



City of Cambridge

11.

IN CITY COUNCIL

September 14, 1992

COUNCILLOR WOLF
COUNCILLOR DUEHAY

WHEREAS: The attached regulations of the Federal Energy Regulatory Commission have a variety of provisions for assisting local communities and states to experiment with clean fueled vehicles and to develop clean fueled transportation systems; and

WHEREAS: These are items that the City Council has committed to considering in its SIP amendments; now therefore be it

ORDERED: That the City Manager be and hereby is requested to request his staff to look into these potential programs, including getting in touch with appropriate state agencies which may have to take the lead, and that he report back to the City Council on future feasibility.

In City Council September 14, 1992.

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:- *D. Margaret Drury*

D. Margaret Drury
City Clerk

1 **SEC. 409. FEDERAL ENERGY REGULATORY COMMISSION**
2 **AUTHORITY TO APPROVE RECOVERY OF CER-**
3 **TAIN EXPENSES IN ADVANCE.**

4 (a) **NATURAL GAS MOTOR VEHICLES.**—The Federal
5 Energy Regulatory Commission may, under section 4 of
6 the Natural Gas Act, allow recovery of expenses, in ad-
7 vance, by natural-gas companies for research, develop-
8 ment, and demonstration activities by the Gas Research
9 Institute for projects on the use of natural gas, including
10 fuels derived from natural gas, for transportation, and
11 projects on the use of natural gas to control pollutants
12 and to control emissions from the combustion of other
13 fuels, if the Commission finds that the benefits, including
14 environmental benefits, to existing and future ratepayers
15 resulting from such activities exceed all direct costs to ex-
16 isting and future ratepayers. To the maximum extent
17 practicable, through the establishment of cofunding re-
18 quirements applicable to each project, the Commission
19 shall ensure that, the costs of such activities shall be pro-
20 vided, in part, through contributions of cash, personnel,
21 services, equipment, and other resources, by sources other
22 than the recovery of expenses pursuant to this section.

23 (b) **ELECTRIC MOTOR VEHICLES.**—The Federal En-
24 ergy Regulatory Commission may, under section 205 of
25 the Federal Power Act, allow recovery of expenses, in ad-
26 vance, by electric utilities for research, development, and

1 demonstration activities by the Electric Power Research
2 Institute for projects on electric motor vehicles, if the
3 Commission finds that the benefits, including environ-
4 mental benefits, to existing and future ratepayers result-
5 ing from such activities exceed all direct costs to existing
6 and future ratepayers. To the maximum extent prac-
7 ticable, through the establishment of cofunding require-
8 ments applicable to each project, the costs of such activi-
9 ties shall be provided, in part, through contributions of
10 cash, personnel, services, equipment, and other resources,
11 by sources other than the recovery of expenses pursuant
12 to this section.

13 (c) REPEAL.—The second paragraph of the matter
14 under the heading "FEDERAL ENERGY REGULATORY
15 COMMISSION, SALARIES AND EXPENSES" in title III of the
16 Energy and Water Development Appropriations Act,
17 1992, is repealed.

18 **SEC. 410. STATE AND LOCAL INCENTIVES PROGRAMS.**

19 (a) ESTABLISHMENT OF PROGRAM.—(1) The Sec-
20 retary shall, within one year after the date of enactment
21 of this Act, issue regulations establishing guidelines for
22 comprehensive State alternative fuels and alternative
23 fueled vehicle incentives and program plans designed to
24 accelerate the introduction and use of such fuels and vehi-
25 cles. Such guideline shall address the development, modi-

1 fication, and implementation of such State plans and shall
2 describe those program elements, as described in para-
3 graph (3), to be addressed in such plans.

4 (2) The Secretary, after consultation with the Sec-
5 retary of Transportation and the Administrator of the En-
6 vironmental Protection Agency, shall invite the Governor
7 of each State to submit to the Secretary a State plan with-
8 in one year after the effective date of the regulations is-
9 sued under paragraph (1). Such plan shall include—

10 (A) provisions designed to result in scheduled
11 progress toward, and achievement of, the goal of in-
12 troducing substantial numbers of alternative fueled
13 vehicles in such State by the year 2000; and

14 (B) a detailed description of the requirements,
15 including the estimated cost of implementation, of
16 such plan.

