

Upcoming Event

BILLION GALLON CELEBRATION!

On **Friday, October 14th**, Clean Cities Coalitions across the country will be holding local events to celebrate displacing more than a billion gallons of petroleum. **AACC will hold its event at Meijer's 3995 Carpenter Rd. fueling station from 11:30 am to noon.** Join us as we pump the billionth gallon! To learn more about this event, go to www.aacleancities.org.

Reducing Oil Dependency a Priority for Americans

According to a recent survey by **Hart Research Assoc.** on behalf of **General Motors**, Americans overwhelmingly believe that energy security should be the top priority of U.S. energy policy and strongly support a "moon shot" effort to develop a hydrogen economy. The nationwide telephone survey of a representative cross section of 1,004 adults asked what the most important goal of US energy policy should be: 43% said "reducing reliance on foreign oil", 20% "improving the fuel efficiency of vehicles", 19% "reducing pollution and harmful emissions", and 15% "keeping fuel costs low". When asked the main reasons why automakers need to develop alternative technologies, 49% cited "energy independence", compared to 29% who cited "environmental" reasons, and 17% who cited "economic" reasons. The survey has an overall margin of error of +/- 3.1%.

the numbers

- 21** EPA average fuel economy of all model year 2005 light-duty vehicles sold in the U.S. This is a 0.2 mpg improvement over 2004. Improvements in actual fuel economy of light-duty vehicles peaked in 1987 at 22.1.
- 60.1** Estimated highway fuel economy (mpg) of the Honda Fit (non-hybrid), which will be available to U.S. consumers in 2006.
- 6,000** Price (dollars) of refurbished electric Ford Ranger EVs (available only to former lessors through a lottery system).
- 1** Purchase price (dollar) of Ford Ranger EVs to current lease holders.
- 53:59:43** Elapsed time for the University of Michigan Solar Car Team in the 2005 North American Solar Challenge (the team placed first!).

BEYOND A BILLION

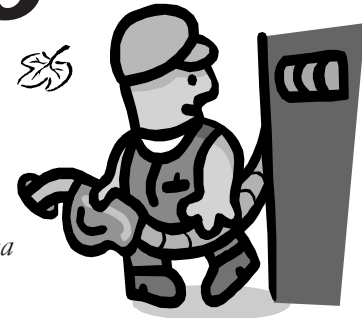


Ann Arbor Area Clean Cities Coalition
Energy Office, City of Ann Arbor
100 N. Fifth Avenue
Ann Arbor, MI 48107-8647
(734) 994-4780
www.aacleancities.org

CLEAN FUELS NEWS

Fall 2005

Up-to-the-minute news and information on alternative fuels and vehicles brought to you by the Ann Arbor Area Clean Cities Coalition



sponsored by:



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Clean Fuels News is a quarterly publication of the Ann Arbor Area Clean Cities Coalition (AACC). Editors are David Konkle and Sean Reed.

For more information on AACC, contact Sean Reed at (734) 994-4780 or sreed2@ci.ann-arbor.mi.us

Remember: The cleanest fuel is one you never use!

The Energy Act and Alternative Fuels

On August 8th, **President Bush** signed the **Federal Energy Policy Act of 2005** into law. The bill includes numerous measures which are expected to have a significant impact on the market for alternative fuels and vehicles. The bill includes tax incentives for the purchase of high efficiency vehicles, either hybrid or diesel, with credits on a sliding scale based on efficiency. The maximum credit for light-duty vehicles is expected to be about \$3,400 for Prius-level performance. The Act encourages the production of biofuels through an expansion of the small ethanol producer credit to producers with annual production capacity of 60 million gal. (up from 30 million gal. under current law). The Act also extends the federal excise tax credit for biodiesel through 2008 (it would have expired in 2006). The excise tax credit provides an incentive to fuel distributors to blend biodiesel into diesel fuel. This amounts to a dollar per gallon for "agri-biodiesel" (such as that made from soybean oil) and fifty cents per gallon for biodiesel made from recycled cooking oil.

Ann Arbor Clean Cities Redesignated by U.S. Department of Energy

The Clean Cities program is overseen by the federal Department of Energy (DOE), which requires local Coalitions to renew their Memorandum of Understanding with the DOE every 5 years. AACC has been working to become "redesignated" since our Coalition celebrated its 5 year anniversary last year. The process has involved the recommitment of AACC stakeholders and a revision of the goals and objectives of our program. The good news is that our application was approved!! Many thanks to our stakeholders who have renewed their commitment to the Clean Cities program and its goal of reducing our nation's dependence on petroleum! AACC stakeholders have put over 900 alternative fuel vehicles on the road since the program started in 1999. In 2004, nearly 1 million gallons of petroleum were displaced through the operation of the these vehicles. Signatories of the Memorandum of Understanding with the DOE included: the City of Ann Arbor, Washtenaw County Government, the University of Michigan, DTE Energy, Ann Arbor Public Schools, MI Department of Labor & Economic Growth - Energy Office, Ann Arbor Transportation Authority, MI Dept. of Environmental Quality - Air Quality Division, Ecology Center, Sellers Truck Center, Wacker Oil, Washtenaw County Road Commission, and U.S. EPA - National Vehicle and Fuel Emissions Lab.

