

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON ENVIRONMENTAL PROTECTION

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June 6, 2013
Start: 1:28 p.m.
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HELD AT: Council Chambers
City Hall

B E F O R E:
JAMES F. GENNARO
Chairperson

COUNCIL MEMBERS:
Council Member Elizabeth S. Crowley
Council Member G. Oliver Koppell
Council Member Brad S. Lander
Council Member Stephen T. Levin
Council Member Donovan Richards
Council Member Ruben Wills

A P P E A R A N C E S (CONTINUED)

Keith Kerman
Chief LEED Officer for the City, Deputy Commissioner
Department of Citywide Administrative Services

Mark Aronberg
Assistant Fire Commissioner, Fleet Services
Fire Department of New York

Gerri Kelpin
Director of Air and Noise Policy and Enforcement
Department of Environmental Protection

Cathy Kenny
Associate Director
New York State Petroleum Council

Daniel Gianfalla
President
United Metro Energy Corporation

Scott Hedderich
Director of Corporate Affairs
Renewable Energy Group

Shelby Neal
Director of State Governmental Affairs
National Biodiesel Board

Abe Weisman
Citizen
Noise Complaint

CHAIRPERSON GENNARO: I'm on now?

Okay, good afternoon. This is being said officially now. Good afternoon, I'm Councilman Jim Gennaro, Chairman of the Committee on Environmental Protection. And today the Committee will hear four Preconsidered Bills designed to improve air quality through vehicle fuel changes and retrofits. The Committee will also hear Proposed Intro 218-A, which will create a pilot idle reduction project for New York City ambulances. On January 30, 2013, the Committee on Environmental Protection held an oversight hearing on Local Law 77 and the fleet emission reduction laws, there was a whole host of laws. Plus the status of PlaNYC's goal to expand the use of biodiesel in the City fleet. The fleet emissions reduction laws included Local Laws 38, 39, 40, 41, 42, all from 2005, as well as the above-mentioned Local Law 77 of 2003. The six pieces of legislation pertaining to cleaner emissions of various sectors of vehicle fleets have improved air quality over the years. We're very happy about that. In order to continue to improve air quality and reduce our reliance on

1 fossil fuels, the Committee is hearing four
2 Preconsidered Bills which will increase the use of
3 biodiesel in vehicles owned by a City agency, and
4 required retrofits of engines to use the best
5 available retrofit technology. The Preconsidered
6 Bills will also increase the minimum average fuel
7 economy of light duty vehicles purchased by the
8 City; will require calculation and reporting of
9 the use based fuel economy of light duty and
10 medium duty vehicles; and finally will prohibit
11 the issuance of additional waivers by the
12 Commissioner for diesel powered vehicles unable to
13 adopt the best available retrofit technology. The
14 Committee will also hear Proposed Intro 218-A, a
15 bill which would also improve air quality by
16 creating a pilot project for City ambulances that
17 will reduce idling by use of an idle reduction
18 technology verified by the US EPA. One of the
19 goals of PlaNYC was to achieve the cleanest air of
20 any large city in the country. The legislation
21 previously passed for City vehicles and--the
22 legislation passed for City vehicles and the
23 market created the use of biodiesels, created by
24 the use of biodiesel, has not only improved their
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2 air quality but has grown jobs and reduced the
3 reliance on fossil fuels. This legislation will
4 also provide health benefits for the most
5 vulnerable folks in our City. Everyone is
6 impacted by poor air quality, but certain groups
7 have more serious impacts than others due to their
8 greater susceptibility at the same levels of air
9 pollution. Most studies have found that greater
10 susceptibility to air pollution in vulnerable
11 populations, including but not limited to, the
12 elderly and children. Of all groups
13 disproportionately impacted by air pollution
14 studied [bell tone] the most research--that's the
15 bell saying that I've talked long enough, thank
16 you--of all the groups disproportionately impacted
17 by the air pollution study, the most research
18 involved adverse health impacts to kids. With the
19 legislation being heard today, we move that much
20 closer to the goals of PlaNYC and we achieve the
21 health benefits most desperately needed by the
22 most vulnerable groups and individuals. And we're
23 going to be hearing from the Administration. I
24 want to recognize the Council Members that we have
25 here. We have Council Member Wills and Council

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2 Member Richards, and I want to indicate that they
3 have two of the bills that are on today. I thank
4 them for that. And before I recognize the
5 Administration who is here to testify, I want to
6 recognize Council Member Koppell, who has a brief
7 statement on his ambulance idling bill. I
8 recognize Council Member Koppell for a statement.

9 COUNCIL MEMBER KOPPELL: Thank you,
10 Mr. Chairman. I'm delighted that we have my
11 proposed legislation 218-A on the agenda today.
12 For many years, it has been a frustration for me
13 to ride around the streets, particularly of my
14 district and see ambulances that are now assigned
15 throughout the City not to garages but to corners
16 and other standby locations, so that they can
17 reach people who may need ambulances more quickly.
18 And there's no problem with that. The problem is
19 that those ambulances are running 24 hours a day,
20 essentially, in order to keep the individuals who
21 work in those ambulances, driver and the aids,
22 keep them warm in the winter and cool in the
23 summer; and perhaps in some ways more importantly
24 to keep the medicines that are in the ambulances
25 cool, which many of them require. So we have over

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2 300 ambulances on a daily basis sitting on street
3 corners running their engines and providing and
4 polluting the air. And for a number of years I
5 have recommended trying to test new technologies
6 that would allow some form of generation of power
7 or batteries in the ambulances. We had a hearing
8 on this bill several years ago, the Fire
9 Department testified at the time that they didn't
10 believe that there was a battery that was light
11 enough to be compatible with an ambulance, or at
12 least an ambulance that would cost a reasonable
13 amount and be of a reasonable size. Whether
14 that's true or not, a few years ago, I think we've
15 come to the point now where the technology
16 apparently may well be available 'cause I'm
17 looking forward to the testimony of the Fire
18 Department that I think will support a pilot
19 project. In fact they've launched one, I
20 understand we'll hear that. So I'm delighted to
21 hear that. I still think it'll be good to have
22 this requirement in law, and it also requires that
23 after a couple of years a report be issued
24 detailing how the objectives have or have not been
25 met. So, Mr. Chairman, I'm delighted that we sort

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2 of were ahead of our time in a way, with the
3 legislation. But the City Administration and the
4 Department has sort of caught up with us, which
5 I'm very pleased about. And thank you for placing
6 this on the agenda.

7 CHAIRPERSON GENNARO: Thank you,
8 Council Member Koppell, thank you for your long
9 term advocacy on this very important issue. I
10 look forward to hearing testimony on your good
11 bill, which I am signing on as a cosponsor to.
12 And I recognize Council Member Wills for a
13 statement.

14 COUNCIL MEMBER WILLS: Good
15 afternoon. Due to the time constraints, I'm not
16 going to make a formal statement. But I do just
17 want to make a comment that the gentleman from the
18 31st Council District, both of us share southeast
19 Queens, which has some of the highest asthmatic
20 rates for juveniles in the City. And I think that
21 these bills go towards dealing with that. Diesel
22 fuels have proven to contribute to these alarming
23 rates and this suite of bills along with the work
24 that Council Member and Chair Gennaro has been
25 doing over his tenure and will continue to do, we

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2 want to thank you for it, and your leadership on
3 these, as well as the Speaker. Thank you very
4 much, sir.

5 CHAIRPERSON GENNARO: Thank you.

6 And we have a couple of folks signed in from the
7 Bloomberg Administration. And I have statements
8 from--so I have sign in slips and I have
9 statements. Mark Aronberg [phonetic] from the
10 Fire Departments, that's--okay. And Keith Kerman
11 from DCAS, is that right? Okay. Rocco DiRico,
12 okay, right, okay. From Sanitation. And Gerri
13 Kelpin, I see in the audience, she's signed in,
14 she's in the room, if we need her to come up,
15 she's all approved, here's her slip right here.
16 Okay? And with that said, I want to thank the
17 Administration for being here today, for giving us
18 the benefit of your views on these bills, all the
19 great work the Administration has done with regard
20 to keeping our air clean, all the many awards that
21 our fleets have received, particularly the
22 Department of Sanitation. And with that said, I
23 want to call upon the Administration to present
24 their test--to present its testimony. But first
25 we'll have the Counsel to the Committee swear in

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2 the panel, as we'll be swearing in all of the
3 panels, as we always do. Then after you're duly
4 sworn, in whichever order you wish, you can
5 present your testimony. So, I call upon Samara to
6 do that.

7 COUNSEL: [off mic] Gentleman,
8 would you please raise your right hands. Do you
9 all swear to tell--[on mic] do you swear or affirm
10 to tell the truth, the whole truth and nothing but
11 the truth today. [Assents from panel]

12 CHAIRPERSON GENNARO: Thank you.
13 Thank you very much. And in whatever order you
14 wish to proceed, I have a statement, I seek, from
15 Mr. Aronberg and from Mr. Kerman, so whatever
16 order you wish to proceed.

