

FOR BOARD ACTION

Agenda Item # 8

Meeting Date: 1/31/06

SUBJECT: Austin Energy Plug-in Hybrid Electric Vehicle Program

PREPARED BY: Mike Smith
Key Account and Energy Services Manager

ITEM DESCRIPTION:

This proposal for support for the Austin Energy program to promote hybrid electric vehicles was reviewed at the December meeting and is being returned for further consideration at the RPU Board's request. A copy of the December 15, 2005 For Board Action item is attached.

The attached resolution supports the production and commercialization of Plug-in Hybrid Electric Vehicles. It commits the RPU to purchase this technology as appropriate when it is available at life cycle cost and performance that are competitive with existing equipment. It also commits the RPU to continue to promote and support renewable energy generating resources in the community that will offset the energy used by plug-in hybrid vehicles.

UTILITY BOARD ACTION REQUESTED:

It is recommended that the Board approved the attached Resolution for Plug-In Campaign.



General Manager



Date

ROCHESTER PUBLIC UTILITIES

1 of 2
FOR BOARD ACTION

Agenda Item # 4

Meeting Date:

12/15/05

SUBJECT:

Austin Energy Plug-in Hybrid Electric Vehicle Program

PREPARED BY:

Mike Smith

Key Account and Energy Services Manager

ITEM DESCRIPTION:

In June, 2005, the APPA board passed a resolution supporting Plug-in Hybrid Electric Vehicles. The resolution said: "That the American Public Power Association continues its long tradition of supporting electric vehicles, specifically supports plug-in electric hybrids, will support all reasonable programs designed to promote the development of and create markets for plug-in hybrids." The resolution was supported by Austin Energy, the New York Power Authority, Seattle City Light, Sacramento Municipal Utility District, and Waverly Light & Power.

Austin Energy, a large municipal utility in Austin Texas, in cooperation with APPA, has created a program to support plug-in hybrid electric vehicles. This program uses resolutions from cities and utilities to encourage the production and sale of hybrid vehicles that use both rechargeable batteries and hybrid technology to reduce the amount of fossil fuel used for transportation.

Austin Energy has been in the forefront of pushing for the development and commercialization of plug-ins. Last October, the Austin City Council passed a resolution in support of working with DaimlerChrysler's plug-in diesel-electric hybrid Sprinter van. The Austin plan is viewed as a model that will be used by communities across the country. It includes an Austin City Council resolution supporting the mass production of plug-in hybrid vehicles. It also includes commitments to purchase Plug-in Hybrid Electric Vehicles for the cities fleets and a grassroots petition drive to collect signatures from citizens encouraging automakers to mass-produce plug-in hybrids.

Plug-in hybrids can help significantly address two very serious problems facing communities and our country: the over-reliance of America on oil imports and the need to improve air quality in our cities by reducing pollution from automobiles. This effort helps create a path to what economists call "commercialization"—the ready availability of products on the market. The DaimlerChrysler diesel hybrid Sprinter is currently the only plug-in targeted for commercial deployment by a major automaker.

It obtains its energy from NiMH batteries (capacity 14 kWh) which it recharges during operation by using regenerative braking. Alternatively the batteries can be recharged overnight using grid power. A complete charge takes about 6 hours. The operating range under emissions-free electrical operation is up to 30 km (18.6 miles). DaimlerChrysler estimates that, depending upon how it is driven, the plug-in can reduce fuel consumption, and thus CO2 emissions, by up to 50%.



General Manager

12/18/05

Date

ROCHESTER PUBLIC UTILITIES

FOR BOARD ACTION

Agenda Item # 4

Meeting Date:

12/15/05

Austin Energy has asked municipal utility boards to pass resolutions in support of Plug-in Hybrid Electric Vehicles. The attached resolution is based on the Austin Energy draft resolution. It supports the production and commercialization of Plug-in Hybrid Electric Vehicles. It directs the General Manager to develop a program to encourage the purchase of Plug-in Hybrid Electric Vehicle technology when they are available at life cycle cost and performance that are competitive with existing equipment. It also commits the utility to continue to promote and support renewable energy generating resources in the community that will offset the energy used by plug-in hybrid vehicles.

This resolution is supported by the Olmsted Clean Energy Resource Team (CERT) because it will reduce net emissions from transportation. It will also improve the efficiency of vehicles and will move us toward a cleaner and healthier environment.

UTILITY BOARD ACTION REQUESTED:

The attached draft resolution is presented for discussion. A consensus of the Board is sought to bring the resolution back for action at the next meeting, modify, or not consider further.

General Manager_____
Date



RESOLUTION FOR PLUG-IN CAMPAIGN

WHEREAS, the over-reliance of America on foreign oil has become a growing and serious threat to the economic vitality and national security interest of the United States; and

WHEREAS, automobile emissions are a major contributing factor to global warming and to smog in our cities, which threaten the health of our citizens and the sustainability of our planet; and

WHEREAS, the imbalance between gasoline resources and worldwide demand is escalating gasoline prices at an alarming rate and to levels that overburden commerce, hurt economic growth and cause serious hardship on our citizens; and

WHEREAS, the technology exists today to build a flexible-fuel plug-in hybrid-electric automobile that could reduce oil imports, fuel costs to our citizens and our economy and air emissions by dramatic margins; and

WHEREAS, the Rochester Public Utility Board is partnering with Austin and others of the nation's largest cities, to urge automakers to mass produce plug-in hybrid vehicles for the substantial economical, environmental and strategic reasons outlined; and

WHEREAS, the Rochester Public Utility Board is officially adopting promotion of plug-in electric hybrid vehicles to encourage the mass production of plug-in hybrid vehicles;

NOW THEREFORE BE IT RESOLVED, by the Public Utility Board that the Rochester Public Utilities' General Manager is directed to develop a program to encourage the future purchase of flexible-fuel plug-in hybrid vehicles, including fleet orders when the life cycle cost and performance of plug in hybrid vehicles is comparable to conventional vehicles; and

BE IT FURTHER RESOLVED, that the Rochester Public Utility Board makes a commitment to support local, state and federal policies that will promote flexible-fuel plug-in hybrid vehicles; and

BE IT FURTHER RESOLVED, that the Rochester Public Utilities Board makes a commitment to continuing to promote and support renewable energy generating resources in the community that will offset the energy used by plug-in hybrid vehicles; and



BE IT FURTHER RESOLVED, that the Rochester Public Utilities Board will work with local government, education, business and environmental community to advocate for the purchase of flexible-fuel plug-in hybrid vehicles.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 31st day of January, 2006.

President

Secretary