17 (3) Each proposed State plan, in order to be eligible
18 for Federal assistance under this section, shall describe
19 the manner in which coordination shall be achieved with
20 Federal and local governmental entities in implementing
21 such plan, and shall include an examination of—

22 (A) exemption from State sales tax or other
23 State or local taxes or surcharges (other than such
24 taxes or surcharges which are dedicated for trans-
25 portation purposes) with respect to alternative fueled

1 vehicles, alternative fuels, or alternative fueling fa-
2 cilities;

3 (B) the introduction of alternative fueled vehi-
4 cles into State-owned or operated motor vehicle
5 fleets;

6 (C) special parking at public buildings and air-
7 port and transportation facilities;

8 (D) programs of public education to promote
9 the use of alternative fueled vehicles;

10 (E) the treatment of sales of alternative fuels
11 for use in alternative fueled vehicles;

12 (F) methods by which State and local govern-
13 ments might facilitate—

14 (i) the availability of alternative fuels; and

15 (ii) the ability to recharge electric motor
16 vehicles at public locations;

17 (G) allowing public utilities to include in
18 rates the incremental cost of—

19 (i) new alternative fueled vehicles;

20 (ii) converting conventional vehicles to op-
21 erate on alternative fuels; and

22 (iii) installing alternative fuel fueling facili-
23 ties,

24 but only to the extent that the inclusion of such
25 costs in rates would not create competitive dis-

1 advantages for other market participants, and tak-
2 ing into consideration the effect inclusion of such
3 costs would have on rates, service, and reliability to
4 other utility customers;

5 (H) such other programs and incentives as the
6 State may describe;

7 (I) whether accomplishing any of the goals in
8 this subsection would require amendment to State
9 law or regulation, including traffic safety prohibi-
10 tions;

11 (J) services provided by municipal, county, and
12 regional transit authorities; and

13 (K) effects of such plan on programs authorized
14 by the Intermodal Surface Transportation Efficiency
15 Act of 1991 and amendments made by that Act.

16 (b) FEDERAL ASSISTANCE TO STATES.—(1) Upon
17 request of the Governor of any State with a plan approved
18 under this section, the Secretary may provide to such
19 State—

20 (A) information and technical assistance, in-
21 cluding model State laws and proposed regulations
22 relating to alternative fueled vehicles;

23 (B) grants of Federal financial assistance for
24 the purpose of assisting such State in the implemen-
25 tation of such plan or any part thereof; and

1 (C) grants of Federal financial assistance for
2 the acquisition of alternative fueled vehicles.

3 (2) In determining whether to approve a State plan
4 submitted under subsection (a), and in determining the
5 amount of Federal financial assistance, if any, to be pro-
6 vided to any State under this subsection, the Secretary
7 shall take into account—

8 (A) the energy-related and environmental-relat-
9 ed impacts, on a life cycle basis, of the introduction
10 and use of alternative fueled vehicles included in the
11 plan compared to conventional motor vehicles;

12 (B) the number of alternative fueled vehicles
13 likely to be introduced by the year 2000 as a result
14 of successful implementation of the plan; and

15 (C) such other factors as the Secretary consid-
16 ers appropriate.

17 (3) The Secretary, in consultation with the Adminis-
18 trator of General Services, shall provide assistance to
19 States in procuring alternative fueled vehicles, including
20 coordination with Federal procurements of such vehicles.

21 (4) The Secretary may not approve a State plan sub-
22 mitted under subsection (a) unless the State agrees to pro-
23 vide at least 20 percent of the cost of activities for which
24 assistance is provided under paragraph (1).

1 (c) GENERAL PROVISIONS.—(1) In carrying out this
2 section, the Secretary shall consult with the Secretary of
3 Transportation on matters relating to transportation and
4 with other appropriate Federal and State departments and
5 agencies.

6 (2) The Secretary shall report annually to the Presi-
7 dent and the Congress, and shall furnish copies of such
8 report to the Governor of each State participating in the
9 program, on the operation of the program under this sec-
10 tion. Such report shall include—

11 (A) an estimate of the number of alternative
12 fueled vehicles in use in each State;

13 (B) the degree of each State's participation in
14 the program;

15 (C) a description of Federal, State, and local
16 programs undertaken in the various States, whether
17 pursuant to a State plan under this section or not,
18 to provide incentives for introduction of alternative
19 fueled vehicles;

20 (D) an estimate of the energy and environ-
21 mental benefits of the program; and

22 (E) the recommendations of the Secretary, if
23 any, for additional action by the Federal Govern-
24 ment.

1 (d) DEFINITIONS.—For the purposes of this section,
2 the following definitions apply:

3 (1) GOVERNOR.—The term “Governor” means
4 the chief executive of a State.

5 (2) STATE.—The term “State” means each of
6 the several States, the District of Columbia, the
7 Commonwealth of Puerto Rico, the United States
8 Virgin Islands, Guam, American Samoa, the Com-
9 monwealth of the Northern Mariana Islands, and
10 any other Commonwealth, territory, or possession of
11 the United States.

12 (e) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated for carrying out this sec-
14 tion, \$10,000,000 for each of the 5 fiscal years beginning
15 after the date of enactment of this Act.

