



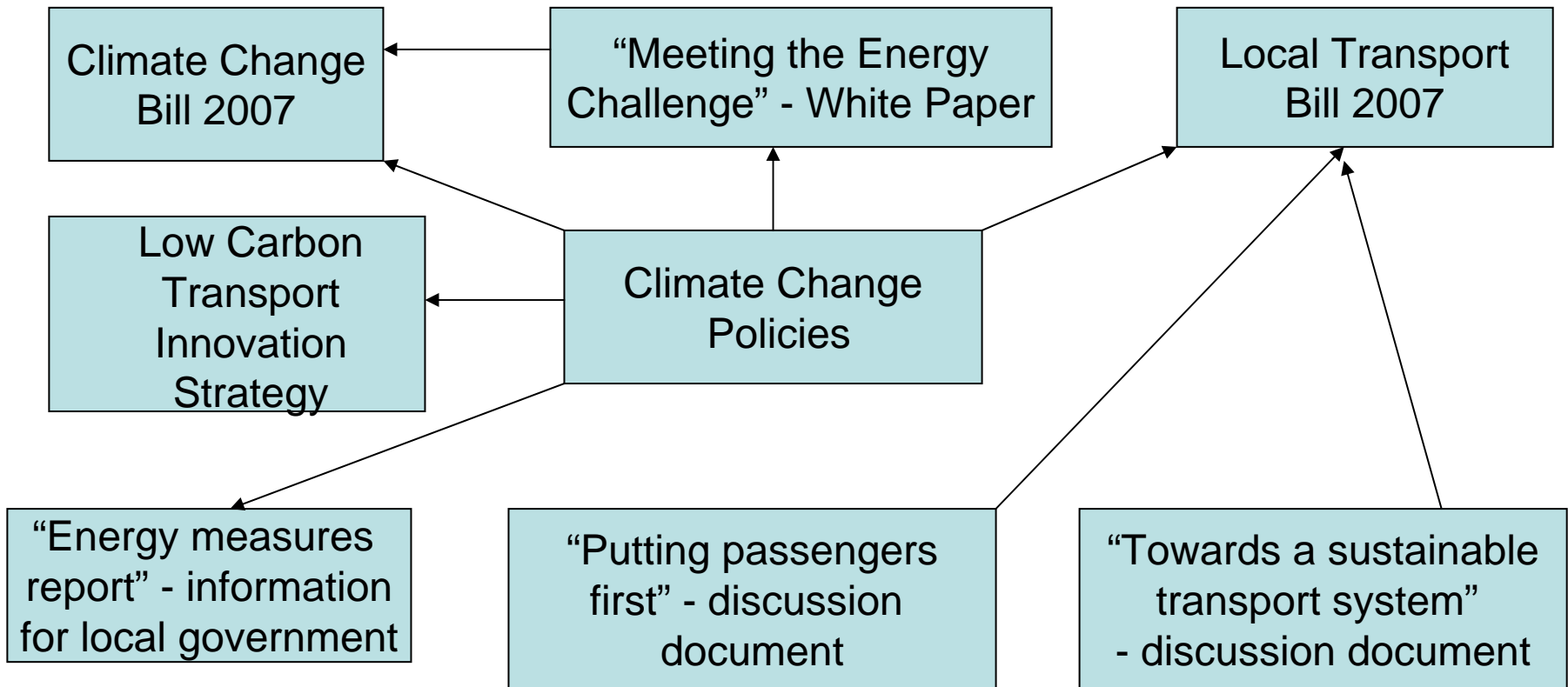
Low Carbon Bus Procurement Feasibility

Policy Drivers
and Local Authority powers

Objectives

- Establish customer interest in low carbon bus procurement and whether there is an unmet demand which has the potential to be realised
 - it is assumed that the demand would come from public bodies rather than bus operators
- Identify the existing and potentially forthcoming policy drivers available to create or support a market for low carbon buses, particularly outside London

UK Climate Change Policies and Strategies



“Meeting the Energy Challenge”

Transport-related policies in the Energy White Paper

- Carbon pricing - through taxation, emissions trading or regulations
- Renewable Transport Fuels Obligation
- Low Carbon Transport Innovation Strategy
- Promoting the use of public transport
- Sustainable procurement
- Energy Technologies Institute

Public transport

- Putting passengers first - discussion document
- Local Transport Bill 2007
- Towards a sustainable transport system - discussion document
- Review of BSOG

Local Authority legal powers

- Transport Act 1985 - deregulation of bus services outside London
- Environment Act 1995 - Air Quality Management Zones
- Transport Act 2000 - Local Transport Plan; Quality Partnerships and Quality Contracts
- Local Government Act 2000 - power to promote or improve the economic, social and environmental well-being of their area
- Town and Country Planning Acts - can require developers to contribute to provision of services (planning gain)

