



News Briefs

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Westport Acquires Swedish Company

Westport Innovations has acquired Alternative Fuel Vehicle (AFV) Sweden AB for approximately \$7.6 million. AFV is the sole supplier of natural gas fuel systems to Volvo Car Co., which sells a bifuel wagon to Swedish consumers.

In other Westport news, Philip G. Hill, principal inventor of Westport's founding technology for using natural gas in diesel engines, won the \$100,000 Encana Principal Award, granted by the Ernest C. Manning Awards Foundation.

GM Introduces Bifuel Commercial Pickup

General Motors will sell a CNG bifuel commercial pickup starting in the fourth quarter of 2012. IMPCO Automotive will integrate the CNG delivery and storage system into the pickups.

GM currently offers CNG versions of the Chevrolet Express and GMC Savana CNG cargo vans.

AQMD Awards Millions for School Bus Upgrades

The South Coast AQMD has awarded \$8.825 million to 11 Southern California school districts to replace highly polluting pre-1987 diesel school buses with cleaner alternative-fueled buses. The funding will cover the fuel systems and necessary infrastructure. Of the 56 school buses replaced, 37 will be upgraded to CNG (the remainder will be upgraded to propane).

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Legislation

Governor Signs CEC Process Bill

AB 1314 will streamline distribution of AB 118 funds; other Coalition-supported bills will return next year

In what turned out to be the highlight of the just-closed legislative session for NGVs, Gov. Brown signed AB 1314, which promises to turn the California Energy Commission into a faster, more agile agency.

The bill, authored by Assemblymember Bob Wieckowski (D-Fremont), institutes four useful changes to the way Alternative and Renewable Fuel and Vehicle Technology Program (AB 118) funds are managed and disbursed:

'It will help stimulate the economy by getting funds to companies that are doing good projects.'

- The CEC can annually update rather than completely redraft the investment plan.
- Grant recipients can spend their own funds on a project and count those funds toward a CEC funding match prior to receiving the award.
- The Commission can authorize the CEC executive director to approve contracts up to \$75,000 and make minor amendments to contracts and agreements.
- The CEC can get help from outside entities to manage parts of its programs.

"AB 1314 is a 'good government' bill. This is going to make an agency that is giving away money more efficient," says Coalition President Tim Carmichael. "And it will help stimulate the economy by getting funds to the companies that are doing good projects around the state."

Redrafting the AB 118 investment plan each year was a drain on CEC resources. "The intention all along was just to provide an update," Carmichael says, "but CEC officials felt that they were legally obligated to rewrite the plan, which is inefficient and keeps them from processing grants and getting money out the door. The Coalition very much supported this change."

Grant rule change will speed project starts The change in grant rules is helpful because grants aren't released until California Environmental Quality Act review is complete. "Our members, instead of waiting, often prefer to fund the project start themselves when they are confident that they ultimately will receive the matching funds," Carmichael says. "But up to now, they couldn't do that and still receive the match. Many infrastructure projects—and not just in the natural gas area—are delayed because of this."

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- **More News:** Coalition president to speak at hearing, NGVTF meets in San Francisco, pricing for Honda Civic Natural Gas

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Coalition President to Speak at State Senate Hearing

The California Senate Transportation Committee is holding an informational hearing on "Fuels of the Future—Achieving the Goals of AB 32" Oct. 24. Coalition President Tim Carmichael will speak on one of the three panels set to take place between 1 and 3:30 that day. You can listen to the meeting via [live streaming audio](#).

NGVTF Meets in San Francisco

The U.S. Department of Energy's Natural Gas Vehicle Technology Forum (NGVTF) meets in San Francisco Oct. 25–26. The DOE is looking for feedback to help it develop a list of technology gaps, specific projects, and priorities related to NGV R&D needs.

The meeting is a technology exchange for NGVTF members from the CEC, the National Renewable Energy Laboratory, the DOE, and NGV stakeholders such as industry R&D partners. Get details on the [Clean Cities site](#).

Pricing for Civic Natural Gas

The MSRP for the 2012 Civic Natural Gas has been set at \$25,490. Honda plans to step up promotion of the vehicle across the country (see [CalINGV News, 10.3.11](#)).

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Authorizing the CEC executive director to approve contracts up to \$75,000 and make minor amendments to contracts and agreements aligns the CEC with other state agencies. "When legislative staff were told that the CEC director did not have this authority, they thought we were kidding," Carmichael says. "If a project changed from 14 to 13 NGVs, for example, that could require a whole new contract or could even put a company in default of its contract."

The fourth provision allows the CEC to award block grants to public or not-for-profit technology entities. Those entities can then disburse awards to qualified projects following program guidelines.

"The CEC is short-staffed and has trouble keeping up with the volume of proposals coming at them," explains Carmichael. "Using outside help that won't cost much money, and with fraud safeguards in place, seems like a good idea."

Governor signs school bus, port bills The governor also signed two other bills the Coalition has been tracking: AB 462 (B. Lowenthal), which institutes a funding mechanism for replacing CNG tanks on aging school buses, and SB 739 (A. Lowenthal), which requires the ports of Long Beach, Los Angeles, and Oakland to assess their infrastructure and air quality improvement needs, including projects that would improve goods movement efficiency and reduce associated congestion and pollution.

Two bills the Coalition supported failed to make it through the Legislation but are expected to return in altered form next year.

AB 638 (Skinner), co-sponsored by the Coalition and CALSTART, was held in Assembly Appropriations. The bill would have required the state to attain the target in the State Alternative Fuels Plan (alternative fuels are to account for at least 26 percent of fuel used in on-road and off-road vehicles by 2022).

"We intend to bring back a bill in the new year that will focus on the alternative-fuel growth piece [not petroleum use reduction]. We expect broad-based support for that," says Carmichael.

AB 371 (Butler) would have required the Department of General Services to ensure that all AFVs available for sale in California were listed on the Statewide Commodity Contracts list, and to develop infrastructure for state and local public fleets. The author pulled the bill when it got mired in committee. The 2012 version of the bill will likely be a stronger push for AFVs aligned with the Obama administration's proposal to have federal fleets purchase only alternative fuel and advanced technology vehicles beginning in 2015.

Looking back at the session and forward to next year's opportunities, Carmichael observes, "It was a tightly constrained fiscal year because of the budget challenges. Not many bills that had a significant cost made it through the Legislature. We expect there will be the same imperative next year to keep costs to a minimum." ▶

Omnitek, Go Natural Gas Team Up

Omnitek Engineering has signed a letter of intent with San Clemente-based Go Natural Gas to facilitate diesel-to-natural gas truck engine conversions through turnkey programs and services.

The company is negotiating the components of the proposed strategic agreement, including geographic scope and responsibilities.

"The proposed strategic alliance is intended to facilitate heavy-duty diesel truck engine conversions by simplifying the entire process, which will be enhanced by the ability to offer fleet customers the option to locate a fueling station on their property," said Werner Funk, president and CEO of Omnitek Engineering Corp., in the agreement announcement.

Go Natural Gas currently operates a public CNG filling station in San Juan Capistrano, and has three more public CNG stations in Southern California in the works. ▶