16 **SEC. 411. ALTERNATIVE FUEL BUS PROGRAM.**

17 (a) COOPERATIVE AGREEMENTS AND JOINT VEN-
18 TURES.—(1) The Secretary of Transportation, in con-
19 sultation with the Secretary, may enter into cooperative
20 agreements and joint ventures proposed by any municipal,
21 county, or regional transit authority in an urban area with
22 a population over 100,000 (according to latest available
23 census information) to demonstrate the feasibility of com-
24 mercial application, including safety of specific vehicle de-
25 sign, of using alternative fuels for urban buses.

1 (2) The cooperative agreements and joint ventures
2 under paragraph (1) may include interested or affected
3 private firms willing to provide assistance in cash, or in
4 kind, for any such demonstration.

5 (3) Federal assistance provided under cooperative
6 agreements and joint ventures entered into under para-
7 graph (1) to demonstrate the feasibility of commercial ap-
8 plication of using alternative fuels for urban buses shall
9 be in addition to Federal assistance provided under any
10 other law for such purpose.

11 (b) LIMITATIONS.—(1) The Secretary of Transpor-
12 tation may not enter into cooperative agreement or joint
13 venture under subsection (a) with any municipal, county,
14 or regional transit authority, unless such government body
15 agrees to provide 20 percent of the costs of such dem-
16 onstration.

17 (2) The Secretary of Transportation may grant such
18 priority under this section to any entity that demonstrates
19 that the use of alternative fuels for transportation would
20 have a significant beneficial effect on the environment.

21 (c) SCHOOL BUSES.—The Secretary of Transpor-
22 tation may also provide, in accordance with such rules as
23 he may prescribe, financial assistance to any agency, mu-
24 nicipality, or political subdivision in an urban area re-
25 ferred to in subsection (a), of any State or the District

1 of Columbia for the purpose of meeting the incremental
2 costs of school buses that are dedicated vehicles and used
3 regularly for such transportation during the school term.
4 Such costs may include the purchase and installation of
5 alternative fuel refueling facilities to be used for school
6 bus refueling, and the conversion of school buses to dedi-
7 cated vehicles. The Secretary of Transportation may pro-
8 vide such assistance directly to a person who is a con-
9 tractor of such agency, municipality, or political sub-
10 division, upon the request of the agency, municipality, or
11 political subdivision, and who, under such contract, pro-
12 vides for such transportation.

13 (d) FUNDING AUTHORIZATION.—There are author-
14 ized to be appropriated not more than \$30,000,000 for
15 each of the fiscal years 1993, 1994, and 1995 for purposes
16 of this section.

17 **SEC. 412. CERTIFICATION OF TRAINING PROGRAMS.**

18 The Secretary shall ensure that the Federal Govern-
19 ment establishes and carries out a program for the cer-
20 tification of training programs for technicians who are re-
21 sponsible for motor vehicle installation of equipment that
22 converts gasoline or diesel-fueled motor vehicles into dedi-
23 cated vehicles or dual fueled vehicles, and for the mainte-
24 nance of such converted motor vehicles. A training pro-
25 gram shall not be certified under the program established

1 under this section unless it provides technicians with in-
2 struction on the proper and safe installation procedures
3 and techniques, adherence to specifications (including
4 original equipment manufacturer specifications), motor ve-
5 hicle operating procedures, emissions testing, and other
6 appropriate mechanical concerns applicable to these motor
7 vehicle conversions. The Secretary shall ensure that, in the
8 development of the program required under this section,
9 original equipment manufacturers, fuel suppliers, compa-
10 nies that convert conventional vehicles to use alternative
11 fuels, and other affected persons are consulted.

12 SEC. 413. ALTERNATIVE FUEL USE IN NONROAD VEHICLES
13 AND ENGINES.

14 (a) NONROAD VEHICLES AND ENGINES.—(1) The
15 Secretary shall conduct a study to determine whether the
16 use of alternative fuels in nonroad vehicles and engines
17 would contribute substantially to reduced reliance on im-
18 ported energy sources. Such study shall be completed, and
19 the results thereof reported to Congress, within 2 years
20 after the date of enactment of this Act.

21 (2) The study shall assess the potential of nonroad
22 vehicles and engines to run on alternative fuels. Taking
23 into account the nonroad vehicles and engines for which
24 running on alternative fuels is feasible, the study shall as-
25 sess the potential reduction in reliance on foreign energy

1 sources that could be achieved if such vehicles were to run
2 on alternative fuels.

3 (3) The report required under paragraph (1) may in-
4 clude the Secretary's recommendations for encouraging or
5 requiring nonroad vehicles and engines which can feasibly
6 be run on alternative fuels, to utilize such alternative fuels.