3 New MI Ethanol Plants to be Built

A total of 3 groundbreaking ceremonies have been held recently for Michigan ethanol production facilities. **U.S. Bioenergy Corporation** held a groundbreaking ceremony on September 15th for the **U.S. Bio Superior Corn** ethanol plant near Lake Odessa, Michigan. **U.S. Bio Superior Corn** will annually produce 45 million gallons of ethanol from corn harvested within a 60 mile radius of the site. The project is expected to be completed in the Fall of '06. **The Andersons** held a groundbreaking ceremony on the same day (September 15th) for a 55 million gallon plant projected to open in Sept. '06 in Albion. **Great Lakes Ethanol** held a groundbreaking in July of their 63 million gallon plant, which is being built in Riga. This plant has a Fall '06 grand opening. There is presently only one ethanol plant operational in the State of Michigan: the 63 million gallon per year **Michigan Ethanol** plant located in Caro. A near tripling of Michigan's ethanol production capacity in the next year is very good news for the state's economy and progress towards a more secure energy future. Ethanol can be used in a 10% mix with gasoline (E10) in any vehicle. Vehicles classified as "flex fuel vehicles" (FFVs) can use an 85% blend of ethanol and gasoline (E85). More info on FFVs can be found at www.aacleancities.org.



Random News Roundup



Ford is offering its **Mariner hybrid** SUV online at www.marinerhybrid.com. The company plans to manufacture 2,000 units for the 2006 model year.



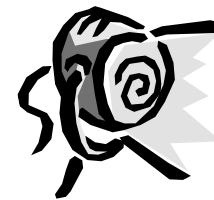
The NextEnergy Center, www.nextenergy.org, held a Grand Opening on September 29th. The facility, located at 461 Burroughs in Detroit's TechTown, is dedicated to advancing the alternative energy technology industry in Michigan.



Nissan will build its first hybrid model, a version of the Altima, at its assembly plant in Smyrna, Tennessee. Nissan is targeting sales of 50,000 Altima hybrids per year.



Chrysler's Jeep Liberty CRD (Common Rail Diesel) has gotten off to a strong sales start with the planned yearly output of 3,000 vehicles completely sold out 5 months after the sales launch. The vehicles leave the factory in Toledo with B5 biodiesel in the fuel tank.



Member Spotlight: Ecology Center

The Ann Arbor-based, nonprofit Ecology Center, www.ecocenter.org, has been a stakeholder in the Ann Arbor Area Clean Cities Program since 1999.

Charles Griffith is the stakeholder representative to AACC and the Director of the Ecology Center's **Auto Project**. This innovative program works to address toxic and health issues related to the production of automobiles and promotes cleaner vehicle technologies. The Project: offers technical and organizing assistance to community groups dealing with toxic pollution issues related to the auto industry; is a coordinating organization of the *Clean Car Campaign*, which is a coalition of state, regional, and national organizations working to promote the development and sale of advanced technology vehicles that meet a high clean car standard; organizes a "Green Machines Tour"; and has campaigns to reduce lead and mercury in vehicles among numerous other activities and initiatives. AACC would like to thank the Ecology Center for all of their great work!

Free Biodiesel Vehicle Stickers!

AACC has printed biodiesel bumper stickers and window clings with funding from the Michigan Energy Office. The stickers have a white background and proudly state "Powered By Renewable Biodiesel". If you are running your vehicle on biodiesel, why not let the world know by putting a sticker or window cling (or both!) on your vehicle today! To get yours, you can either pick one (or more) up at Meijer's 3995 Carpenter Road or 3145 Ann Arbor-Saline Rd. fueling locations next time you fill-up in Ann Arbor, or email Sean Reed at sreed2@ci.ann-arbor.mi.us. Perfect for your personal vehicle or fleet!

Biodiesel is a renewable, clean burning, fuel made from vegetable oil which can power any unmodified diesel engine. To learn more about biodiesel, visit the website of the National Biodiesel Board: www.biodiesel.org.



GM is dedicated to protecting human health, natural resources and the global environment. We also have a responsibility to our shareholders to continuously make good business decisions.

That is why we are constantly improving the performance of today's vehicles, as well as the processes used to make them. Learn more about GM alternative fuel vehicles on the web at: www.gm.com/automotive/innovations/altfuel/