

Green fuels may soon be forced on us

24 May 2005

IF oil prices continue to soar by as much as they have been in recent months, there will come a time when alternative fuels will be the only financially sustainable option.

This is the view of Colin Matthews, head of TransportEnergy Programmes at the Energy Saving Trust (EST).

Speaking at a recent industry discussion, Matthews warned that rocketing oil prices could force fleets to consider alternative fuels such as liquefied petroleum gas (LPG) and hydrogen sooner rather than later.

He said: 'If the summation is correct that the price of oil is increasing almost as rapidly as the world's dependency on it for transportation, heat and light, then at some point rising costs are going to hit levels at which the alternatives to the use of oil will be financially sustainable.

'The market will adopt alternative technologies in transportation. But then follows the questions: which technologies and who is at the forefront of bringing them to market?'

The Energy Saving Trust aims to cut carbon dioxide emissions by promoting the sustainable and efficient use of energy for households, small business and the transport sector.

Matthews says that introducing alternative fuels is not a quick fix solution for the oil crisis and the Government and transport experts must consider other measures.

He explained: 'All transportation, regardless of technology, needs fuel. In terms of vehicle fuel we currently have a host of alternatives to traditional diesel and petrol including LPG, natural gas, electricity and hydrogen.

However, all of these alternative fuels, including hydrogen, currently draw their energy source, whether directly or indirectly, from fossil fuels, except in those rare cases where the power is drawn directly from renewable sources such as wind, wave and solar.

'It is not enough to simply substitute one fuel for another in an oil crisis scenario. It is vital that Government and industry take other measures. These must include the dramatic reduction of private vehicle mileage and the reassessment of private journeys by necessity and importance.'

The transport industry and the Government must work together to develop the roadmap necessary to bring new technologies to the market place says Matthews, who believes we can not wait until oil prices reach unaffordable levels.

The development of new technologies for use in the transport sector in conjunction with an increase in renewable sources of energy will plug the gap where private transportation is either unavoidable or vital says Matthews. It will also increase the need for additional fuel sources including renewable energy.

He added: 'An increase in the price of oil would open up vast opportunities for renewable energy, particularly wind, wave and solar, as well as some opportunities for bio-fuels such as bio-diesel, bio-ethanol and increasingly bio-gas. The development of a global renewable energy infrastructure will be decisive in the future transportation of both goods and people.'

But these are long-term goals and in the short term it appears there is not much help available.

TransportEnergy came under fire last year after announcing plans to cut funding on its grant scheme for environmental transport initiatives, including the PowerShift scheme, which provides money to help fleets buy green fuel cars and vans. This was because the current PowerShift scheme breached European grant aid rules.

The cuts also affect the CleanUp programme to convert older vehicles and the New Vehicle Technology Fund.

Under current proposals, only new cars emitting less than 110g/km of CO₂ will be eligible for a grant, which means that the Toyota Prius is the only vehicle – apart from some niche electric models – that qualifies. Even environmentally-friendly cars such as the hybrid Honda Civic IMA fall outside the level, as it emits 116g/km.

TransportEnergy said that a number of car makers were on the verge of offering cars at this emissions level, and that the 110g/km barrier could be revised relative to the number of models and the total grant available.

The overall TransportEnergy budget for 2005/2006 is £28 million.

New vehicle emissions continue to decline

FIGURES from a new industry report have shown that the average new car CO₂ emissions are continuing to decline.

Data for 2004 in the Society of Motor Manufacturers and Traders (SMMT) annual CO₂ report has shown another year-on-year reduction in CO₂ emissions, with a total 9.7% drop from 1997 levels. The report states: 'The average new car in 2004 emitted 171.4g/km of CO₂, 0.4% less than the 2003 level and almost 10% less than the 1997 rate. The gains in 2004 stem from the further shift in the market place to diesel-powered cars which accounted for a record 32.5% of the UK market.' Diesel car CO₂ levels were 6.2% lower than the average petrol car in 2004 and between 1997 and 2004 diesels made a 12.1% reduction in average CO₂ levels.

The largest decline was in the MPV and 4x4 segments, down 19.4% and 14.6% in eight years respectively. The report states: 'Diesel-powered variants have helped enhance demand for MPVs and 4x4s, allowing consumers to change to a different vehicle style but in many cases without a CO₂ penalty.'

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Transport is a problem that must be tackled

14 September 2004

CLIMATE change is one of the most serious environmental issues facing the UK.

That is the view of Colin Matthews, head of programmes at TransportEnergy, the Government-funded scheme that provides grants to help fleets move to cleaner fleets.