17 KEITH KERMAN: Okay, thank you,
18 Keith Kerman, the Chief LEED Officer for the City
19 and the Deputy Commissioner at DCAS. Thank you,
20 Council Chairman Gennaro and other Members of the
21 Committee on Environmental Protection, for
22 allowing us to testify today in relation to the
23 proposed Preconsidered Intro Bills government
24 emissions and fuel economy for fleet units of the
25 City, and also contractors in areas such as waste

1 services, sightseeing buses, and school transport.
2 Again, I'm, my name is Keith Kerman, I'm the
3 City's Chief Fleet Officer. The Councilman
4 mentioned already my colleagues, Rocky DiRico with
5 the Department of Sanitation; Mark Aronberg,
6 Assistant Fire Commissioner; Gerri Kelpin,
7 Director of Air and Noise Policy and Enforcement
8 at DEP. And we have other representatives from
9 DOT, from DCAS, from City agencies here.

11 CHAIRPERSON GENNARO: Okay, thank
12 you.

13 KEITH KERMAN: As you know, New
14 York City's fleet is the greenest in the nation.
15 The City currently operates 5,562 hybrid or all
16 electric units. The most common units are the
17 Toyota Prius (over 2,500 units) and Ford Hybrid
18 Fusion Sedans and Escape Utility Vehicles (over
19 1,800 units). Our hybrid fleet also includes 49
20 hybrid diesel electric trucks with 35 more on
21 order. We operate one of the nation's, if not the
22 largest, fleet using these now proven hybrid
23 technologies. The City also operates 612 plug-in
24 electric vehicles and equipment units, including
25 103 Chevrolet GM Volts and 293 electric carts, a

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2 majority of which are operated by the Parks
3 Department. We recently registered contracts for
4 the plug-in electric Ford Focus EV, electric
5 vehicle, and the Nissan Leaf electric vehicle. As
6 Mayor Bloomberg presented in this year's State of
7 the City address, our first order of 50 plug-in
8 electric vehicles from these new contracts is now
9 arriving, most of those vehicles are now in our
10 hands. To support these plug-in units, the City
11 currently operates 117 EV charging stations that
12 are part of the fleet network for the City. By
13 the end of the year, we will have added at least
14 30 more charging stations at agencies including
15 Sanitation, Fire, DEP, Parks, the Police
16 Department and DCAS. The New York City fleet is
17 also a national leader, if not the national
18 leader, in biodiesel use for Fleet, and has been
19 working over the last eight years to introduce,
20 test, train, promote and expand the use of
21 biodiesel in our complex and varied fleet. New
22 York City operates over 9,000 diesel units and
23 equipment pieces, fleet units and equipment
24 pieces. All of these operate on ultra-low sulfur
25 diesel, as required by Local Law 39, of 2005.

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2 Currently, over 70 percent of the diesel fuel we
3 use in the City Fleet is also blended with
4 biodiesel. The City uses both B5, which is ultra-
5 low sulfur diesel, blended with five percent pure
6 biodiesel and B20, which is ultra-low sulfur
7 diesel blended with 20 percent pure biodiesel.
8 The City does not use B10 blends currently. By
9 the end of the year, we expect that over 90
10 percent of the diesel fuel used by the City Fleet
11 will be blended with biodiesel. In addition, in
12 2013, fleet units from Parks, Sanitation, DEP and
13 DOT are transitioning to B20, biodiesel 20
14 percent, use during the warmer weather months. As
15 we speak, over 80 percent of Sanitation and Parks
16 trucks are operating on B20 right now. NYC Fleet
17 has partnered closely on these efforts with the
18 National Biodiesel Board, which is here today,
19 which recognized the City nationally in 2011 with
20 its Influence Award for Biodiesel Leadership.
21 Just two weeks ago, the National Board helped
22 train 200 City mechanics in biodiesel equipment
23 maintenance. Each mechanic will be able to attain
24 a National Institute for Automotive Service
25 Excellence, ASC certification in biodiesel. In

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2 addition to using biodiesel, the City is cleaning
3 emissions directly at the tailpipe. Since the
4 passing of the current fleet Local Laws in 2005,
5 the City has retrofitted over 2,500 diesel fleet
6 units with diesel emissions reducing equipment.
7 In total, 41 percent of the City Fleet, over
8 10,000 vehicles, employs at least one type of
9 alternative fuel or emissions reducing technology;
10 many employ more than one. Thanks to these
11 investments from Fiscal Year '11 to Fiscal Year
12 '12 alone, the City Fleet reduced total fuel use
13 by 2.1 million gallons, or seven percent, from 30
14 million total gallons to under 28 million total
15 gallons. Since 2002, the City has invested \$400
16 million in sustainable fleet equipment and fuel
17 technologies. The existing local laws governing
18 fleet and fuel procurement have been critical
19 drivers of the City's success and leadership in
20 fleet sustainability, and we thank you for that.
21 And we appreciate the opportunity to work with the
22 City Council to further advance and strengthen
23 these laws. As we do, we want to ensure that the
24 City maintains a reliable and well-functioning
25 fleet, serving the public in essential areas,

1 including waste removal, snow plowing, public
2 space and beach maintenance, waste water and sewer
3 operations, and street paving. At this time, I
4 will address some specific issues in the proposed
5 legislation. Biodiesel. The City supports a year
6 round B5 standard for the New York City
7 nonemergency, on-road fleet. We are in favor of
8 that and as discussed we are actively working now
9 to achieve it. The City does have concerns
10 regarding other aspects of the proposed biodiesel
11 requirements. And we would like to further
12 discuss these with the Council. The City is
13 currently working to expand biodiesel 20 use for
14 our nonemergency fleet during the warm weather
15 months. Parks and Sanitation especially have
16 extensive experience with B20 use during the
17 summer and spring. The City Fleet, however, has
18 much more limited experience operationally with
19 blends above five percent during the colder
20 months. There are and can be cold flow issues
21 with biodiesel use, especially at higher blends.
22 In addition, while most vehicle manufacturers
23 warranty and support the use of biodiesel blends
24 of B5 or B20, some still do not. Any biodiesel
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2 mandate must maintain a waiver option consistent
3 with previous waiver provisions in these local
4 laws, for manufacturer or operational issues with
5 biodiesel in consideration of our extremely
6 diverse and complex fleet in terms of makes, ages,
7 types and duty cycles. In addition, this waiver
8 option should also be available in cases of
9 disruption to biodiesel fuel supplies, based on
10 market changes or major storm or emergency events.
11 As I mentioned, the City Fleet has been developing
12 its biodiesel program for over eight years. We
13 have involved our vehicle manufacturers in this
14 effort, reviewed equipment specifications for
15 compatibility, implemented permitting and variance
16 requirements for our in-house fueling tanks with
17 the Fire Department, developed and bid fuel supply
18 contracts for biodiesel, trained our staff,
19 assessed cost impacts, and tested the fuel over
20 years with the makes, types and models of units
21 used in our particular fleets. The biodiesel
22 mandate as currently proposed would equally impact
23 some private fleets that are in contract or
24 permitted by the City. Biodiesel blends are not
25 commonly available at retail fuel stations. The

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2 City Fleet fuels all biodiesel at City owned fuel
3 stations. These private fleets may not have
4 experience or equipment compatibility with
5 biodiesel, or a current ability to estimate the
6 cost impacts of biodiesel use. We recommend that
7 the viability of biodiesel use be considered and
8 assessed separately for these private fleets.
9 Overall, the City is proud of its leadership in
10 biodiesel for the City Fleet and we look forward
11 to developing legislation in this area with you.
12 Diesel emissions control equipment. As mentioned
13 prior, the City in compliance with Local Law 39,
14 has implemented an extensive program to retrofit
15 or replace existing diesel equipment. The
16 nonemergency diesel on-road equipment fleet is
17 approximately 5,600 units. Of these, we estimate
18 there are approximately 4,300 units for 77
19 percent, that employ the Level 4, the top emission
20 control strategies as outlined in the current
21 Local Law 39, and as would be required by the
22 revised law. There are 1,300 units that either
23 employ Level 1, 2 or 3 emissions strategies, or
24 are waiting imminent replacement. We estimate
25 that 800 of these units can be replaced or

