



U.S. Department of Energy  
Energy Efficiency  
and Renewable Energy



# 2007 Northeast and Mid-Atlantic Coordinator Peer Exchange

Sheraton Station  
Square - Pittsburgh, PA  
June 27, 2007

**Code Orange Air Quality Action Day**



THE ONLY U.S. NATIONAL LABORATORY DEVOTED TO FOSSIL ENERGY TECHNOLOGY



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## Hampton Roads Clean Cities Coalition

# AMERICAN ENERGY FOR TRANSPORTATION



[www.hrccc.org](http://www.hrccc.org)



# The E85 Coalition

- The usual suspects
- And :
- General Motors
- V-REMS partnership
- 3 agencies of the Commonwealth
- Fuel Distributors



# More Partners

- DOE
- Midwest Producer/marketer
- Supply Management Company
- Federal Fleet Managers
- More fuel distributors
- New blending terminal (We hope)



# Virginia-Maryland-DC E85

- Objective: 12 public retail E85 pumps
  - Where:
    - I-95 from Maryland to North Carolina border
    - I-64 from Charlottesville to Virginia Beach
    - Near federal and state E85-capable fleets
  - When:
    - By September 30, 2008
  - How:
    - Define and develop E85 supply chain
    - Partnerships of ethanol producers, fuel distributors/retailers, vehicle dealers, owners of fleet Flex Fuel Vehicles (FFV)
    - General Motors Corporation is key partner
    - Grant money to help defray capital costs and risk



# The \$\$\$\$

- \$435,000 total project
- \$161,000 federal portion (37%)
- \$274,000 match (63%)
  - Match sources: Virginia, Maryland, DC, private
- $\$161\text{K}/12 = \$13\text{K}$  per station
  - This also pays project management



# Are project numbers reasonable?

- 12 E85 stations
- 15,000 FFVs
- Up to 530,000 gallons monthly
  - 35 gals per month/vehicle
  - 1250 FFV customers/station
  - 44,000 gals per year/station



# The path and the goal

- Demonstrate a sound business approach that offers potential profit and revenue growth to private industry
- Help accelerate development of an alternative fuels market that is sustainable without continued federal subsidy (language from the federal RFP)



# A risk safety net for the retailer

- Provide E85 fueling infrastructure to serve more than 5,000 FFVs operated by government, almost all of which currently must fuel on petroleum gasoline because of the lack of E85 fueling stations in the region.



# Two-edged sword

Federal agencies may request a Section 701 waiver if the alternative fuel is not reasonably available or is unreasonably expensive. Not reasonably available is defined as fuel that cannot be obtained within a 15-minute drive or within five miles (one way), whichever is greater. Unreasonably expensive is defined as at least 15 percent more than gasoline on a gasoline gallon equivalent (GGE) basis.



## Zip Code Radius Finder and Calculator

Use this form to find what zip codes are within an X mile radius from a specific U.S. or Canadian ZIP code.

Find all ZIP Codes within 0 Miles

And 5 Miles

of this ZIP/Postal Code: 22204

Navy Exchange Pentagon  
Joyce Street  
218 ZIPs within 5 miles in  
DC, VA  
\$3.019 E85 on May 8  
\$2.939 Regular Unleaded

Country:  US & Canada  
 US Only  
 Canada Only



#	Zip	City	County	State	Country	Area Code	Distance
1	<a href="#">20004</a>	WASHINGTON	DISTRICT OF COLUMBIA	DC	US	202	4.59
2	<a href="#">20005</a>	WASHINGTON	DISTRICT OF COLUMBIA	DC	US	202	4.92
3	<a href="#">20006</a>	WASHINGTON	DISTRICT OF COLUMBIA	DC	US	202	4.17
4	<a href="#">20007</a>	WASHINGTON	DISTRICT OF COLUMBIA	DC	US	202	3.93



# E85 target price for federal fleet

- If unleaded gas costs \$3.00
- $\$3.00 \times 0.72 \times 1.15 = \$2.48$ 
  - .72 is energy content conversion factor
  - 15 percent over GGE is allowed
  - Recent management changes portend faster results, more cooperation from retailers



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Clean  
Cities



# The chairman

# And the board

