

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE BILL 1148

Short Title: State Use of Alternative Fuel Vehicles. (Public)

Sponsors: Senators Jenkins and Albertson.

Referred to: Agriculture/Environment/Natural Resources.

March 24, 2005

1 A BILL TO BE ENTITLED
2 AN ACT TO SUPPORT ENERGY SECURITY AND ESTABLISH GOALS FOR
3 ALTERNATIVE FUEL AND ADVANCED TECHNOLOGY VEHICLE USE BY
4 MOTOR VEHICLES IN THE STATE FLEET IN ORDER TO GAIN ENERGY
5 INDEPENDENCE AND IMPROVE AIR QUALITY.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Article 3 of Chapter 143 of the General Statutes is amended by
8 adding a new section to read:

9 **"§ 143-58.4. Alternative fuel use credits program.**

10 (a) Goal. – The State fleet shall accrue a total of 2,000,000 alternative fuel use
11 credits during each calendar year 2006 and 2007. The State fleet shall accrue a total of
12 5,000,000 alternative fuel use credits during each calendar year 2008 and 2009. The
13 State fleet shall accrue a total of 10,000,000 alternative fuel use credits during the
14 calendar year 2010 and each calendar year thereafter.

15 (b) Planning. – The State Energy Office, the Division of Motor Fleet
16 Management of the Department of Administration, the Department of Transportation,
17 and representatives of each State department, institution, and agency that has a State
18 fleet shall meet annually to develop a plan for meeting the alternative fuel use credit
19 requirements under subsection (a) of this section. The State Energy Office shall set the
20 dates of these annual meetings.

21 (c) Report. – No later than March 1 of each year, the State Energy Office shall
22 submit an annual status report to the General Assembly covering participation in and
23 compliance with the goals under subsection (a) of this section by each State department,
24 institution, and agency.

25 (d) Monitoring. – In 2010, the General Assembly shall examine the program
26 under this section for cost and effectiveness. At such time that the State Energy Office
27 determines by rule that the prices of alternative fuels exceed the cost of gasoline and
28 diesel fuel to a degree that renders the program under this section impracticable and
29 unreasonable, the requirements of this section shall be suspended until such time that

1 the State Energy Office determines by rule that the prices of alternative fuels no longer
2 render the program impracticable and unreasonable.

3 (e) Formulas for Calculating Credits. – Alternative fuel use credits are calculated
4 as follows:

5 (1) Subject to subdivision (2) of this subsection, one alternative fuel credit
6 accrues for each one gallon of one hundred percent (100%) alternative
7 fuel utilized by a State fleet vehicle. When alternative fuel is blended
8 with petroleum-based fuel, the alternative fuel credit accrues for each
9 one gallon of alternative fuel utilized by a State vehicle at a rate that is
10 based on the percentage of alternative fuel that is utilized by a State
11 fleet vehicle. (For example, one alternative fuel use credit accrues for
12 every five gallons of B20 that is utilized by a State fleet vehicle.)

13 (2) One and one-half alternative fuel credits accrue for each one gallon of
14 alternative fuel produced in North Carolina that is utilized by a State
15 fleet vehicle.

16 (3) Six thousand alternative fuel credits accrue for each advanced
17 technology vehicle that is purchased for a State fleet.

18 (f) The Department of Administration may adopt rules necessary to implement
19 the program under this section.

20 (g) Definitions. – The following definitions apply to this section:

21 (1) 'Alternative fuel' means any of the following:

22 a. Biodiesel (B100).

23 b. B20, which is a blend of twenty percent (20%) biodiesel with
24 eighty percent (80%) petroleum diesel fuel.

25 c. Ethanol (E100).

26 d. E10, which is a blend of ten percent (10%) ethanol with ninety
27 percent (90%) unleaded gasoline.

28 e. E85, which is a blend of eighty-five percent (85%) ethanol with
29 fifteen percent (15%) gasoline.

30 f. Compressed natural gas.

31 g. Propane.

32 h. Hydrogen.

33 (2) 'Advanced technology vehicle' means:

34 a. A hybrid electric vehicle operating on gasoline or another
35 alternative fuel that has an emissions certification level of Ultra
36 Low Emission Vehicle (ULEV) or greater.

37 b. A low speed electric vehicle that replaces a gasoline powered
38 vehicle and that is legal to operate on streets rated for vehicular
39 traffic less than 30 MPH.

40 (3) 'State fleet' means those motor vehicles that are operated by a State
41 department, institution, or agency that purchases fuel for these vehicles
42 under a State purchasing contract."

43 **SECTION 2.** Article 2 of Chapter 136 of the General Statutes is amended by
44 adding a new section:

1 **"§ 136-28.13. Participation in alternative fuel use credits program.**

2 The Department of Transportation shall participate in the alternative fuel use credits
3 program under G.S. 143-58.4. The Department of Transportation may adopt rules to
4 implement this section."

5 **SECTION 3.** G.S. 143-341(8)i. reads as rewritten:

6 "i. To establish and operate a central motor pool and such
7 subsidiary related facilities as the Secretary may deem
8 necessary, and to that end:

9 1. To establish and operate central facilities for the
10 maintenance, repair, and storage of state-owned
11 passenger motor vehicles for the use of State agencies; to
12 utilize any available State facilities for that purpose; and
13 to establish such subsidiary facilities as the Secretary
14 may deem necessary.

15 2. To acquire passenger motor vehicles by transfer from
16 other State agencies and by purchase. All motor vehicles
17 transferred to or purchased by the Department shall
18 become part of a central motor pool.

19 3. To participate in the alternative fuel use credits program
20 under G.S. 143-58.4."

21 **SECTION 4.** This act becomes effective January 1, 2006.