1 retrofitted through existing fleet acquisition and
2 contracting plans by 2017. Of the remaining City
3 Fleet units, there are many that cannot be viably
4 retrofitted with Level 4 technology. They were
5 authorized to implement Level 1 to 3 strategies in
6 accordance with the current Local Law 39, and they
7 have well over four years of useful life
8 remaining. In some cases, up to ten years of
9 useful life remaining. Many specialized trucks in
10 the City are actively used for 11 to 15 years.
11 Many of these are highly specialized and expensive
12 units, and will require years and extensive work
13 to specify, contract and manufacture. The
14 implementation goals in the proposed law should be
15 revised from 100 percent to 90 percent of the
16 nonemergency on-road diesel City Fleet by 2017, to
17 enable the City needed flexibility to implement
18 the additional requirements but without undue
19 cost, contracting and operational impacts, in what
20 really are some of the very specialized areas of
21 the City Fleet. The City should be allowed to
22 implement the existing Local Law 39 requirements
23 in relationship to the remaining ten percent of
24 the on-road diesel equipment fleet. In addition,
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2 as with our discussion of biodiesel, we believe
3 private fleets governed by the current Local Laws,
4 should not be included in these proposed changes,
5 and that a separate review of the costs and
6 operational impacts to those fleets should take
7 place. Improving fuel economy for light duty
8 vehicles. The City Fleet has consistently met the
9 fuel economy targets established in Local Law 38
10 of 2005 as governs new purchased light duty
11 vehicles. We also support the proposed and
12 revised targets for future years. With the
13 expanded use of plug-in electric vehicles
14 citywide, we are very confident we can meet the
15 newly proposed targets as proposed in the
16 legislation. Reporting on use based fuel economy
17 for light duty vehicles. The City is currently
18 undertaking a major upgrade to its fleet and fuel
19 management systems. This includes an upgrade to
20 the City's Fleet maintenance control management
21 system, called MCMS, which tracks fleet assets and
22 usage. The City is also introducing automated
23 fuel tracking for the first time at its 200 fleet
24 fueling stations at all agencies, working from
25 older systems already in place at Police and

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2 Parks. The contracts for the fleet and fuel
3 systems are registered and active, and the systems
4 are expected to be fully operational by June 30th
5 of 2014. The current fleet systems do not have
6 the capacity to reliably produce the reports
7 currently listed and required in the draft law.
8 To enable accurate reporting, we require the
9 timetables outlined in this new law to be changed.
10 With July 1, 2015 set as the goal date to
11 establish a fleet use baseline, and then July 1,
12 2016 be established as the first year to produce
13 comparative reports. Thank you again for allowing
14 us to comment on the proposed changes to these
15 Fleet Local Laws. Working together, we have set
16 the standard, I think nationally, for fleet
17 sustainability, and we see, and I know you do, a
18 great opportunity, to advance that and we look
19 forward to working with you. Let me know
20 introduce my colleague, Fire Assistant
21 Commissioner, Mark Aronberg. Thank you.

22 CHAIRPERSON GENNARO: Thank you,
23 Mr. Kerman, and happy to hear from the
24 representative of the Fire Department. Whoops.
25 Mr. Aronberg. Do we have a statement? Yes, we

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2 do, okay, have it right here. Thanks very much.
3 Please state your name for the record and proceed.

4 MARK ARONBERG: Good afternoon,
5 Chairman Gennaro, Council Members. My name is
6 Mark Aronberg, I'm the Assistant Commissioner for
7 FDNY Fleet Services. Thank you for your
8 opportunity to speak with you today regarding
9 Intro 218-A, which requires the FDNY to conduct a
10 yearlong pilot to assess idle reduction technology
11 on our ambulances. Specifically, the bill
12 requires that FDNY Fleet develop and implement a
13 pilot for a period of not less than one year,
14 starting no later than January 1, 2014, to
15 ascertain the benefits and reliability of
16 utilizing a verified idle reduction technology in
17 City ambulances operated by and on behalf of the
18 City of New York. The bill further requires that
19 this pilot employ verified idle reduction
20 technology to power the ambulances' electrical
21 load, diagnostic devices, ancillary electrical
22 equipment, tools and temperature, without the need
23 to engage the engine or use another source of
24 power. Pursuant to the terms of the bill, the
25 FDNY would submit a report to the Mayor and the

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2 City Council by July 1, 2015, detailing the
3 findings of the pilot, including data on actual
4 reduction of vehicular emissions and a cost
5 benefit analysis for equipping the entire
6 ambulance fleet with verified idle reduction
7 technology. I'm happy to report that we will be
8 establishing a pilot program for an auxiliary
9 power until, or an APU, in our ambulances. As
10 defined by the bill, an APU is a device containing
11 an engine certified by the United States EPA that
12 supplies cooling, heating and electrical power to
13 trucks and other vehicles while the engine is
14 turned off in order to reduce emissions from such
15 vehicles. The APU we plan to use will be powered
16 by a lithium ion battery, that is charged for
17 shore power, which is an all vehicle stationary
18 power source, the vehicle alternator and/or solar
19 panels on the roof of the ambulance. The battery
20 will be capable of powering all communications
21 equipment as well as the heat and air conditioning
22 required for both the front and rear of the
23 ambulance, without idling the vehicle's engine.
24 The advantage of this system is that while the
25 unit is sitting at its cross-street location

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2 waiting for an assignment, the solar panels will
3 charge the battery; when the vehicle is running,
4 the alternator will charge the battery; or if the
5 vehicle is parked at an EMS station, it can be
6 plugged into a shore line. We are planning to
7 pilot this system in the next group of ambulances
8 we purchase, which we expect to arrive by this
9 September. If successful, we will seek funding to
10 include the APUs in the ambulance specifications
11 for all future ambulances. While we are not
12 opposed to legislation in this area, we think the
13 approach should be assessed after the pilot's
14 conclusion. The FDNY has made significant
15 progress with our green initiatives and procuring
16 and maintaining an environmentally friendly fleet
17 of ambulances. As you know, the FDNY is committed
18 to the health and safety of New Yorkers--this
19 includes doing our part to help improve the
20 environment. Ladies and gentlemen, thank you very
21 much, and I'd be happy to answer any questions if
22 you have at this time.

23 CHAIRPERSON GENNARO: Thank you.

24 Thank you, Commissioner Aronberg, and I appreciate
25 your statement. We're joined by Brad Lander, it's

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2 a pleasure to have Brad with us. And I'll start
3 with you, Commissioner Aronberg, I'm very happy
4 that the Fire Department is moving forward. I
5 don't think that would actually obviate the need
6 to put it down in writing and pass it as a law,
7 'cause we want to make sure that the next
8 Administration knows that this is something that
9 has to be done. But I'll leave the questioning of
10 that bill to Council Member Koppell. But I am
11 delighted that the Fire Department is doing
12 everything that you mentioned in your statement.
13 That's wonderful. Okay. And let me just--Mr.
14 Kerman, I just have some, made some notes during
15 your statement. And ... so the second page of
16 your statement indicates that over 70 percent of
17 the diesel fuel used by the City Fleet is also
18 blended with biodiesel and by the end of the year,
19 that'll jump to 90 percent. That's a pretty big
20 jump. Why don't you talk to us about that a
21 little bit?

22 KEITH KERMAN: Okay, so, there are-

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24 CHAIRPERSON GENNARO: It's a good

25 jump.

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KEITH KERMAN: It's a good jump.

CHAIRPERSON GENNARO: I'm not complaining.

KEITH KERMAN: It's positive, Commissioner Aronberg is actually going to be part of that reason. So, number one, we are going through for Parks, Sanitation, D--

CHAIRPERSON GENNARO: Mr. Kerman, if I could interrupt you, I should be calling you Commissioner, as well, 'cause you have the word Commissioner in your title, please forgive me. Okay, so--

KEITH KERMAN: I'm Keith on many things and people, as long as it's friendly.

CHAIRPERSON GENNARO: Okay.

KEITH KERMAN: So, number one, we're making, you know, we've been kind of working with all the fleet agencies to, first off, ensure that there's a baseline, that Sanitation, Parks, DOT and DEP are using B5 exclusively. And so we-- there were some exceptions to that, I think those exceptions are mostly, are eliminated. We also are working with the Police and Fire Departments to introduce B5 where viable within their fleets,

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2 as well. It's not part of the mandate, we asked
3 to maintain flexibility as we do that, but in a
4 lot of cases the Fire and Police Departments are
5 operating the same vehicle makes, different uses
6 and different outfitting, but the same vehicle
7 makes as the other agencies, and they have been
8 introducing B5 as well. So, that's going to help
9 us bring that up to 90 percent, and I really think
10 the only remaining issues will be some specialized
11 Fire and Police equipment and some off-road
12 equipment. There are, there is, when you get into
13 the off-road, and we appreciate that the off-road
14 is not part of this, then the technical issues
15 really do get much more complicated. So there's
16 some off-road equipment where manufacturers do not
17 recommend biodiesel use, where we have not had
18 good experience; that, we hope by the end of the
19 year, will be the only places. So some aspects of
20 Fire and Police and some aspects of highly
21 specialized off-road; everything else we expect to
22 be on B5, and that would be in compliance with the
23 revised law as you have proposed it.

24 CHAIRPERSON GENNARO: Okay, thank
25 you. And in the one, two, three, four, in the

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2 fifth and sixth paragraphs of your, on page two,
3 there is a discussion of the tailpipe retrofits,
4 and it indicates the City had retrofitted over
5 2,500 diesel fleet vehicles, with these retrofits,
6 and my question is, and maybe it was mentioned in
7 the statement about how many have not been
8 retrofitted pursuant to the fleet laws of 2005,
9 that were supposed to be retrofitted according to
10 the laws of 2005.

11 KEITH KERMAN: Well, based on the--
12 and I know the DEP Commissioner submits the annual
13 report on this every year to the Council. So, we
14 were in almost complete compliance with the
15 current local laws written, and we testified in
16 front of you just a couple months ago.