Local Transport Bill

- New duties on PTAs
 - to take account of Government policies which relate to climate change
 - to have regard to guidance on climate change issued by the DfT SoS
- general duty on local authorities and PTAs
 - to develop policies for promotion of safe, integrated, efficient and economic transport in their area
- PTAs will be able
 - to take any steps which they consider likely to promote or improve the economic, social or environmental well-being of their local community

Energy Measures Report

- Guidance to local authorities on how to take account of national climate change objectives
- Transport Module provides advice on influencing transport sustainability
 - eg when contracting out services, local authorities are recommended to use their influence to specify the procurement of energy efficient vehicles
 - options suggested are : electric, hybrid, LPG, and energy efficient petrol/diesel vehicles

Next steps

- Workshop to gather views from PTEs, local authorities and bus operators:
 - invite key organisations likely to be most interested in low carbon bus procurement
 - discuss how best to take advantage of existing powers for PTEs and local authorities
 - discuss the potential for using the new powers
 - assess level of interest and commitment
 - identify project initiatives as specific examples of how to proceed
- Link with parallel work on the low carbon bus specification and the financing and contractual arrangements

Workshop Invitees - LAs, PTEs, bus operators

- The following is a provisional list of invitees:
 - Bristol
 - Coventry
 - Greater Manchester PTE
 - Merseytravel
 - Newcastle
 - Nottingham
 - Winchester

 - Arriva
 - First Group
 - Go-Ahead
 - Stagecoach





Low Carbon Bus Procurement Feasibility

Low Carbon Bus Specification

Objectives

- Develop a draft specification of a low carbon bus appropriate for procurement processes
 - this specification would be shared with Transport for London and the TRUS consortium which is looking at the potential for a common European specification
- Seek supplier feedback on the draft specification and the volumes required to establish economies of scale

Technologies

- There are many possible low carbon technologies that could be supplied to the bus market and include the following:
 - series diesel-electric hybrid
 - parallel diesel-electric hybrid
 - H₂ICE
 - novel gearbox
 - stop-start
 - renewable fuel (biodiesel, bioethanol, biogas and hydrogen)
 - battery-electric
 - catenary
- Some technologies are much more attractive if BSOG is reformed

Low Carbon Bus Specification Workshop

- Workshop planned for w/c 10th December
- An initial draft specification will be presented at the Workshop
- Based on the discussions an amended specification will be drafted with further feedback from suppliers using email and telephone discussions before finalising the proposed specification

Low Carbon Bus Specification Workshop

- Workshop to gather views from OEMs, LAs, PTEs and bus operators to develop a draft specification:
 - all UK OEMs to be invited
 - invite all organisations with low carbon bus operating experience plus some others who may have an early interest
 - discuss the possibility of a UK / EU wide low carbon bus specification
 - discuss the possibility of a tiered specification based on cost-effectiveness
 - this activity will link with parallel work on policy drivers and LA powers and the financing and contractual arrangements

Workshop Invitees - Vehicle OEMs

- The following is a provisional list of proposed OEM invitees:
 - Alexander Dennis
 - DAF
 - EvoBus
 - MAN
 - Optare
 - Scania
 - Volvo
 - Wrightbus

Workshop Invitees - Sub-Systems & Integrators

- The following is a provisional list of proposed sub-system and integrator invitees:
 - Allison
 - Cummins-Westport
 - Torotrak
 - Traction Technology



Workshop Invitees - Operators

- The following is a provisional list of proposed operator invitees:
 - Arriva
 - Epsom Coaches
 - Go-Ahead
 - Stagecoach
 - Travel
 - Transdev

Workshop Invitees - LAs & PTEs

- The following is a provisional list of proposed LA, PTE and other interested parties to be invited:
 - Bristol
 - CENEX
 - CPT
 - Greater Manchester PTE
 - Horsham
 - Ipswich
 - Merseytravel
 - Newcastle
 - Transport for London
 - TRUS
 - Winchester



Low Carbon Bus Procurement Feasibility

Contractual issues and financing

Contractual Issues

- Identify and map the current contractual arrangements between:
 - Bus operators
 - Route holders - Regulated and Unregulated
 - Funding organisations
 - Manufacturers
- Identify and map the differentials between regulated and deregulated routes and operators
- Map the supply chain drivers across the market
- Work with key stakeholders to identify the contractual issues to be considered for a Low Carbon Bus forward procurement process
- Produce a roadmap to developing the Forward Procurement contract framework with:
 - Identified contractual variations for different markets
 - Agreed key performance indicators for stakeholders
- Establish key contacts from BWG who are prepared to assist