He claims that as transport produces around a quarter of the UK's CO₂ emissions, there is a real need to focus on this area.

He said: 'The UK Government is helping to address this problem partly through the car tax system. Vehicle excise duty and company car tax are structured to incentivise lower CO₂ cars.'

'In practice, this has led to many company car drivers choosing diesel vehicles, which, while they perform better on CO₂ than petrol versions, produce more particulate matter and oxides of nitrogen than petrol models.'

'This is a major environmental problem, since these emissions are the greatest barrier to meeting European legislation on air quality in our towns and cities.'

However, there are means of dealing with the negative aspects of diesel, according to Matthews.

He said: 'There are cost-effective ways to 'clean-up' diesels however. For instance, manufacturers such as Peugeot and Citroen already fit particulate traps to some of their diesel range and other manufacturers are considering following in their footsteps.

'Owners of vans can also make a difference by opting for liquefied petroleum gas (LPG) or compressed natural gas (CNG) fuelled derivatives. Such vehicles are around 20 times cleaner than their diesel equivalents in relation to air quality.'

However, there has been concern among fleets about whether to switch to the fuel after the Government questioned whether it offered the environmental incentives it originally thought possible.

There has been a suggestion that biofuels could become the new focus of Government attention, as they are not fossil-fuel based. However, LPG still remains half the price of petrol or diesel because of duty incentives

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Pollution warning

26 August 2003

TRANSPORTENERGY has warned fleets to seriously consider the impact their vehicles have on the environment as record summer temperatures have caused pollution levels to soar.

The warning comes as French authorities slashed speed limits to 18mph in a bid to reduce exhaust emissions after pollution in Paris climbed to dangerous levels.

Colin Matthews, head of TransportEnergy Programmes, said: 'Although pollution is often more noticeable during the hot summer months, it is a year-round problem. It is essential that individual drivers and businesses take immediate steps to reduce vehicle emissions.'

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Hybrids and LPG can co-exist: DfT chief

22 July 2003

THE Government is looking to the UK's fleet operators to prove the financial and environmental benefits of adopting clean fuel technologies for vehicles, such as gas and electric power and biodiesel.

Fleets will not be forced by the Government to choose between liquefied petroleum gas (LPG) and petrol/electric hybrids, according to a senior Department for Transport official who insists the two fuels can co-exist.

It is the strongest indication so far that the Government will not adjust too heavily the current duty levels on LPG at the end of the current consultation period (Fleet NewsNet June 26).

Speaking at a Lloyds/TSB autolease-organised Green Transport 2003 conference in Birmingham, Leslie Packer, divisional manager, transport environment and taxation for the DfT, said: 'It's not either or. The two technologies, hybrid and LPG, can interlock.'

Packer added that the DfT was keen to see fleets increase the number of hybrids in use, so the department could evaluate their impact further.

He said: 'We are particularly interested in the fleet industry, because private consumers are not very analytical about their choice of vehicle but fleets are more, and therefore better placed to respond to developments like hybrids. In principle, if it proves to be cost-effective, we would like the fleet industry to move faster.'

Colin Matthews, head of customer services for TransportEnergy, added that while fuel cell cars emitting just water were the ultimate goal, they were more than 15 years away from volume production.

He said: 'There is a lot of talk about fuel cells and a lot of people have said 'I'll wait', but we are talking 2020 and beyond – and that is just the vehicle side. What do we do while we are waiting? Petrol and diesel are improving and biodiesel will come to the marketplace. It's about having a portfolio of fuels to choose from.'

Matthews claimed that in the short term fuels such as LPG, biodiesel or compressed natural gas (CNG) would not become mainstream fuels, perhaps only taking 8% to 10% of the market segment, as congestion charging and low emission zones in city centres influenced fleet decisions.

However, he advocated hybrid technology, such as that used in the Toyota Prius and Honda Civic IMA, as a viable option. He said: 'Hybrids will be a lot quicker to market than fuel cells. I've tried the Prius and it is astounding. Hybrid technology is coming on in leaps and bounds.

'Hybrid technology is ideal for vehicles that do a lot of standing starts, such as delivery vans.'

Although he admitted that the take-up of clean fuels was riddled with 'chicken and egg problems', such as refuelling infrastructure and the efficient running of a fleet, Packer urged the UK motor industry and fleets to be at the forefront of green transport, insisting that early take-up would lead to long-term benefits.

He said: 'When push comes to shove the Treasury makes decisions on tax. The British automotive industry is known for being at the 'walnut veneer' end of the industry. But by becoming the place for buying and selling of clean vehicles we can get ahead with tomorrow's vehicles.'