17 CHAIRPERSON GENNARO: Right, yeah,
18 yeah.

19 KEITH KERMAN: There are about 380
20 and--

21 CHAIRPERSON GENNARO: I've heard a
22 lot of testimonies since then, so.

23 KEITH KERMAN: I'm sure. There are
24 about 380 and Commissioner DiRico can probably
25 speak more to this, but there were about 380

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2 vehicles at Sanitation which are in repla--current
3 replacement cycle. So, there was no point to
4 doing expensive retrofits and then putting them up
5 for auction. So, those are being replaced as we
6 speak, and there's a lot of vehicles that are
7 coming in. And then, the remaining units were
8 compliant, but compliant as the current law is
9 written--

10 CHAIRPERSON GENNARO: Right.

11 KEITH KERMAN: --in Level 1, 2 or
12 3. So, I think if you acc--

13 CHAIRPERSON GENNARO: Right, which
14 is what the law called for.

15 KEITH KERMAN: That is correct.

16 CHAIRPERSON GENNARO: Right.

17 KEITH KERMAN: So, outside of the
18 procurement block that Sanitation is replacing,
19 and as I think we are more or less in compliance,
20 the question of course is, as you kind of raise
21 the bar--

22 CHAIRPERSON GENNARO: Right.

23 KEITH KERMAN: --you know, which we
24 are here to work with you on, you then, when you
25 get into the kind of--

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CHAIRPERSON GENNARO: Yeah.

KEITH KERMAN: --when you get to that last 400-500 diesel equipment pieces, you get very specialized, you get to where there are, you know, my old Parks days, there are three tow trucks called toters in the whole fleet. They probably could last for another 10-11 years, they're very expensive, they can't take the EPFs because they were manufactured in the mid-2000s, and so you know, to replace just those three units is a lot of money, a lot of cost, for an environmental benefit, but a fair--not a commensurate one. So we would ask, as you look to raise that bar, that you leave us some gap, but we proposed at ten percent, to give us flexibility, you know, at the cost level, but also just the contracting level, the--when you get into that level of the fleet, you're talking about a lot of highly specialized contracts.

CHAIRPERSON GENNARO: Right. Well, I think it, you know, pays to get into the weeds on that, and maybe rather than just do like a percentage thing, we figure out those vehicles that can't do this, and we figure out some way to

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2 put that in the bill, or whatever. Or whatever
3 works, I mean, we always, we get along well with
4 the Bloomberg Administration, particularly in
5 areas that relate to environmental protection, and
6 air pollution, so I think we can--we want to work
7 with you on that, so I appreciate it.

8 KEITH KERMAN: We appreciate it.

9 CHAIRPERSON GENNARO: And we
10 understand that, and you've testified to that.
11 And no problem from me trying to figure out like
12 the best way to do what we both want to achieve.

13 KEITH KERMAN: Thank you.

14 CHAIRPERSON GENNARO: I think. And
15 going further to some of the notes that I've made
16 ... on--Oh, okay, yeah, I'm just going to go
17 through my--Oh ... In deference to Council Member
18 Wills' time, he has other meetings that are
19 scheduled, he has asked the opportunity to jump in
20 with some questions. I'm certainly want to
21 accommodate him. So, I'm going to recognize him
22 for questions, and then I'll come back and finish
23 up. Okay, I recognize Council Member Wills.

24 COUNCIL MEMBER WILLS: Thank you
25 for the Chair's accommodation. Again, good

1
2 afternoon. I just--my question is not based on
3 percentages, it was just a general question I
4 needed to ask. On page one, in the second and
5 third portions of your testimony, you went through
6 what seems like painstaking specificity to list
7 out how many of each vehicle was in the fleet.
8 And the types of vehicles they are, but I'm
9 noticing that there's not the Suburbans or the
10 Tahoes that the Comptroller or the Executive
11 Branch, the Mayor drives. So, I'm wondering, is
12 that because you say the most common units are, or
13 are they left out? I'm sure they're under your
14 purview, right, they're still part of the fleet?

15 KEITH KERMAN: Yeah, those, there
16 are those units, are part of the fleet, there are
17 larger SUVs in the fleet. A large, many of which
18 are in fact hybrid units.

19 COUNCIL MEMBER WILLIS: Right. But
20 they were left out of the testimony. I'm
21 wondering why. 'Cause everything else was so
22 specific. I think, I'm not saying it was done
23 intentionally, I'm just wondering why they were
24 left out.

25 KEITH KERMAN: My point was just to

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2 mention the most common makes, which tend to be,
3 you know, people are familiar with. There are
4 actually 300 different makes of vehicles in the
5 City Fleet, so it would be a long list.

6 COUNCIL MEMBER WILLS: So, the
7 Suburbans and the Tahoes that are driven by the
8 Executive Branch, or driven by the Comptroller,
9 those vehicles are in the fleet, and I know they
10 have multiple vehicles, and I see that some of
11 them are hybrid. Are there any of 'em that are
12 not fuel efficient or hybrid or on a different
13 alternative fuel? Are there any of them that are
14 just regular, old-fashioned gas guzzlers at this
15 point?

16 KEITH KERMAN: There are still non-
17 hybrid, non-alternative fuel vehicles, in the
18 fleet, sure, there are still sedans. We're
19 working hard to replace them, but I won't tell you
20 that there are no non-hybrid or alternate fuel
21 fleets, vehicles in the fleet.

22 COUNCIL MEMBER WILLS: Thank you,
23 thank you, Mr. C--

24 CHAIRPERSON GENNARO: Oh, thank
25 you, thank you, Ruben, I was hoping you were going

1
2 to ask just a little more questions, give myself
3 an opportunity to [laughter] to like tank up
4 myself, yeah.

5 COUNCIL MEMBER WILLS: Well, blah-
6 blah-blah. No. [laughter]

7 CHAIRPERSON GENNARO: Tank up
8 myself.

9 COUNCIL MEMBER KOPPELL: Chairman,
10 if you wanted, I'll have a brief comment.

11 CHAIRPERSON GENNARO: Sure. I--

12 COUNCIL MEMBER KOPPELL: So we can
13 let you drink your water.

14 CHAIRPERSON GENNARO: I'm happy to
15 recognize Councilman Koppell.

16 COUNCIL MEMBER KOPPELL: Let me
17 just say that I'm pleased that the Fire Department
18 is proceeding with this experiment, and just again
19 would urge that as you move ahead, you also
20 consider other options. We talked a little bit
21 outside of our - - . I notice you have an
22 opportunity to plug in the battery to a source,
23 and that opportunity could be utilized not only in
24 a garage but even conceivable with a regular light
25 fixture--

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KEITH KERMAN: Absolutely.

COUNCIL MEMBER KOPPELL: --because Con-Ed does allow people with a permit to plug into their light fixtures, and you may know when they have street carnivals and things of that sort. So, something you should look at. But I'm delighted you're moving ahead and shows the wisdom of what we started to do some years ago. And thank you very much. Thank you, Mr. Chairman.

CHAIRPERSON GENNARO: Okay. I'm ready to go, I'm all fueled. And on page three, about halfway down the page, you make reference, Commissioner Kerman, to the waiver provisions that have served to be, you know, useful and you advocate that they should be part of the bills that we're working on, working on now. So just hold that thought for a second. And then getting into--so there's the waiver provision. And then there's the discussion of the private fleets, like the school buses and the tour buses and this kind of stuff, and entities that I guess are contracting with the City for waste disposal and this kind of thing. And my question is, the fleet laws of I guess 2005 and I guess the other one

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2 from 2003, two of those had dealt with school
3 buses, one for big school buses, one for smaller
4 sized buses. And I'm curious as to, you know,
5 what extend the waiver provision that was part of
6 that suite of bills back in 2005, particularly
7 with regard to like the private fleets, has been
8 used. I don't really know how many schools buses
9 have ever been retrofitted, but I guess the sense
10 is that it's not a lot and I think that the
11 waivers for the best available control technology
12 are, that waivers for that are routinely and
13 annually granted. And hence, one of the bills
14 that we have on the table today, speaks of this.
15 So, I kind of get it for the waiver thing for like
16 the City fleets, but what's not really spoken of
17 in great detail in your statement is, you know,
18 whether or not anything that we tried to do for
19 the private fleets have really happened to any
20 consequential amount of--and so someone's got to
21 come forward to peak to that, if Gerri wants to
22 take that, that'll be fine. Now, Gerri, like--
23 when we swore the panel before, we--I saw you nod
24 when they swore, so [laughter]

25 GERRI KELPIN: I did.

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2 CHAIRPERSON GENNARO: --you know,
3 you're in by extension. As is everybody, as is
4 everybody. And so, Gerri, if you can just state
5 your name for the record and speak to that
6 question, I'd appreciate that.

7 GERRI KELPIN: Gerri Kelpin, New
8 York City Department of Environmental Protection.
9 On--for the sightseeing buses, we issued maybe two
10 or three waivers to accompany, and for the most
11 part, at this point, I think there are two older
12 bus configurations that are very, very unique,
13 that are not retrofitted with the DPFs. The rest
14 of the companies are all retrofitted with DPFs.

