
  vehicle's battery and reduce the overall
  range. If you need to warm up quickly,
  warm the vehicle while it's still
  charging.

☐ <b>PEV owners: Use seat heaters instead of the cabin heater when able.</b> Using seat heaters
instead of the cabin heater can save energy. Seat
heaters use less energy than cabin heaters and can
often be more efficient at warming you up quickly in the winter
in the winter
☐ Read the owner's manual for detailed
information on how your vehicle's cabin and seat
heaters work and how to use them efficiently
Do you live in a place where snow and ice isn't an
issue? Check out the May Question of the Month
(http://www.eereblogs.energy.gov/cleancities/post/ 2015/05/19/summer_fuel_economy.aspx) for year-
round warm weather driving tips.
More Information
For more information on how to improve your fuel
economy, please refer to the following
FuelEconomy.gov tips:
http://www.fueleconomy.gov/feg/coldweath
er.shtml
☐ Gas Mileage Tips - http://www.fueleconomy.gov/feg/drive.sht
<u>ml</u>
☐ Keeping Your Vehicle in Shape - http://www.fueleconomy.gov/feg/maintain.j
<u>sp</u>
Clean Cities Technical Response Service Team
technicalresponse@icfi.com
800-254-6735

**Question of the Month:** What are the alternatives to traditional state fuel taxes?

**Answer:** Nearly all of us regularly use and access public roads, infrastructure, or transit services. As you may have read in the July Question of the Month, it's common practice for federal, state, and local governments to tax motor fuels on a per gallon basis to fund transportation infrastructure and increase revenue. Returns from gasoline and diesel taxes are on the decline due to a number of factors, including rising construction costs, general inflation, and greater vehicle efficiency, which reduces fuel use per mile. To make up for this deficit, a number of states are evaluating and implementing alternatives to traditional motor fuel tax models through the use of vehicle miles traveled (VMT) fees, annual fees for vehicles that use certain fuels, such as electricity, or adjusting or establishing fuel taxes for certain alternative fuels.

#### VMT Fees

VMT fees are designed to charge drivers based on the number of miles they drive, rather than the fuel they consume. The concept seeks to base taxes on use rather than fuel consumption, which provides a fuel neutral approach and offsets decreasing revenue from increased vehicle efficiency. Concerns have, however, been raised over program administration and individual privacy. Several states, including Vermont and Oregon, have studied or implemented VMT fee pilot programs. In July of 2015, Oregon began a road usage charge program for 5,000 volunteers and is encouraging participation by plug-in electric vehicle (PEV) drivers

(http://www.oregon.gov/ODOT/HWY/RUFPP/Pag es/index.aspx). The Oregon Department of Transportation (ODOT) collects \$0.015 per mile and issues gas tax refunds to participants. Vehicle miles will be monitored through a vehicle transponder.

#### Annual Fees

As alternative fuel use has grown, a number of states have established annual fees or decals to recover revenue that would have normally come from motor fuel taxes. These programs also provide a mechanism to collect revenue from those that charge or fuel at home and, in some cases, are used to incentivize alternative fuel vehicles (AFVs). Fees have traditionally been imposed on fuels such as natural gas and propane, but are now being considered and implemented for PEVs. Establishing the appropriate level for such fees can be tricky as different vehicle classes use very different amounts of fuel. In addition, some AFVs, such as plug-in hybrid electric vehicles and bi-fuel natural gas vehicles, may already pay motor fuel taxes for their gasoline or diesel use. Examples of fees in place include:

olorado requires a \$50 annual fee for a PEV decal.

☐ Georgia requires a \$200 annual fee for non-commercial PEVs and \$300 annual fee for commercial PEVs

#### Alternative Fuel Taxes

Many states have passed regulations to either tax certain alternative fuels for the first time or to structure motor fuel taxes to account for energy content variations between alternative fuels and gasoline or diesel. For example, Arkansas, Idaho, Kentucky, New Mexico, Oklahoma, Tennessee, and Utah are among the states that have enacted legislation or regulations in 2015 to define the energy content of CNG and liquefied natural gas on a gasoline gallon equivalent or diesel gallon equivalent basis.

Wyoming updated regulations related to alternative fuel excise taxes and dealer license fees for natural gas, propane, electricity, and renewable diesel. Kentucky and Utah enacted excise tax requirements for hydrogen and South Dakota increased excise taxes for certain fuels, including ethanol. Look out for the September Question of the Month for further information on efforts to equalize federal fuel taxes across fuels.

Until motor fuel tax revenue shortfalls can be adequately addressed, states risk underfunding our roads and infrastructure. While no single approach has emerged as the preferred choice, creative solutions, such as those discussed above, may help states adequately adjust for continued sales of AFVs and other fuel-efficient vehicles. With the exception of VMT fees, these approaches, however, only address a small portion of the nation's fleet and are not likely to resolve broader funding issues in the near-term.

Refer to the following for more information on alternatives to traditional state motor fuel taxes:

Alternative Fuels Data Center's (AFDC) Laws and Incentives website (http://www.afdc.energy.gov)

☐ AFDC's Policy Bulletin on State Fees as Transportation Funding Alternatives (<a href="http://www.afdc.energy.gov/bulletins/techn-ology\_bulletin\_2014\_03\_10.html">http://www.afdc.energy.gov/bulletins/techn-ology\_bulletin\_2014\_03\_10.html</a>)

# PRCC Sustainable Members



### PRCC Membership Levels Information

Membership Options: Individual- \$150 Nonprofit- \$300 Bronze- \$500 Silver- \$1000 Gold- \$2000 Platinum/Sponsor- \$4000+

To find out more on membership levels go to:

http://www.pgh-cleancities.org/wordpress/?page\_id=367





The Pittsburgh Region Clean Cities Board of Directors would like to wish all of our members and stakeholders Happy Holidays!



#### UNITED WE STAND – SEPTEMBER 11, 2001

Our deepest sympathy and heartfelt thoughts go out to our fellow Americans during this time of crises. We will continue to stand strong and united in our support of the men and women protecting our country's interests.

Please come visit our PRCC Web Site: www.pgh-cleancities.org

#### . Contribute Your News!

In trying to get the news of successes we have in our area. Please feel free to contact Rick Price, Executive Director/Coordinator at 412-735-4114 or at coordinator@pgh-cleancities.org..

Learn more about Clean Cities at *cleancities.energy.gov*, and learn how to get involved with the Pittsburgh Region Clean Cities coalition at www.pgh-cleancities.org

