Coordinating Alternative Fuel Infrastructure

Western Governors’ Association
Transportation Fuels Council
Salt Lake City, Utah

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California Crude Oil Imports
California Fuel Demand

Low Gasoline Demand Case
High Gasoline Demand Case

Low Diesel Demand Case
High Diesel Demand Case
California Gasoline Fuel Price Forecast

- High CA RFG 2008$
- Low CA RFG 2008$
- High CA RFG Nominal
- Low CA RFG Nominal
Other Driving Factors/Trends

- Natural Gas Supply Increase
- Renewable Portfolio Standard – Electricity Supply
- Federal Alternative Fuels Incentives
- California Low Carbon Fuel Standard, AB 32 Climate Change Law and Zero Emission Vehicle Mandate
- Renewable Fuels Standard II
California Energy Commission

California Forecast of Ethanol Use

Historical Ethanol Use
High Ethanol Demand - RFS2 Scenario
Low Ethanol Demand - RFS2 Scenario

Millions of Gallons

Years: 1981 to 2029

Graph showing forecasted ethanol use from 1981 to 2029 under different scenarios.
## Key Policy Objectives

<table>
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<tr>
<th>Objectives</th>
<th>Goals and Milestones</th>
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<tr>
<td>GHG Reduction</td>
<td>Reduce GHG emissions to 1990 levels by 2020 and 80% below 1990 levels by 2050</td>
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<tr>
<td>Petroleum Reduction</td>
<td>Reduce petroleum fuel use to 15% below 2003 levels by 2020</td>
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<tr>
<td>Alternative and Renewable Fuel Use</td>
<td>Increase alternative and renewable fuel use to 11% of on-road and off-road fuel demand by 2012, 13% by 2017 and 26% by 2022</td>
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<tr>
<td>In-State Biofuels Production</td>
<td>Produce in California 20% of biofuels used in state by 2010, 40% by 2020, and 75% by 2050</td>
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AB 118 Program – Infrastructure Funding

- Electric Charge Stations - $15.85 Million Awarded for Over 4,000 Charge Points
- Ethanol E85 Fueling Dispensers - $6 Million for 100 Fueling Stations
- Biodiesel Terminal Storage and Blending - $3.8 Million for Four Facilities
- Natural Gas (CNG and LNG) Fueling Stations - $8.1 Million for 22 Fueling Stations
- Hydrogen - $22 Million Solicitation Pending for 8-12 Fueling Systems
AB 118 Infrastructure Funding Proposed in FY 2010-11

- Electric Chargers - $3 Million
- Ethanol E85 Stations - $8.5 Million
- Diesel Bulk Storage and Blending Terminals - $5 Million
- Natural Gas (CNG and LNG) - $2 Million
- Hydrogen - $14 Million
Other AB 118 Programs (Covering Two Funding Cycles)

- Vehicle and Component Part Manufacturing - $26.5 Million
- Medium and Heavy Duty Engine and Vehicle Prototypes and Demonstrations - $26.5 Million
- Biofuel Production Incentives - $65.5 Million
- Propane and Natural Gas Vehicle Deployment - $28.5 Million
- Other Programs - $30 Million