15 CHAIRPERSON GENNARO: For the tour
16 buses.

17 GERRI KELPIN: For the tour buses.

18 CHAIRPERSON GENNARO: Okay, so
19 that's tour buses, okay.

20 GERRI KELPIN: So, so that was very
21 good, that's actually--

22 CHAIRPERSON GENNARO: Yep, that
23 sounds pretty good.

24 GERRI KELPIN: --a nice story. For
25 the school buses, the larger ones, do have a

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2 waiver, it was renewed twice, they're three year
3 waivers. You're going to have to give me one
4 second, and I'll give you the number that actually
5 have been retrofitted.

6 CHAIRPERSON GENNARO: Right, and
7 when the waiver is given, it's given to a
8 particular contractor, right? It's been someone--
9 so, I'm kind of presuming that there are many
10 entities that have contracts with the City for
11 school buses, that's just like a guess on my part.
12 I don't think it's one company that's all City
13 school buses. So, the way they're, the way the
14 waiver would happen, is it just by, just how I
15 think of it, it would be the provider, the--so the
16 applicant for the waiver would be whatever company
17 has a contract to do transportation services, and
18 that waiver asked for by a particular contractor
19 or vendor, would be for that contractor or vendor.
20 And others would have to apply--

21 GERRI KELPIN: It would be for
22 their fleet.

23 CHAIRPERSON GENNARO: --for their
24 own--

25 GERRI KELPIN: Correct.

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CHAIRPERSON GENNARO: --waivers.
So, you know, just in broad strokes here, the--
let's just talk about like the big school buses.
So, in the entirety of the big school buses, that
bring the kids to and from school, you know, is
there any sense of even like on a percentage
basis, how many of those big companies have--those
companies that provide the big buses, like what
percentage of all the big buses that bring kids to
and from school, have done any retrofits?

GERRI KELPIN: Actually, we're
going to--the waivers are for those buses that
were not able to be retrofitted with a DPF.
Right? So--

CHAIRPERSON GENNARO: DPF meaning--
?

GERRI KELPIN: Diesel particulate
filter.

CHAIRPERSON GENNARO: Right, okay.

GERRI KELPIN: So that our, your
tier four--

CHAIRPERSON GENNARO: Right.

GERRI KELPIN: --requirement. So
what the C&D buses we have 2,157.

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CHAIRPERSON GENNARO: Pardon me,
sorry?

GERRI KELPIN: Of the C&D, the
larger buses, the fleet--

CHAIRPERSON GENNARO: The big,
yellow buses.

GERRI KELPIN: The big yellow
buses. As opposed to the small yellow buses.

CHAIRPERSON GENNARO: Right, yeah,
yeah. The big ones.

GERRI KELPIN: The big ones. Yes.

CHAIRPERSON GENNARO: Right.

GERRI KELPIN: They're, the current
fleet that's under contract is 2,157 buses.

CHAIRPERSON GENNARO: For the
entire City?

GERRI KELPIN: For the, for
Department of Education contract.

CHAIRPERSON GENNARO: Okay.

GERRI KELPIN: That does, I mean,
this only covers Department of Education.

CHAIRPERSON GENNARO: Right, right.

GERRI KELPIN: Right? There are
private schools that hire the same--

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CHAIRPERSON GENNARO: Yeah, yeah, .
yeah.

GERRI KELPIN: --buses. So--

CHAIRPERSON GENNARO: And so--

GERRI KELPIN: So that's the big
buses.

CHAIRPERSON GENNARO: So for the
universe targeted by the City, through like the
big bus bill, so to speak, would be a universe of,
you know, 2,000 and change big buses. That's what
you're saying, right?

GERRI KELPIN: Yes, mm-hmm.

CHAIRPERSON GENNARO: And
[background comment] so--

GERRI KELPIN: Right, the big
buses, okay.

CHAIRPERSON GENNARO: Right, so
that's the--

GERRI KELPIN: We currently have--

CHAIRPERSON GENNARO: --and that's
the entire universe, or the universe of those that
can't be retrofitted with the level four--

GERRI KELPIN: No, that's, that's
what out on the street,

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CHAIRPERSON GENNARO: Okay, that's what on the street. So it's 2000 whatever--

GERRI KELPIN: That's on the street. 21--for the sake of argument, 2,100.

CHAIRPERSON GENNARO: Right, so 2,100 is the universe of the big yellow buses.

GERRI KELPIN: Right.

CHAIRPERSON GENNARO: So how are we doing?

GERRI KELPIN: 1,208 are either outfitted with a DPF or our 2007 tier engine.

CHAIRPERSON GENNARO: Right, which in case they--and if the 2007--

GERRI KELPIN: Which is equivalent--
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CHAIRPERSON GENNARO: --it has the equivalent, right, okay.

GERRI KELPIN: Right? Okay. And then, the--about 600 have the diesel oxidation catalysts, with the in-engine, the CCV, the--

CHAIRPERSON GENNARO: Right.

GERRI KELPIN: And then 130--

CHAIRPERSON GENNARO: Meaning, so, and that was--so they would have that because

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2 that's the kind of control technology that worked
3 best for that vehicle.

4 GERRI KELPIN: Right, right. So--

5 CHAIRPERSON GENNARO: And that is,
6 and that is, so that would be like a waiver in the
7 sense--

8 GERRI KELPIN: That's--

9 CHAIRPERSON GENNARO: --being that
10 like we can't give you the thing.

11 GERRI KELPIN: They drop down. Mm-
12 hmm.

13 CHAIRPERSON GENNARO: But we can
14 give you this.

15 GERRI KELPIN: Correct.

16 CHAIRPERSON GENNARO: And it's
17 reasonable and I guess DEP would be the entity
18 that issues the waiver for that?

19 GERRI KELPIN: Yes.

20 CHAIRPERSON GENNARO: Okay, okay.

21 GERRI KELPIN: So, we then go down
22 to about 133 of 'em have just DOC, and then--

23 CHAIRPERSON GENNARO: DOC being--?

24 GERRI KELPIN: The diesel oxidation
25 catalyst without the CCV.

2 CHAIRPERSON GENNARO: Okay.

3 GERRI KELPIN: Right? And what I--

4 CHAIRPERSON GENNARO: So this is
5 like the third tier now, we're dropping down from--
6 -

7 GERRI KELPIN: Right.

8 CHAIRPERSON GENNARO: --from the
9 top, we're down to--

10 GERRI KELPIN: Right.

11 CHAIRPERSON GENNARO: Two down from
12 the top, okay.

13 GERRI KELPIN: Correct. Then I
14 have 55 buses only with the CCV. They couldn't,
15 they weren't able to put the DLCs on 'cause
16 they're just too old.

17 CHAIRPERSON GENNARO: Right.

18 GERRI KELPIN: And then, I have 153
19 is the universe that is essentially not
20 retrofitted because of its age.

21 CHAIRPERSON GENNARO: Just like
22 nothing works with them.

23 GERRI KELPIN: Correct.

24 CHAIRPERSON GENNARO: And--

25 GERRI KELPIN: And that's the

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universe, I think--

CHAIRPERSON GENNARO: Right.

GERRI KELPIN: --the other reason is that that's the universe that was identified as going to be replaced very shortly. So again, it was this balance--

CHAIRPERSON GENNARO: Right.

GERRI KELPIN: Do we even, you know, use money to put on a DOC if it's going to be out of the fleet very shortly? And what happens is, in some of these buses, they're secondary--

CHAIRPERSON GENNARO: But who pays for the retrofit? Like wouldn't the bus company pay for the retrofit and then it would be like reflected in the price that they bid to do the work, right?

GERRI KELPIN: It's, I can't tell you--

CHAIRPERSON GENNARO: Yeah.

GERRI KELPIN: --the contracting mechanism on - -

CHAIRPERSON GENNARO: But we don't put City dollars into private buses, yeah.

2 GERRI KELPIN: No, no, but it's
3 part of the--I mean, eventually, we're paying for
4 the contract. So.

5 CHAIRPERSON GENNARO: Right, sure,
6 through, through that mechanism, I understand.
7 But we're not--

8 GERRI KELPIN: No, we're not--

9 CHAIRPERSON GENNARO: Right. Using
10 our money.

11 GERRI KELPIN: And sometimes, the
12 other issue that's out there, is there's a
13 percentage of the buses that are covered by the
14 contract, but they're used as sort of a secondary
15 use. Like if the good bus breaks down and they
16 need to get somebody out there--

17 CHAIRPERSON GENNARO: Right.

18 GERRI KELPIN: --it's got a flat or
19 something or other--

20 CHAIRPERSON GENNARO: Yeah.

21 GERRI KELPIN: --they have a
22 reserve fleet. So, these, the buses that weren't
23 retrofitted tend to be on our--

24 CHAIRPERSON GENNARO: Right.

25 GERRI KELPIN: --sort of this

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2 reserve, and again, they're on their way out, but
3 haven't been totally replaced yet.