7 (b) DEFINITION OF NONROAD VEHICLES AND EN-
8 GINES.—Nonroad vehicles and engines, for purposes of
9 this section, shall include nonroad vehicles and engines
10 used for surface transportation or principally for indus-
11 trial or commercial purposes, vehicles used for rail trans-
12 portation, motor vehicles used at airports, vehicles or en-
13 gines used for marine purposes, and other vehicles or en-
14 gines at the discretion of the Secretary.

15 (c) DESIGNATION.—Upon completion of the study re-
16 quired pursuant to subsection (a) of this section, the Sec-
17 retary may designate such vehicles and engines as qualify-
18 ing for loans pursuant to section 415 of this title.

19 SEC. 414. REPORTS TO CONGRESS.

20 Within 6 months after the date of enactment of this
21 Act, the Secretary shall—

22 (1) identify and report to Congress on purchas-
23 ing policies of the Federal Government which inhibit
24 or prevent the purchase by the Federal Government
25 of alternative fueled vehicles; and

un 1 (2) report to Congress on Federal, State, and
2 local traffic control measures and policies and how
3 the use of alternative fueled vehicles could be pro-
4 moted by granting such vehicles exemptions or pref-
5 erential treatment under such measures.

6 **SEC. 415. LOW INTEREST LOAN PROGRAM.**

7 (a) **ESTABLISHMENT.**—Within 1 year after the date
8 of enactment of this Act, the Secretary shall establish a
9 program for making low interest loans, giving preference
10 to small businesses that own or operate fleets, for—

11 (1) the conversion of motor vehicles to oper-
12 ation on alternative fuels;

13 (2) covering the incremental costs of the pur-
14 chase of motor vehicles which operate on alternative
15 fuels, when compared with purchase costs of com-
16 parable conventionally fueled motor vehicles; or

17 (3) covering the incremental costs of purchase
18 of non-road vehicles and engines designated by the
19 Secretary pursuant to section 413(c) of this title.

20 (b) **LOAN TERMS.**—The Secretary, to the extent
21 practicable, shall establish reasonable terms for loans
22 made under this subsection, with preference given to re-
23 payment schedules that enable such loans to be repaid by
24 the borrower from the cost differential between gasoline

1 and the alternative fuel on which the motor vehicle oper-
2 ates.

3 (c) CRITERIA.—In deciding who loans shall be made
4 to under this subsection, the Secretary shall consider—

5 (1) the financial need of the applicant;

6 (2) the goal of assisting the greatest number of
7 applicants; and

8 (3) the ability of an applicant to repay the loan,
9 taking into account the fuel cost savings likely to ac-
10 crue to the applicant.

11 (d) PRIORITIES.—Priority shall be given under this
12 section to fleets where the use of alternative fuels would
13 have a significant beneficial effect on energy security and
14 the environment.

15 (e) AUTHORIZATION OF APPROPRIATIONS.—There
16 are authorized to be appropriated to the Secretary for car-
17 rying out this section, \$25,000,000 for each of the fiscal
18 years 1992, 1993, and 1994.

19 SEC. 416. COMMERCIAL APPLICATION FUNDING FOR AL-
20 TERNATIVE FUELED VEHICLES.

21 (a) MOTOR VEHICLE COMMERCIAL APPLICATION
22 PROGRAM.—The Secretary shall carry out a program of
23 commercial application of techniques related to improving
24 alternative fueled vehicle technology, including the fol-
25 lowing areas:

- 1 (1) Fuel injection.
- 2 (2) Carburetion.
- 3 (3) Manifolding.
- 4 (4) Advanced combustion.
- 5 (5) Power optimization.
- 6 (6) Efficiency.
- 7 (7) Lubricants, detergents, and other additives.
- 8 (8) Engine and fuel system durability.
- 9 (9) Ignition, including fuel additives to assist
- 10 ignition.
- 11 (10) Multifuel engines.
- 12 (11) Emissions control, including catalysts.
- 13 (12) Advanced storage systems.
- 14 (13) Advanced fueling technology.
- 15 (14) Fuel cells.
- 16 (15) Advanced cold starting systems.
- 17 (16) The incorporation of advanced materials in
- 18 these areas.

19 (b) COOPERATIVE AGREEMENTS AND FINANCIAL AS-
20 SISTANCE.—The Secretary may enter into cooperative
21 agreements with, and provide financial assistance to, pub-
22 lic entities or interested or affected private firms willing
23 to provide 50 percent of the costs of programs under this
24 section.

