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Energy Commission Awards More Than \$16 Million For Electric Vehicle Technology, Biofuels

EV Battery, Biofuel Research To Produce New Jobs for California

SACRAMENTO - The California Energy Commission approved more than \$16 million for a variety of projects that demonstrate California's commitment to develop cleaner transportation choices and jobs for the future. The \$16,115,638 in alternative transportation research leverages more than \$9.6 million in private matching funds. The awards are funded from the Commission's Alternative and Renewable Fuel and Vehicle Transportation (AB 118) program. The projects will reduce petroleum consumption; provide jobs by developing new electric vehicle battery technology; examine how biofuels technology can be used vehicles, and reducing the cost alternative fuel vehicles for public fleet operators, private fleet operators and individual consumers.

"With the Commission's enthusiastic support, we are investing in innovative, low-carbon solutions to advance California's aggressive clean energy and environmental goals," said Energy Commission Vice Chair James Boyd. "The new generation of vehicles, products and fuels are helping Californians change the way we drive, moving away from petroleum-based transportation and providing a portfolio of alternative options."

→ **California Air Resources Board (\$4 million)**

Will receive \$4,000,000 for an interagency agreement to provide funding for the Hybrid Truck and Bus Voucher Incentive Project for qualified battery electric vehicles.

→ **Quallion LLC (\$5,888,000)**

Quallion's project will develop a pilot automated manufacturing line capable of producing 10,000 one-kilowatt-hour lithium ion modules to be used as the building block for many types of battery systems, including electric vehicles. Electric vehicles using these batteries have the potential to reduce carbon emissions by 68 percent on a per vehicle basis. Quallion is designing a common module structure to promote standardization in module size, module design, battery size, or battery design. Currently, there is no vehicle technology standard in these categories. This project will generate 50 to 100 temporary and up to 200 permanent jobs in the Los Angeles metropolitan area over the next three years. This award is an amendment to a previous \$1,026,072 award.

→ **Solazyme, Inc. (\$1,472,638)**

South San Francisco-based Solazyme, Inc., received \$1,472,638 to develop and test the feasibility of a pilot production plant that will convert algae feedstock into renewable oil for vehicle use. The company proposes to design and build a pilot-scale algae oil production facility in South San Francisco. The facility will produce 1,000 gallons of oil in containers vessels, similar to tanks used to produce ethanol. Strains of algae will consume sugars from sugar beets grown in the Imperial Valley to produce renewable oil. Chevron will refine the renewable oil into 50 gallons of Solazyme's Soladiesel RD, which Ford Motor Company will test in diesel vehicles.

→ **Vehicle Buy-Down Incentive Reservations (\$4,755,000)**

The Commission approved a total of \$4,755,000 in vehicle buy-down incentive reservations for nine statewide automobile dealers. Buy-down incentives will reduce the high upfront costs of specific natural gas and propane-powered vehicles for individual consumers and public and private fleet operators considering buying vehicles powered by lower-carbon, alternative fuels. The buy-down incentives are available only for new on-road natural gas and propane vehicles that meet all emission requirements of the Air Resources Board and that are fully warranted by the original equipment manufacturer. Purchasers must register the eligible vehicle(s) in California and agree to operate the vehicle(s) on the designated fuel in California (at least 90 percent of the time) for three years. The awardee are:

- >> **BIG VALLEY FORD**, \$192,000.00 to buy-down 32 propane vehicles (8,501 to 14,000 pounds gross vehicle weight).
- >> **GALPIN MOTORS, INC.**, doing business as **GALPIN FORD**, \$150,000 to buy-down 25 propane vehicles (8,501 to 14,000 gross vehicle weight).
- >> **TUTTLE CLICK FORD**, \$24,000.00 to buy-down 8 natural gas vehicles (up to 8,500 pounds gross vehicle weight) and \$8,000 to buy-down 1 natural gas vehicle (8,500 to 14,000 pounds gross vehicle weight) for a total reservation amount of \$32,000.
- >> **HANSEL FORD, INC.**, \$64,000 to buy-down 8 natural gas vehicles (8,501 to 14,000 pounds gross vehicle weight).
- >> **SERRAMONTE FORD**, \$120,000 to buy-down 15 natural gas vehicles (8,501 to 14,000 pounds gross vehicle weight).
- >> **AUTOCAR, LLC**, \$1,280,000 to buy-down 40 natural gas vehicles (26,001 pounds gross vehicle weight and greater).
- >> **KENWORTH TRUCK COMPANY**, \$1,280,000 to buy-down 40 natural gas vehicles (26,001 pounds gross vehicle weight and greater).
- >> **DAIMLER TRUCKS NORTH AMERICA, LLC**, \$1,280,000.00 to buy-down 40 natural gas vehicles (26,001 pounds gross vehicle weight and greater).

Assembly Bill 118 (Nunez, Chapter 750, Statutes of 2007) created the California Energy Commission's Alternative and Renewable Fuel and Vehicle Technology Program. The statute, amended by Assembly Bill 109 (Nunez, Chapter 313, Statutes of 2008), authorizes the Energy Commission to develop and deploy alternative and renewable fuels and advanced transportation technologies to help achieve the state's climate change policies.

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