4 CHAIRPERSON GENNARO: Right. Okay,
5 I just wanted to get a sense of it, I didn't have
6 like a great sense of how that was working, and
7 now I do, thanks to you. And okay, okay. Thank
8 you, Gerri. And with regard to second to last
9 paragraph, on page six, about the reporting for
10 the, for the fuel use, and there's a request to,
11 in order to do the accurate reporting, the
12 timetable should be pushed out. I'm paraphrasing.
13 And which kind of begs the question of how are you
14 tracking fuel consumption now? You know, if you
15 need the extra time to really figure this out,
16 then you know--

17 KEITH KERMAN: Well, we track--

18 CHAIRPERSON GENNARO: --but you
19 must be doing it now, somehow.

20 KEITH KERMAN: Sure, we track total
21 fuel use at DCAS by agency, by site. We have the
22 ability for some segments of the fleet, out of
23 Police and Parks, for our contract fueling, to do
24 what's required in the law. But for--as it
25 currently reads, to do--for the entire fleet to be

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2 able to--basically do a report on the fuel economy
3 of every individual vehicle, that does not exist.

4 And we testified in our previous hearing--

5 CHAIRPERSON GENNARO: Right.

6 KEITH KERMAN: --and a number of
7 DCAS hearings, we know that, we want to be able to
8 put the usage and the fueling for every single
9 vehicle across both the in-house and the private
10 systems. One of the other issues is that the
11 current information systems for in-house fueling,
12 which is the majority of fueling, and the private
13 gas station, are not compatible. So those are
14 completely two separate databases. So, if--so
15 what we're asking, we appre--you know, we want to
16 be able to report this, we've testified in other
17 hearings about our intention to achieve this.

18 CHAIRPERSON GENNARO: Right.

19 KEITH KERMAN: But it's a practical
20 matter, if you, if we were required to do
21 comparative reporting, meaning two years, by next
22 year, that's simp--that data just simply doesn't
23 exist. By the first year, July 1, 2015, we would
24 be able to establish the baseline. And but then
25 we would need an additional year to be able to

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give you a comparative report.

CHAIRPERSON GENNARO: Right.

KEITH KERMAN: And so we're supportive of doing this reporting; we have been working for now three years to get this in place across all the City agencies, but we're asking that you extend really just one year for the comparative of the reporting.

CHAIRPERSON GENNARO: Right.

KEITH KERMAN: So we would be able to achieve the original goal date for the baseline, but need an additional year to do comparative reporting, so that it's accurate and consistent.

CHAIRPERSON GENNARO: Right, okay.

Let's have a br--I'm going to have a real brief chat with the Counsel to the Committee and we're going to see if you guys are off the hook yet or not, okay. [pause, background noise] She says you did great. So, I don't have any more questions for this panel, but I, as you mentioned in both the statements, we look forward to working through this and figuring out what we, you know, can do that's reasonable that meets all of our

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2 objectives. And so we look--we don't have a
3 problem working with the Bloomberg Administration
4 regarding environmental legislation, I don't think
5 we're going to have a problem this time. But
6 thanks very much for being here and good job,
7 Rocco, with the awards in EPA and everything you
8 guys, you guys are good, you know. Okay, okay,
9 thank you very much, appreciate you being here
10 today. And the next panel we're going to call
11 [pause, background noise] Okay, so the next panel
12 we're going to hear is Daniel Gianfalla [phonetic]
13 from United Metro, Scott Hedderich [phonetic] from
14 the Renewable Energy Group, and Shelby Neal
15 [phonetic] from the National Biodiesel Board.
16 [pause] Yeah. [pause, background noise] And I-
17 -we're also going to make room up there for my
18 very good friend, Cathy Kenny, from the New York
19 State Petroleum Council. And then we have one
20 more panel that will follow. And we are joined by
21 Council Member Liz Crowley. Huh? [laughter]
22 Yeah. [pause, background noise] And while the
23 statements are being handed out, handed out, I'll
24 ask the Counsel to the Committee to swear in the
25 panel. Hold onto this for your next witness here.

1
2 We'll - - they can swear in the panel, and then we
3 can--

4 COUNSEL: Hello. Can you please
5 raise your right hands? Do you swear or affirm to
6 tell the truth, the whole truth and nothing but
7 the truth today? [off mic assents]

8 CHAIRPERSON GENNARO: Okay. I just
9 want to hold up until everyone's statement, I
10 have, I have Mr. Gianfalla's statement, and then I
11 got Scott, that's Scott Hedderich, I got. And we
12 got more, right, Sergeant? [pause, background
13 noise] So this is Shelby's and--Cathy, did you
14 provide a statement? [background comment] Okay,
15 so I'm going to get, I'm going to get it. Okay,
16 let me get that. I need the--I'm just going to
17 take this one, then, right? Okay. So, gentlemen,
18 how's everybody doing? Okay. We're going to go
19 ladies first, okay? And so, Cathy, good to see
20 you, it's been a while.

21 CATHY KENNY: Same here, Jim.

22 CHAIRPERSON GENNARO: Very, very
23 nice to see you.

24 CATHY KENNY: Always good to see
25 you. I would say at the outset we're neutral on

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the bill.

CHAIRPERSON GENNARO: Okay.

CATHY KENNY: But we have some
technic--

CHAIRPERSON GENNARO: But I'm glad
you're here.

CATHY KENNY: I'm always glad to
see you, Jim, and Samara. Our comments are
basically technical and actually the
Administration made some of them for me. For the
record, I'm Cathy Kenny, I'm the Associate
Director with the New York State Petroleum
Council, the Petroleum Council is a Trade
Association that represents major oil and gas
companies doing business in New York. We are a
division of the Washington, D.C., based American
Petroleum Institute. Our members include Amerada
Hess Corporation, BP America, Inc.,
ConocoPhillips, ExxonMobil and Shell. We
appreciate the comment, the opportunity to comment
on the Preconsidered Introduction relative to
requiring City agency vehicles to use biodiesel
blends in increasing amounts, starting on July 1,
2014. My comments are brief and limited to three

1 technical recommendations. First, the definition
2 of biodiesel in the proposal refers only to ASTM
3 D6751, which is referenced biodiesel as a mono-
4 alkyl ester. While this is most common reference,
5 another type of biodiesel, renewable biodiesel, a
6 non-ester biodiesel, has not been included in the
7 definition. Inasmuch as EPA includes this green
8 diesel in its renewable fuel standard, we think it
9 is appropriate to include it in the fuel choices
10 allowed by this Introduction. EPA specifically
11 uses the term to include potential future fuels.
12 Renewable biodiesel is also available for the
13 dollar a gallon blenders tax credit. At B5 or
14 less, the ASTM standard is D975, and at blends B6
15 to 20, the standard is D7467. In addition, with
16 respect to the definition and this is really a
17 minor issue, you have referred to D6751.09A. It
18 is preferable to refer to ASTM D6751 without the
19 .09A, since this .09A is a reference to the year
20 of the amendments. But a more general reference,
21 that is to ASTM 6751, you would allow for any
22 updates to the ASTM 6751 standard without having
23 to amend the Local Law. Second, the bill calls
24 for specific amounts of biodiesel blends and
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1
2 indicates the amount of biodiesel by weight. This
3 reference should be by volume, since the meter
4 used to dispense fuel is a volumetric one. Third,
5 the bill does not give the Commissioner authority
6 to issue waivers as other provisions of this
7 section do. Namely, Title 24163.(e), regarding
8 the City's use of low sulfur diesel fuel. We
9 would like to recommend that a waiver provision be
10 included to provide flexibility, especially during
11 supply interruptions that typically occur during
12 adverse weather conditions. Our experience with
13 Hurricane Sandy when the industry had to see
14 various federal, state and even local waivers, has
15 demonstrated that the ability to act quickly and
16 extremely important to move product where it is
17 needed. Finally, some engine manufacturers in the
18 City had mentioned this: void warranties of
19 certain biodiesel levels, particularly with levels
20 above B20. With this in mind, language that
21 allows for the requirement to be waived in
22 instances where the manufacturer's warranty would
23 be voided, may be advisable. Thank you.

24 CHAIRPERSON GENNARO: Thank you,
25 Cathy, we certainly appreciate your, you know,

1
2 keen technical eye for these tweaks that seem
3 small but are very important. And I direct
4 Counsel to the Committee and other staff to give
5 these comments due consideration and make changes
6 where needed. Yeah, so, Cathy, thanks very much,
7 I appreciate that.

8 CATHY KENNY: You're welcome.

9 CHAIRPERSON GENNARO: And you're
10 more than free to stay with the panel, but I
11 wanted to ... Okay, sure, sure. Okay. And so, I
12 have Mr. Neal, Mr. Gianfalla and Mr. Hedderich.
13 Who's like to go first? Who came the farthest?
14 Who came the farthest? Who came the farther?
15 [background comments] Okay. I think--

16 MALE VOICE: I think it might be
17 easier is that who came the shortest, 'cause
18 that's--

19 CHAIRPERSON GENNARO: Okay.

20 MALE VOICE: --an obvious answer.

21 CHAIRPERSON GENNARO: Okay.

22 [laughs] Okay, yeah, so, somebody grab the mic
23 and state your name and let's do it. [background
24 comment] Yeah, you also go to talk right--yeah,
25 right into the mic, yeah.