1 **SEC. 409. FEDERAL ENERGY REGULATORY COMMISSION**
2 **AUTHORITY TO APPROVE RECOVERY OF CER-**
3 **TAIN EXPENSES IN ADVANCE.**

4 (a) NATURAL GAS MOTOR VEHICLES.—The Federal
5 Energy Regulatory Commission may, under section 4 of
6 the Natural Gas Act, allow recovery of expenses, in ad-
7 vance, by natural-gas companies for research, develop-
8 ment, and demonstration activities by the Gas Research
9 Institute for projects on the use of natural gas, including
10 fuels derived from natural gas, for transportation, and
11 projects on the use of natural gas to control pollutants
12 and to control emissions from the combustion of other
13 fuels, if the Commission finds that the benefits, including
14 environmental benefits, to existing and future ratepayers
15 resulting from such activities exceed all direct costs to ex-
16 isting and future ratepayers. To the maximum extent
17 practicable, through the establishment of cofunding re-
18 quirements applicable to each project, the Commission
19 shall ensure that, the costs of such activities shall be pro-
20 vided, in part, through contributions of cash, personnel,
21 services, equipment, and other resources, by sources other
22 than the recovery of expenses pursuant to this section.

23 (b) ELECTRIC MOTOR VEHICLES.—The Federal En-
24 ergy Regulatory Commission may, under section 205 of
25 the Federal Power Act, allow recovery of expenses, in ad-
26 vance, by electric utilities for research, development, and

1 demonstration activities by the Electric Power Research
 2 Institute for projects on electric motor vehicles, if the
 3 Commission finds that the benefits, including environ-
 4 mental benefits, to existing and future ratepayers result-
 5 ing from such activities exceed all direct costs to existing
 6 and future ratepayers. To the maximum extent prac-
 7 ticable, through the establishment of cofunding require-
 8 ments applicable to each project, the costs of such activi-
 9 ties shall be provided, in part, through contributions of
 10 cash, personnel, services, equipment, and other resources,
 11 by sources other than the recovery of expenses pursuant
 12 to this section.

13 (c) REPEAL.—The second paragraph of the matter
 14 under the heading "FEDERAL ENERGY REGULATORY
 15 COMMISSION, SALARIES AND EXPENSES" in title III of the
 16 Energy and Water Development Appropriations Act,
 17 1992, is repealed.

18 **SEC. 410. STATE AND LOCAL INCENTIVES PROGRAMS.**

19 (a) ESTABLISHMENT OF PROGRAM.—(1) The Sec-
 20 retary shall, within one year after the date of enactment
 21 of this Act, issue regulations establishing guidelines for
 22 comprehensive State alternative fuels and alternative
 23 fueled vehicle incentives and program plans designed to
 24 accelerate the introduction and use of such fuels and vehi-
 25 cles. Such guideline shall address the development, modi-

1 fication, and implementation of such State plans and shall
2 describe those program elements, as described in para-
3 graph (3), to be addressed in such plans.

4 (2) The Secretary, after consultation with the Sec-
5 retary of Transportation and the Administrator of the En-
6 vironmental Protection Agency, shall invite the Governor
7 of each State to submit to the Secretary a State plan with-
8 in one year after the effective date of the regulations is-
9 sued under paragraph (1). Such plan shall include—

10 (A) provisions designed to result in scheduled
11 progress toward, and achievement of, the goal of in-
12 troducing substantial numbers of alternative fueled
13 vehicles in such State by the year 2000; and

14 (B) a detailed description of the requirements,
15 including the estimated cost of implementation, of
16 such plan.

17 (3) Each proposed State plan, in order to be eligible
18 for Federal assistance under this section, shall describe
19 the manner in which coordination shall be achieved with
20 Federal and local governmental entities in implementing
21 such plan, and shall include an examination of—

22 (A) exemption from State sales tax or other
23 State or local taxes or surcharges (other than such
24 taxes or surcharges which are dedicated for trans-
25 portation purposes) with respect to alternative fueled

1 vehicles, alternative fuels, or alternative fueling fa-
 2 cilities;

3 (B) the introduction of alternative fueled vehi-
 4 cles into State-owned or operated motor vehicle
 5 fleets;

6 (C) special parking at public buildings and air-
 7 port and transportation facilities;

8 (D) programs of public education to promote
 9 the use of alternative fueled vehicles;

10 (E) the treatment of sales of alternative fuels
 11 for use in alternative fueled vehicles;

12 (F) methods by which State and local govern-
 13 ments might facilitate—

14 (i) the availability of alternative fuels; and

15 (ii) the ability to recharge electric motor
 16 vehicles at public locations;

17 (G) allowing public utilities to include in
 18 rates the incremental cost of—

19 (i) new alternative fueled vehicles;

20 (ii) converting conventional vehicles to op-
 21 erate on alternative fuels; and

22 (iii) installing alternative fuel fueling facili-
 23 ties,

24 but only to the extent that the inclusion of such
 25 costs in rates would not create competitive dis-

1 advantages for other market participants, and tak-
2 ing into consideration the effect inclusion of such
3 costs would have on rates, service, and reliability to
4 other utility customers;

5 (H) such other programs and incentives as the
6 State may describe;

7 (I) whether accomplishing any of the goals in
8 this subsection would require amendment to State
9 law or regulation, including traffic safety prohibi-
10 tions;

11 (J) services provided by municipal, county, and
12 regional transit authorities; and

13 (K) effects of such plan on programs authorized
14 by the Intermodal Surface Transportation Efficiency
15 Act of 1991 and amendments made by that Act.

