



Iowa Clean Cities Coalition

Recent Accomplishments & Future Goals



**South Central / Northwest Region
Clean Cities Coordinator Peer Exchange
Santa Fe, NM
April 8-10, 2008**

Brian Crowe, Coordinator

The Iowa Story



Ethanol in Iowa



- Iowa is the leading producer of ethanol
- 29 ethanol plants = 2.2 billion gallons
- 19 ethanol plants are under construction, these plants will add 1.36 billion gallons of capacity
- Ethanol utilizes about 30% of Iowa's corn crop
- Iowa annually consumer 1.6 billion gallons of petroleum, the state is a net exporter of fuel

Biodiesel in Iowa



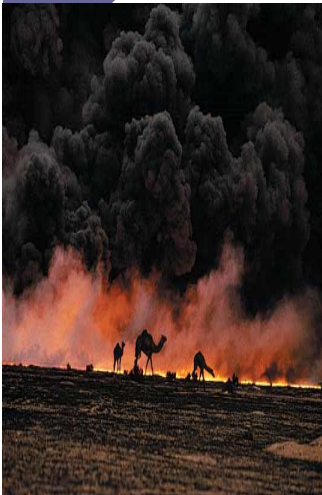
- 14 Biodiesel Plants = nearly 317 million gallon capacity
- Oil from 165 million bushels of Iowa soybeans
- 34 million gallons of capacity under construction
- Enough capacity today for B30 statewide (on/off road)
- Almost 200 biodiesel fueling locations statewide

Iowa Renewable Fuels History



E10 Programs

- Since the 1980s
 - Reduced Excise Tax (1.7 cents per gallon today)
- Since 2002
 - Retailer Tax Credit (2.5 cents per gallon on each E10 gallon over first 70% sales)



Final Iowa Final RPS



- Iowa Renewable Fuels Standard: Displace 25% of retail gasoline sales with renewable fuels by 2019
 - Not a Mandate, Based on Overall sales of E10, E85, and Biodiesel
 - The bill provides a “sliding scale” ethanol promotion tax credit that peaks when a retailer achieves the RFS schedule for a year. The credit is per gallon of ethanol blended
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- 6.5 c/g = Meet or exceed the RFS schedule
 - 4.5 c/g = 0-2% below RFS schedule
 - 2.5 c/g = 2-4% below RFS schedule
 - Zero = More than 4% below RFS schedule

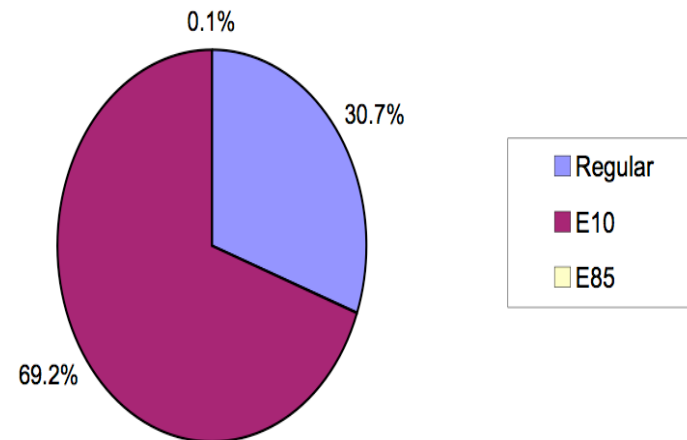
Iowa's 25% RFS



Schedule

- 2009 10%
- 2010 11%
- 2011 12%
- 2012 13%
- 2013 14%
- 2014 15%
- 2015 17%
- 2016 19%
- 2017 21%
- 2018 23%
- 2019+ 25%

Graph 26: E10, E85 & Regular Gasoline Sales in Iowa - 2006



*Iowa Energy Independence Plan 2007

Renewable Fuels Infrastructure Program



- Developed in 2006 the program designated \$13 million over 3 years
- Retail Grants for Biodiesel and Ethanol
 - \$30,000 max up to 50% of cost
 - To date 35 stations have utilized funding
 - 27 stations utilized funding opportunities with previous program that allocated \$300,000 for Renewable Fuels Infrastructure
- Terminal Grants for Biodiesel Blenders
 - \$50,000 max up to 50% of cost
 - To date 19 terminals have utilized funding

Infrastructure in Iowa



E85 Access Continues to Grow

- 80 Retail E85 Fueling Locations
- 7 State Run Facilities
- Focus is shifting from corridor development to city development- where people live and use fuel on a daily basis

Biodiesel Infrastructure Growth

- Almost 200 Retail Locations in Iowa
- Use at a 20% blend by State and many municipal governments
- Cost and access are important issues facing the industry

The State Leading By Example



- **EO41 Issued by Governor Vilsak on 4/22/2005**

100% of all non-law enforcement state agency vehicles shall be flex fueled or electric hybrid. Furthermore, E85 shall be used whenever available

All agencies that procure bulk diesel fuel must have at least 5% renewable content by 2007, 10% by 2008, and 20% by 2010. All bulk diesel fuel must meet the ASTM D 6751 standard

- **EO3 Issued by Governor Culver on 6/21/2007**

E85 usage in state flex fuel vehicles must increase to 60% by June 30, 2009

The executive order required that a plan be drafted by the Office of Energy Independence. The plan included information on how retailers and the state can work together to make sure that E85 is properly coded and recordable



Iowa

clean cities

Changes for the Iowa Clean Cities



- There have been a lot of changes for the Iowa Clean Cities Coalition in the last 6 months.
- Switched housing agency from the Iowa Department of Natural Resources to the Office of Energy Independence (OEI).
- The OEI was created in May of 2007 to coordinate the states efforts regarding energy independence and administer the \$100 million Iowa Power Fund.