1
2 DANIEL GIANFALLA: Good afternoon,
3 Chairman Gennaro, and Members of the Environmental
4 Protection Committee. My name is Daniel
5 Gianfalla, and I'm President of the United Metro
6 Energy Corporation. United Metro Energy Corp
7 supplies and delivers gasoline, ultra-low sulfur
8 diesel fuel, biodiesel, bioheat, heating oil and
9 natural gas throughout the New York Metropolitan
10 area. From terminals in Green Point, Brooklyn,
11 Riverhead, Long Island, and Calverton, Long
12 Island. We strongly support the local law to
13 amend the Administrative Code of the City of New
14 York, in relation to reducing the emissions of
15 pollutants from vehicles used by or on behalf of
16 the City of New York. This bill, which calls for
17 biodiesel to be used in the City diesel vehicle
18 fleet would go a long way towards improving air
19 quality across the region by reducing particulate
20 matter that causes asthma and carbon emissions
21 that contribute to climate change. This
22 legislation is a logical next step for New York
23 City's vehicle fleet because the City has already
24 successfully been using a variety of biodiesel
25 blends in the Parks Departments, Department of

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2 Sanitation vehicles. United Metro has a great
3 deal of experience with its own fleet in this
4 regard. Currently, all of United Metro's trucks
5 are fueled with BioMax, which is our enhanced,
6 custom blended biodiesel, and have been since
7 2006. Our 55 truck fleet uses a B20 biomax for
8 eight months; and a B5B10 biomax, for four months
9 in the winter. By solely using these two grades
10 of biodiesel, United Metro is able to reduce its
11 carbon output by 750,000 pounds annually. In
12 severe winter weather, a B5/B10 blend allows our
13 vehicles to operate seamlessly. In the State of
14 Minnesota, for example, diesel fuel sold October
15 through March is B5, while the rest of the year
16 the State has a B10 mandate in place. We believe
17 that flexibility allowing for a variation in
18 seasonal grades would ensure that a transition to
19 biodiesel blended fuel in City fleet operations
20 will be seamless. This legislation not only
21 addresses critical environmental concerns, but
22 also help promote job producing and economy
23 stimulating green industries, such as the home
24 grown biodiesel industry. United Metro Energy
25 Corp is in the late stages of building one of the

1
2 largest advanced biodiesel production and blending
3 facilities in North America, with a capacity of up
4 to 110 million gallons per year, right here in
5 Brooklyn. The facility, which would be the only
6 one of its kind in New York City, will be capable
7 of accepting recycled restaurant grease, vegetable
8 oil based feedstock, algae and other advanced
9 feedstocks, and then processing it into various
10 blends of biodiesel for distribution in the New
11 York City region. We would also suggest that the
12 City Council look to require biodiesel in New York
13 City ferry fleet. United Metro will soon be
14 opening the City's first public biodiesel marine
15 fueling facility for water borne vessels, such as
16 the growing fleet of water taxis and other
17 ferries. The new dock will be opened in the
18 coming weeks, adjacent to our Green Point,
19 Brooklyn facility, and will provide custom blended
20 biodiesel and ultra-low sulfur diesel to
21 commercial marine vessels. We support and thank
22 this Committee for your efforts in passing
23 legislation that promotes clean, green biofuels as
24 well as sensible clean air policies. Thank you
25 for your time.

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2 CHAIRPERSON GENNARO: Thank you,
3 Mr.--thank you, Mr. Gianfalla, it's a pleasure to
4 see you again. And I'll reserve question or
5 comments on your statement until we hear from
6 Shelby and Scott, okay?

7 DANIEL GIANFALLA: Very good, thank
8 you.

9 CHAIRPERSON GENNARO: And so--

10 SCOTT HEDDERICH: Thank you,
11 Chairman Gennaro. I want to thank you, I want to
12 thank the other members of the Committee,
13 appreciate the opportunity to testify today. My
14 name is Scott Hedderich, I'm Director of Corporate
15 Affairs for Renewable Energy Group, REG.
16 Renewable Energy Group is a leading North America
17 biodiesel producer, we have a nationwide
18 distribution and logistics system. For more than
19 a decade, we've been a reliable supplier of
20 biodiesel which meets or exceeds the ASTM quality
21 specifications that were referred to earlier. Our
22 company is focused on converting natural fats and
23 oils and greases into advanced biofuels and we
24 currently have more than 225 million gallons of
25 owned and operated production capacity across the

1 U.S., and that comes from seven plants that are
2 operating today. We also have well over terminal-
3 -sorry, 20 terminal locations which will include
4 three here in the New York Metropolitan area and
5 one in upstate New York. I'd like to commend you,
6 Chairman Gennaro, on the introduction of this
7 legislation, to reduce the pollutants from diesel
8 engines through the use of biodiesel. Simply put,
9 this is a great bill. While there may be some
10 adjustments and you certainly heard from the
11 Administration earlier ... excuse me, and some
12 fine tuning that might arise as part of the
13 process, this bill moves the City forward with a
14 solid commitment to the environment, and a
15 commitment that also support energy diversity,
16 energy security and energy independence. And I
17 also have to thank Mayor Bloomberg and his
18 Administration for their commitment to improving
19 the environment of New York and their aggressive
20 adoption of the use of biodiesel as a strategy to
21 reduce tailpipe emissions. The City has been
22 stellar in this area, stellar in their support of
23 biodiesel, stellar in their actions and steps to
24 reduce tailpipe emissions to improve the life of
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2 the residents. And I think it's really important
3 that we recognize that it's been a leader not just
4 in New York State, and it's nice to know that
5 Albany is starting to follow suit in looking at
6 some biodiesel policies that the City's adopted
7 previously. But it's a true leader in the
8 country. So, the City should be commended for
9 that.

10 CHAIRPERSON GENNARO: Thank you.

11 SCOTT HEDDERICH: As you're aware
12 and the Council's aware, biodiesel is a diesel
13 replacement fuel that qualifies as an advanced
14 biofuel under the removable fuel standard, and I
15 think my colleague Shelby Neal will talk about
16 that a little bit more in depth. And as I
17 mentioned, New York has been a leader in
18 proactively addressing the health and wellbeing of
19 his residents. Mr. Chairman, you had mentioned
20 the PlaNYC document, it is the embodiment of the
21 Administration's leadership in this area. The
22 document, which was updated nearly two years ago,
23 sets out a well-reasoned and thoughtful agenda in
24 a number of areas. The use of biodiesel plays a
25 significant role in that document, in improving

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2 air quality and reducing PM2.5 emissions, as well
3 as its goal of reducing greenhouse gas emissions
4 by over 30 percent by 2017. The legislation
5 before the Committee today is the next logical
6 step in the City Council's efforts to implement
7 that document, and I think, Mr. Chairman, you had
8 mentioned, it's important to codify the great
9 steps that this Administration has taken. If it's
10 good enough for New Yorkers today, it should be
11 good enough for New Yorkers, whatever the
12 Administration has going forward. The
13 implementation of a B5, fleet wide mandate is a
14 good first step. It does mimic actions in states
15 like Minnesota. And I just, I want to correct the
16 record a little bit, we have a plant in Minnesota,
17 our company's been very active there. B5 is
18 currently required year round. The statute in the
19 State of Minnesota calls for a jump to B10 this
20 year. That was waived, not due to supply or
21 quality concerns, but because there wasn't
22 production in a certain quadrant of the State.
23 That's been met, we expect the State to move to
24 B10 by next summer. It also mimics actions in
25 Illinois where over 80 percent of the available

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2 diesel is B11 and most often in the summertime is
3 up to B20. Implementation in this bill of B10 and
4 in later years B20 is the next logical step. And
5 REG is very pleased that the legislation moves in
6 that direction. I mentioned that there's an
7 impact to the environment in New York, and I think
8 everyone's well aware again through the PlaNYC
9 document, but there's also an economic impact to
10 the City. The biodiesel owner, she's looking at
11 this market as a significant growth opportunity,
12 the National Biodiesel Board has spent significant
13 resources to educate consumers. I believe the
14 City referenced earlier the mechanic education
15 program that was put on just within the last
16 month. And companies like ours are investing in
17 long term infrastructure to make biodiesel
18 available year round, at competitive prices. And
19 I want to tie that back to my comments earlier
20 about the City being in a leadership position.
21 When we've looked to the City as a place where we
22 want to establish our beachhead as a company, not
23 upstate, not Pennsylvania, not other places, but
24 New York City. Future biodiesel economics are
25 going to be difficult to predict, just as the

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2 economics are of other products in the energy
3 sector. But I think it's important to note that
4 in looking back over the last two years, biodiesel
5 has been very favorable compared to traditional
6 petrol based ULSD. In conclusion, I'd like to
7 reiterate REG's strong support for this
8 legislation and the concepts that it contains.
9 I'd also like to thank you, Chairman Gennaro, and
10 the Committee, for allowing me to testify. And
11 again for the Council's efforts in support of
12 biodiesel, and also bioheat. Thank you.