16 (b) FEDERAL ASSISTANCE TO STATES.—(1) Upon
17 request of the Governor of any State with a plan approved
18 under this section, the Secretary may provide to such
19 State—

20 (A) information and technical assistance, in-
21 cluding model State laws and proposed regulations
22 relating to alternative fueled vehicles;

23 (B) grants of Federal financial assistance for
24 the purpose of assisting such State in the implemen-
25 tation of such plan or any part thereof; and

1 (C) grants of Federal financial assistance for
2 the acquisition of alternative fueled vehicles.

3 (2) In determining whether to approve a State plan
4 submitted under subsection (a), and in determining the
5 amount of Federal financial assistance, if any, to be pro-
6 vided to any State under this subsection, the Secretary
7 shall take into account—

8 (A) the energy-related and environmental-relat-
9 ed impacts, on a life cycle basis, of the introduction
10 and use of alternative fueled vehicles included in the
11 plan compared to conventional motor vehicles;

12 (B) the number of alternative fueled vehicles
13 likely to be introduced by the year 2000 as a result
14 of successful implementation of the plan; and

15 (C) such other factors as the Secretary consid-
16 ers appropriate.

17 (3) The Secretary, in consultation with the Adminis-
18 trator of General Services, shall provide assistance to
19 States in procuring alternative fueled vehicles, including
20 coordination with Federal procurements of such vehicles.

21 (4) The Secretary may not approve a State plan sub-
22 mitted under subsection (a) unless the State agrees to pro-
23 vide at least 20 percent of the cost of activities for which
24 assistance is provided under paragraph (1).

1 (c) GENERAL PROVISIONS.—(1) In carrying out this
2 section, the Secretary shall consult with the Secretary of
3 Transportation on matters relating to transportation and
4 with other appropriate Federal and State departments and
5 agencies.

6 (2) The Secretary shall report annually to the Presi-
7 dent and the Congress, and shall furnish copies of such
8 report to the Governor of each State participating in the
9 program, on the operation of the program under this sec-
10 tion. Such report shall include—

11 (A) an estimate of the number of alternative
12 fueled vehicles in use in each State;

13 (B) the degree of each State's participation in
14 the program;

15 (C) a description of Federal, State, and local
16 programs undertaken in the various States, whether
17 pursuant to a State plan under this section or not,
18 to provide incentives for introduction of alternative
19 fueled vehicles;

20 (D) an estimate of the energy and environ-
21 mental benefits of the program; and

22 (E) the recommendations of the Secretary, if
23 any, for additional action by the Federal Govern-
24 ment.

1 (d) DEFINITIONS.—For the purposes of this section,
2 the following definitions apply:

3 (1) GOVERNOR.—The term “Governor” means
4 the chief executive of a State.

5 (2) STATE.—The term “State” means each of
6 the several States, the District of Columbia, the
7 Commonwealth of Puerto Rico, the United States
8 Virgin Islands, Guam, American Samoa, the Com-
9 monwealth of the Northern Mariana Islands, and
10 any other Commonwealth, territory, or possession of
11 the United States.

12 (e) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated for carrying out this sec-
14 tion, \$10,000,000 for each of the 5 fiscal years beginning
15 after the date of enactment of this Act.

16 **SEC. 411. ALTERNATIVE FUEL BUS PROGRAM.**

17 (a) COOPERATIVE AGREEMENTS AND JOINT VEN-
18 TURES.—(1) The Secretary of Transportation, in con-
19 sultation with the Secretary, may enter into cooperative
20 agreements and joint ventures proposed by any municipal,
21 county, or regional transit authority in an urban area with
22 a population over 100,000 (according to latest available
23 census information) to demonstrate the feasibility of com-
24 mercial application, including safety of specific vehicle de-
25 sign, of using alternative fuels for urban buses.

1 (2) The cooperative agreements and joint ventures
2 under paragraph (1) may include interested or affected
3 private firms willing to provide assistance in cash, or in
4 kind, for any such demonstration.

5 (3) Federal assistance provided under cooperative
6 agreements and joint ventures entered into under para-
7 graph (1) to demonstrate the feasibility of commercial ap-
8 plication of using alternative fuels for urban buses shall
9 be in addition to Federal assistance provided under any
10 other law for such purpose.

11 (b) LIMITATIONS.—(1) The Secretary of Transpor-
12 tation may not enter into cooperative agreement or joint
13 venture under subsection (a) with any municipal, county,
14 or regional transit authority, unless such government body
15 agrees to provide 20 percent of the costs of such dem-
16 onstration.