Coalition Status and Sustainability



○ Current Status

- Coordinator role is a part-time position, although the mission and the duties of the Iowa Clean Cities overlap with the role of the Iowa Office of Energy Independence.

○ Membership Structure / Strategies

- Partnerships are derived from working on current and future initiatives undertaken at the city, county, and state level.

○ Steps to Become Self-Sustaining

- The Iowa Clean Cities Coalition is currently funded through Federal Clean Cities grant program, SEP dollars, and through the State of Iowa general fund.

Significant/Noteworthy Vehicle Projects



- Statewide all electric ride and drive for city, county, and state fleet managers has led to some municipalities using electric vehicles for parking enforcement.
- Blues for Greens II, the second reiteration of an Earth Day event that will feature alternative fuel and hybrid vehicles, environmental groups, food vendors and blues music. Last year over 3,500 attended, this year there should be more. More details to come after the April 19th event.
- Plug-In Hybrid school bus in Nevada and Sigourney Iowa will almost double fuel economy for school buses. The buses were obtained through partnerships with Iowa State University, International, and CTRE.

Significant/Noteworthy Fueling Infrastructure Projects



- 82 retail E85 stations across the state + 9 state, municipal, or county pumps.
- 14 more E85 retail stations will come online in the coming months. Expansion is made possible through awards from the Iowa Renewable Fuels Infrastructure Program (\$13 million over 3 years for ethanol and biodiesel infrastructure expansion in Iowa).
- With Executive Order 3 and Executive Order 6 Iowa Governor Chet Culver called for 60% use of E85 by all state employees in E85 vehicles, and the creation of a biofuels taskforce to increase the infrastructure build out for alternative fuels.

Significant/Noteworthy Fueling Infrastructure Projects Cont.



- Last fall Magellan added biodiesel blending capacity to their terminal in Clear Lake, Iowa through the Iowa Renewable Fuels Infrastructure Program.
- Almost 200 biodiesel retailers in the state, biodiesel is also used at a 10% blend by the state Department of Transportation.
- The Iowa Biodiesel Board was formed last year and is moving to help secure this volatile industry.
- Continued work with the Clean Cities, Governor's Ethanol Coalition, and the Iowa Biofuels Taskforce will help push infrastructure development in the State of Iowa.

Significant/Noteworthy Coalition Outreach Activities



- ICCC has partnered with the Clean Air Choice Team of the Upper Midwest to hold a variety of educational seminars for various levels of stakeholders.
- ICCC is a member of Governor Culver's taskforce: Greening Government.
- ICCC is a member of the Des Moines Mayor's Taskforce on sustainability and greening government.
- The Coalition is working with fleet managers from a variety of locations to "clean-up" vehicle fleets including supervisors of: cities, counties, colleges, parks, waste-water treatment plants.

Significant/Noteworthy Expanded Portfolio Activities



- ICCC has been working to engage groups outside of Central Iowa. In other metropolitan areas around the state.
- Developing infrastructure through city to regional development models with stakeholders.
- For two years ICCC has been working to expand the use of electric and propane vehicles for public and private use.
- ICCC is working to develop opinions and attitudes about renewable fuels to determine where to best place efforts for renewable fuels education.
- In cooperation with Des Moines Public Schools, ICCC is helping to develop an energy curriculum for high school students.

Lessons Learned



- ICCC has been working to engage groups outside of Central Iowa. In other metropolitan areas around the state.
- There is a real need to develop beyond the corridor approach to look at city to regional development.
- Having stakeholders and contacts in other state agencies as well as in other levels of government is important for our successes.
- Having several key stakeholders that can be relied upon is essential to the success of an organization which is set up like the ICCC.
- Lesson learned- be careful what you wish for...California Emission Standards.

Goals for 2008 & Beyond



- ICCC intends to build more partnerships with organizations beyond Central Iowa in the far reaches of the state (Davenport, Dubuque, Council Bluffs, Sioux City, etc.).
- Engage city and county fleets in conversations about shared renewable fuel infrastructure partnerships.
- Identify and cultivate the metropolitan area in the state for the city to region infrastructure approach. (Des Moines, Quad Cities, or Cedar Rapids-Iowa City).
- Further engage small and mid-size petroleum marketers in the state through the Biofuels Taskforce to further develop Iowa's major highway corridors (I-35 and I-80).
- Further develop website and branding efforts to establish the ICCC as the definitive collaboration of renewable fuel groups in the state of Iowa.

Iowa Clean Cities Coalition



Brian Crowe,
Iowa Clean Cities Coordinator
brian.crowe2@iowa.gov
515-725-2066

www.iowacleancities.org