The LPG experience demonstrates the transition that can be made, he added.

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Green fuel may lose support of UK fleets

3 July 2003

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YEARS of work to encourage fleets to adopt alternative fuels are being put at risk in an increasingly bitter battle to win Government support for competing clean energies.

While fleet decision-makers are looking for a guiding hand to point to a secure and long-term alternative to petrol and diesel, the Government has taken a step back from the battle, insisting it can't help companies make a decision.

Instead, British business is being bombarded by a series of claims and counter claims about modern fuels that could make doing nothing seem like the safest option. In the past week, two conflicting reports have been published, offering support for one clean fuel and criticising another.

The influential Institute of Public Policy Research, in a new document called 'Tomorrow's Low Carbon Cars' warns that the 'case for liquefied petroleum gas will grow increasingly weak. Compared to the latest petrol car, LPG offers no air quality benefit. Compared to diesel, LPG offers no carbon dioxide emissions advantage.'

It recommends that from 2004, the Government should gradually abandon its fuel duty reduction for LPG, which currently costs it £50 million a year. Instead it argues that biodiesel should be given

more support through tax breaks, because of its greater environmental benefits, a statement welcomed by biodiesel producers.

But on the same day the report was published, the LPG Association revealed its own findings challenging the credibility of biodiesel as an alternative fuel. Its research claimed that the large scale incineration of bi-products from biodiesel manufacturer wiped out any greenhouse gas advantages.

Tom Fidell of the LPGA, said: 'LPG is much cleaner than diesel and biodiesel, particularly with priority pollutants such as oxides of nitrogen and particles. And there are new reports from Germany which indicate that vast amounts of glycerin, the bi-product of biodiesel, are simply being incinerated. Once that is taken into account, the claimed greenhouse gas advantages of biodiesel largely evaporate.'

The two reports are the first shots in what promises to be a hard-fought battle to influence Government thinking on its future support of alternative fuels. Last week, Fleet News reported that the Government had issued a consultation document to examine whether to continue with fuel duty cuts for gaseous fuels, including LPG. But the Government is determined to remain impartial, leaving fleets to make up their own minds.

Speaking at the Green Transport 2003 conference in Birmingham last week, Leslie Packer, divisional manager, transport environment and taxation for the Department for Transport, said that fleets should not discount hybrid vehicles.

At the event, Colin Matthews, head of customer services for TransportEnergy, a division of the Energy Saving Trust, working on behalf of the Government to improve the quality of our environment, summarised the rocketing choice list facing fleets.

He said: 'There is a lot of talk about fuel cells, and a lot of people have said 'I'll wait', but we are talking 2020 and beyond, and that's just the vehicle side. What do we do while we are waiting? Petrol and diesel are improving, and biodiesel will come to the marketplace. It's about having a portfolio of fuels.'

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New health link to exhaust emissions

5 June 2003

VEHICLE emissions have been linked to ill health in a new research report that could influence future Government tax policy on fuels.

New medical research has found that children living in areas of heavy traffic have an increased risk of respiratory disorders. The research, conducted in Taiwan and Germany, presents further evidence of the links between vehicle emissions and ill health.

More than 24,000 people in the UK are known to die prematurely every year as a result of air pollution.

In Germany, studies of more than 4,000 children found that the risk of asthma doubled among those living near roads with heavy traffic. In Taiwan, scientists conducted a study involving 800 schools where children exposed to high levels of traffic pollution had a 16% increased risk of suffering hayfever, which has been linked with asthma.

Colin Matthews, head of customer services for TransportEnergy, which works on the behalf of the Government to improve the quality of the UK's environment, said: 'More and more medical studies make the link between vehicle pollution and health problems.

'The industry could be doing much more to limit this potential risk to the general public and drivers alike, through converting to green fuels and fitting emissions-reducing equipment to vehicles.'

TransportEnergy, a division of the Energy Saving Trust, offers grants through its CleanUp and PowerShift programmes.

Matthews added: 'The technology and Government funding is in place to improve air quality through converting to green fuels or through fitting emissions-reducing equipment. With CleanUp and PowerShift grants, there's no excuse not to clean up vehicle emissions producing undeniable environmental and health benefits.'

Last year, a major study warned that long-term exposure to diesel exhaust emissions could cause lung cancer (Fleet NewsNet September 12, 2002). The findings were produced in the Health Assessment Document for Diesel Engine Exhaust released by the United States Environmental Protection Agency

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