17 (2) The Secretary of Transportation may grant such
18 priority under this section to any entity that demonstrates
19 that the use of alternative fuels for transportation would
20 have a significant beneficial effect on the environment.

21 (c) SCHOOL BUSES.—The Secretary of Transpor-
22 tation may also provide, in accordance with such rules as
23 he may prescribe, financial assistance to any agency, mu-
24 nicipality, or political subdivision in an urban area re-
25 ferred to in subsection (a), of any State or the District

1 of Columbia for the purpose of meeting the incremental
 2 costs of school buses that are dedicated vehicles and used
 3 regularly for such transportation during the school term.
 4 Such costs may include the purchase and installation of
 5 alternative fuel refueling facilities to be used for school
 6 bus refueling, and the conversion of school buses to dedi-
 7 cated vehicles. The Secretary of Transportation may pro-
 8 vide such assistance directly to a person who is a con-
 9 tractor of such agency, municipality, or political sub-
 10 division, upon the request of the agency, municipality, or
 11 political subdivision, and who, under such contract, pro-
 12 vides for such transportation.

13 (d) FUNDING AUTHORIZATION.—There are author-
 14 ized to be appropriated not more than \$30,000,000 for
 15 each of the fiscal years 1993, 1994, and 1995 for purposes
 16 of this section.

17 **SEC. 412. CERTIFICATION OF TRAINING PROGRAMS.**

18 The Secretary shall ensure that the Federal Govern-
 19 ment establishes and carries out a program for the cer-
 20 tification of training programs for technicians who are re-
 21 sponsible for motor vehicle installation of equipment that
 22 converts gasoline or diesel-fueled motor vehicles into dedi-
 23 cated vehicles or dual fueled vehicles, and for the mainte-
 24 nance of such converted motor vehicles. A training pro-
 25 gram shall not be certified under the program established

1 under this section unless it provides technicians with in-
2 struction on the proper and safe installation procedures
3 and techniques, adherence to specifications (including
4 original equipment manufacturer specifications), motor ve-
5 hicle operating procedures, emissions testing, and other
6 appropriate mechanical concerns applicable to these motor
7 vehicle conversions. The Secretary shall ensure that, in the
8 development of the program required under this section,
9 original equipment manufacturers, fuel suppliers, compa-
10 nies that convert conventional vehicles to use alternative
11 fuels, and other affected persons are consulted.

12 **SEC. 413. ALTERNATIVE FUEL USE IN NONROAD VEHICLES**
13 **AND ENGINES.**

14 (a) **NONROAD VEHICLES AND ENGINES.**—(1) The
15 Secretary shall conduct a study to determine whether the
16 use of alternative fuels in nonroad vehicles and engines
17 would contribute substantially to reduced reliance on im-
18 ported energy sources. Such study shall be completed, and
19 the results thereof reported to Congress, within 2 years
20 after the date of enactment of this Act.

21 (2) The study shall assess the potential of nonroad
22 vehicles and engines to run on alternative fuels. Taking
23 into account the nonroad vehicles and engines for which
24 running on alternative fuels is feasible, the study shall as-
25 sess the potential reduction in reliance on foreign energy

1 sources that could be achieved if such vehicles were to run
2 on alternative fuels.

3 (3) The report required under paragraph (1) may in-
4 clude the Secretary's recommendations for encouraging or
5 requiring nonroad vehicles and engines which can feasibly
6 be run on alternative fuels, to utilize such alternative fuels.

7 (b) DEFINITION OF NONROAD VEHICLES AND EN-
8 GINES.—Nonroad vehicles and engines, for purposes of
9 this section, shall include nonroad vehicles and engines
10 used for surface transportation or principally for indus-
11 trial or commercial purposes, vehicles used for rail trans-
12 portation, motor vehicles used at airports, vehicles or en-
13 gines used for marine purposes, and other vehicles or en-
14 gines at the discretion of the Secretary.

15 (c) DESIGNATION.—Upon completion of the study re-
16 quired pursuant to subsection (a) of this section, the Sec-
17 retary may designate such vehicles and engines as qualify-
18 ing for loans pursuant to section 415 of this title.

19 **SEC. 414. REPORTS TO CONGRESS.**

20 Within 6 months after the date of enactment of this
21 Act, the Secretary shall—

22 (1) identify and report to Congress on purchas-
23 ing policies of the Federal Government which inhibit
24 or prevent the purchase by the Federal Government
25 of alternative fueled vehicles; and

(2) report to Congress on Federal, State, and local traffic control measures and policies and how the use of alternative fueled vehicles could be promoted by granting such vehicles exemptions or preferential treatment under such measures.

SEC. 415. LOW INTEREST LOAN PROGRAM.

