



State Energy Office Activities

California Energy Commission

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National Clean Cities Conference

May 5, 2004

Activities and Topics

- **Petroleum Reduction for California**
- **SB 1170 Reports:**
 - **State Fleet Fuel Efficiency**
 - **Low-Rolling Resistance Tires**
- **2003 Clean Fuels Market Assessment**
- **Alternative Fuels Infrastructure Program Evaluation**

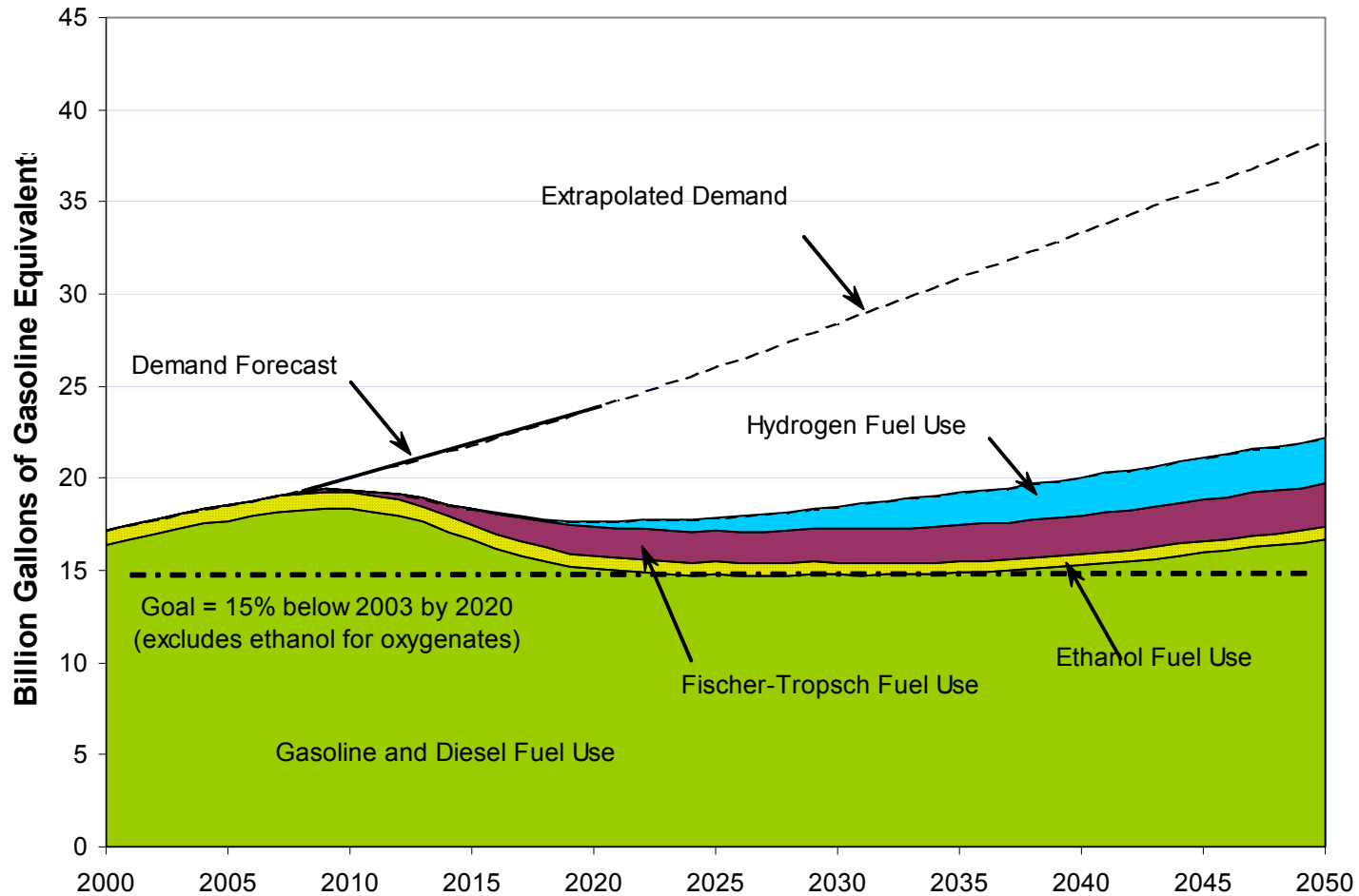
Reducing California's Petroleum Dependency

- Current use: 16.8 Billion gallons year of gasoline and diesel- 24 million vehicles
- 2020 Use: 24.5 Billion gallons year of gasoline and diesel- 31.5 million vehicles
- Refining Capacity now at 100%- imported products are now essential
- Future: Expect Economic, Supply and Environmental Consequences

AB 2076 Legislative Direction

- Forecast gasoline, diesel and petroleum consumption in 2010, 2020, and at least to 2030
- Submit a joint Energy Commission/ARB Report to the Governor and Legislature
 - A recommended strategy for reducing Petroleum Dependence
 - Statewide goals for reducing rate of growth
- Examine feasibility of operating a Strategic Fuel Reserve (separate proceeding conducted by the Energy Commission)

Recommended Goals and Impact on Fuel Use



Fuel Substitution Options

- Ethanol- As a gasoline blendstock and as a blended fuel for FFVs
- LNG, CNG and Propane-As a fuel for light-duty and heavy-duty vehicles-infrastructure developing, and could be bridge to hydrogen
- Grid-connected hybrids-As an efficiency improvement requiring new technology-lacks manufacturer support and interest

Proposed Recommendations

- 1) Adopt a statewide goal of reducing demand for on-road gasoline and diesel of 15 percent below the 2003 level by 2020 and maintain that level for the foreseeable future.
- 2) Work with the California delegation and other states to establish national fuel economy standards that double the fuel efficiency of new cars, light trucks and SUVs.
- 3) Establish a goal to increase the use of non-petroleum fuels to 20 percent by 2020 and 30 percent by 2030.