(a) ESTABLISHMENT.—Within 1 year after the date of enactment of this Act, the Secretary shall establish a program for making low interest loans, giving preference to small businesses that own or operate fleets, for—

(1) the conversion of motor vehicles to operation on alternative fuels;

(2) covering the incremental costs of the purchase of motor vehicles which operate on alternative fuels, when compared with purchase costs of comparable conventionally fueled motor vehicles; or

(3) covering the incremental costs of purchase of non-road vehicles and engines designated by the Secretary pursuant to section 413(c) of this title.

(b) LOAN TERMS.—The Secretary, to the extent practicable, shall establish reasonable terms for loans made under this subsection, with preference given to repayment schedules that enable such loans to be repaid by the borrower from the cost differential between gasoline

1 and the alternative fuel on which the motor vehicle oper- 1
2 ates. 2

3 (c) CRITERIA.—In deciding who loans shall be made 3
4 to under this subsection, the Secretary shall consider— 4

5 (1) the financial need of the applicant; 5

6 (2) the goal of assisting the greatest number of 6
7 applicants; and 7

8 (3) the ability of an applicant to repay the loan, 8
9 taking into account the fuel cost savings likely to ac- 9
10 crue to the applicant. 10

11 (d) PRIORITIES.—Priority shall be given under this 11
12 section to fleets where the use of alternative fuels would 12
13 have a significant beneficial effect on energy security and 13
14 the environment. 14

15 (e) AUTHORIZATION OF APPROPRIATIONS.—There 15
16 are authorized to be appropriated to the Secretary for car- 16
17 rying out this section, \$25,000,000 for each of the fiscal 17
18 years 1992, 1993, and 1994. 18

19 **SEC. 416. COMMERCIAL APPLICATION FUNDING FOR AL-** 19
20 **TERNATIVE FUELED VEHICLES.** 20 s

21 (a) MOTOR VEHICLE COMMERCIAL APPLICATION 21 a
22 PROGRAM.—The Secretary shall carry out a program of 22 l
23 commercial application of techniques related to improving 23 t
24 alternative fueled vehicle technology, including the fol- 24 s
25 lowing areas:

- 1 (1) Fuel injection.
- 2 (2) Carburetion.
- 3 (3) Manifolding.
- 4 (4) Advanced combustion.
- 5 (5) Power optimization.
- 6 (6) Efficiency.
- 7 (7) Lubricants, detergents, and other additives.
- 8 (8) Engine and fuel system durability.
- 9 (9) Ignition, including fuel additives to assist
- 10 ignition.
- 11 (10) Multifuel engines.
- 12 (11) Emissions control, including catalysts.
- 13 (12) Advanced storage systems.
- 14 (13) Advanced fueling technology.
- 15 (14) Fuel cells.
- 16 (15) Advanced cold starting systems.
- 17 (16) The incorporation of advanced materials in
- 18 these areas.
- 19 (b) COOPERATIVE AGREEMENTS AND FINANCIAL AS-
- 20 SISTANCE.—The Secretary may enter into cooperative
- 21 agreements with, and provide financial assistance to, pub-
- 22 lic entities or interested or affected private firms willing
- 23 to provide 50 percent of the costs of programs under this
- 24 section.

1 (c) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to the Secretary
3 \$20,000,000 for each of the fiscal years 1992, 1993, and
4 1994 for carrying out this section.

5 **SEC. 417. PROHIBITED ACTS.**

6 It shall be unlawful for any person to violate any pro-
7 vision of section 407(b), or any regulation issued under
8 such subsection.

9 **SEC. 418. ENFORCEMENT.**

10 (a) Whoever violates section 417 shall be subject to
11 a civil penalty of not more than \$5,000 for each violation.

12 (b) Whoever willfully violates section 417 shall be
13 fined not more than \$10,000 for each violation.

14 (c) Any person who knowingly and willfully violates
15 section 417 after having been subjected to a civil penalty
16 for a prior violation of section 417 shall be fined not more
17 than \$50,000 or imprisoned not more than six months,
18 or both.



City of Cambridge

11.

IN CITY COUNCIL

September 14, 1992

COUNCILLOR WOLF

WHEREAS: The attached regulations of the Federal Energy Regulatory Commission have a variety of provisions for assisting local communities and states to experiment with clean fueled vehicles and to develop clean fueled transportation systems; and

WHEREAS: These are items that the City Council has committed to considering in its SIP amendments; now therefore be it

ORDERED: That the City Manager be and hereby is requested to request his staff to look into these potential programs, including getting in touch with appropriate state agencies which may have to take the lead, and that he report back to the City Council on future feasibility.

W. Wolf CONSENT ORDER #11 *F 382*

Councillor Wolf re: feasibility of clean
fueled vehicles.

In City Council,

September 14, 1992

Order adopted