13 CHAIRPERSON GENNARO: Thank you
14 very much, Mr. Hedderich, and I'll get back to
15 you, as well, once we hear from Mr. Neal. Okay,
16 Mr. Neal, the floor is yours.

17 Thank you, Mr. Chairman, it's good
18 to see you today.

19 CHAIRPERSON GENNARO: Same here.

20 SHELBY NEAL: I appreciate the
21 opportunity to testify before you here today on
22 this piece of legislation, which would largely
23 codify critical existing administrative policies
24 relative to biodiesel. My name is Shelby Neal, I
25 serve as the Director of State Governmental

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2 Affairs for the National Biodiesel Board. The MBB
3 is the national trade association that represents
4 the U.S. based industry, and we represent
5 producers, marketers and feedstock producers.
6 Association is the coordinating body for research
7 and development in the U.S. Unlike most trade
8 association that spend the vast majority of their
9 dollars on lobbying, we actually spend 75 percent
10 of our approximately \$14 million budget on
11 research and education, like the mechanics
12 training that we did here last month. As you
13 know, well know, biodiesel's a diesel replacement
14 fuel that's been designated as an advanced biofuel
15 by the U.S. EPA, under the Federal Renewable Fuels
16 Standard. That means that all forms of biodiesel
17 have a greenhouse gas reductions benefits of at
18 least 50 percent relative to petroleum and as high
19 as 86 percent relative to petroleum. The fuel is
20 made from soybean oil, canola oil, waste fats,
21 waste greases, which are abundant in this area,
22 and can be used by facilities such as United
23 Metro. Biodiesel's one of the best tested
24 alternative fuels. We've spent approximately \$60
25 million on research and testing related to

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2 biodiesel to produce all kinds of data on its
3 health effects and emissions impacts. It reduces
4 nearly all categories of emissions by at least 50
5 percent, some as high as 100 percent. None are
6 worse with U.S. EPA ULSD. And there are currently
7 170 biodiesel plants across the country. There
8 are about a dozen in the northeast and three in
9 the State. Biodiesel's primarily marketed at the
10 B5 blending level, but it's often used up to
11 blends of B20. Blends above B20 are more rare,
12 typically fleet specific. Biodiesel's distributed
13 utilizing the existing fuel distribution
14 infrastructure, with blending occurring both at
15 terminals and below the rack by fuel marketers.
16 As Mr. Hedderich mentioned, pricing has become
17 attractive. Ten years ago, biodiesel would've
18 cost you about \$8 per jar; now it's very
19 competitive with petroleum. As Mr. Hedderich
20 mentioned, we've been tracking biodiesel in New
21 York Harbor for 15 months, which is when tracking
22 started there, and it's been less expensive 12 out
23 of those 15 months. So, in addition to all the
24 environmental benefits, it's actually become less
25 expensive. That's because the industry has

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2 matured. The more infrastructure, bigger more
3 efficient infrastructure, the technology is more
4 efficient both on the feedstock and production
5 side, and there's more certainty in the markets.
6 So, when you impact, when you do policies like the
7 bioheat requirement, which you are responsible
8 for, the City requirement which we're talking
9 about today, that provides certainty to the
10 market. So, when producers go to their banks and
11 want to get loans, they get much more attractive
12 interest rates. So in places where our members
13 have a lot of business certainty, they may get
14 capital loans in the few percent range; where
15 there isn't certainty, rates can be as high as 18
16 or 20 percent, which severely impacts the prices
17 to the end consumer. So, these policies that
18 we're talking about today are important for a
19 variety of reasons. As you know, the City's been
20 a leader, not just on biodiesel but all
21 alternative fuels and clean fuels for years, as
22 well as emissions control technologies. As
23 environmental entrepreneurs, we certainly
24 appreciate that. The City's passed and
25 implemented the first citywide uniform standard

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2 for bioheat, two percent requirement. In
3 addition, in previous to that policy, the City was
4 the largest municipal user of biodiesel, with most
5 vehicles and buildings using low to midlevel
6 biodiesel blends year round. Certainly there are
7 other municipalities that use low and midlevel
8 blends throughout their fleets, but New York City
9 is by far the largest, probably by an order of
10 magnitude. Clearly, New York City's been a
11 pioneer and a leader for others, and as an
12 industry we have appreciated this partnership as
13 much as we possibly can. The NBB is pleased to
14 support this particular legislation. While the
15 City's fortunate to have an extraordinarily
16 environmentally conscious and capable City
17 Council, Mayor and professional staff in both of
18 those bodies, there is--our experience tells us
19 that there's no guarantee that this will always be
20 the case. As such, we believe codifying in law
21 many of the existing City practices and policies
22 offer substantial value. That said, there are a
23 couple of issues that might benefit from further
24 exploration. First, as Mr. Kerman mentioned
25 briefly, blends of 20 percent biodiesel, B20,

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2 clearly those can and are used in cold weather
3 climates. B20 is used year round in places like
4 Glacier National Park in Northern Montana, well,
5 many national parks; LLB Bean in Maine uses B20
6 year round; Harvard University uses B20 year
7 round. So, certainly there are many relatively
8 high profile users that use B20 year round.

9 However, while B5 is a completely fungible diesel
10 fuel, with no material difference in cold flow
11 properties relative to ULSD, no additional
12 handling requirements, B20 does develop cold flow
13 issues up to ten degrees faster than the base
14 petroleum fuel. This means that there are some
15 additional management steps, when you're dealing
16 with these higher blend levels in cold weather
17 climates, like the City of New York. Whether or
18 not these additional steps are practical to
19 implement, I didn't say possible, practical, to
20 implement in a fleet as large and diverse and as
21 broad as the City of New York, I think is a point
22 that is worthy of continued discussion with the
23 City. As was mentioned previously, I think
24 Minnesota may be something to consider, where they
25 use B5 blends in the wintertime, which require no

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2 additional management, and then B20 in the warmer
3 weather months. Again, this is not an issue of
4 what's possible, it's an issue of managing
5 administrative oversight and energy. Second, I
6 think that perhaps there could be some
7 consideration for specialized types of equipment.
8 90 percent of medium and heavy duty--well, over 90
9 percent now of medium and heavy duty vehicles
10 provide warranty support up to B20. Of course
11 that means that nearly ten percent don't. Now
12 this doesn't mean that they have issues with B20,
13 it simply means mostly that the manufacturers have
14 not provided that support in writing. The only
15 manufacturer, major manufacturer that I'm aware of
16 that does encounter some issues with blends of B20
17 is Mercedes, in their light duty vehicles. So, I
18 think the list of exemptions would be relatively
19 small. I think it would mostly be confined to
20 very small manufacturers with very small markets.
21 Having said that, the diversity of the fleet in
22 New York City would likely have some of those. So
23 I think some exemption there would be worthy of
24 consideration. And then finally, I think some
25 exemption for market disruptions, like Sandy, and

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2 so forth, would be advisable. In conclusion, once
3 again, Mr. Chairman, I'd like to thank you for
4 your outstanding leadership on really all
5 environmental and public health issues. I think
6 you've made a lasting impact, not only in the
7 City, but nationally, really. And we just
8 couldn't be more appreciative and from a personal
9 perspective it's been an honor to work with you.

10 CHAIRPERSON GENNARO: Oh, well,
11 thank you. Thank you, Shelby, I appreciate that.
12 You know, we've fought some wars on this, you
13 know, back in the day, you know, and it was--I
14 just wanted to remain committed to it, I knew we
15 could get through the rough patches and sort
16 through the misinformation and we did that. And
17 we ended up at a good place. And so, I'm grateful
18 for the good work that you all do. I mean, I'm
19 not putting my time and my talent and my capital
20 on the line like you guys are. I mean, it's just--
21 -I talk about it, you do it. And so there's a
22 difference. And so, I certainly appreciate folks
23 that want to make this happen. And putting their
24 money on the line to make it happen. Yeah, let me
25 just run through some of these statements here.

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2 Now, my friend Cathy whose still at the panel made
3 some comments with regard to the definitions, as
4 to--I don't want to reiterate all the testimony,
5 but in the bill, our definition refers only to the
6 ASTM D6751, and that could, according to Cathy's
7 testimony, leave out green diesel and renewable
8 fuel standard and do you share her concerns with
9 regard to the definition? Is there--? And Cathy,
10 feel free to weigh in, as well, but I'm trying to--
11 --[background noise, laughter]

12 SHELBY NEAL: I'm not sure what I'm
13 going to say, let me formulate it. So--

14 CHAIRPERSON GENNARO: I just want
15 to make sure that we have our definitions right.

16 SHELBY NEAL: So with respect to
17 the definition--

18 CHAIRPERSON GENNARO: I'm just
19 trying to do the right thing here.

20 SHELBY NEAL: --of 6751, she is
21 clearly correct, or at least in our opinion
22 correct, that I think a more general definition
23 would be better, it does include a specific
24 current definition. The definition does change
25 over time, it certainly will change again; in

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2 fact, we are working to include, to ballot in
3 essentially, renewable diesel with a slightly
4 tighter specification. So I would in fact expect
5 that to change to accommodate renewable diesel
6 here and, I don't know, hopefully sooner rather
7 than later.

8 CHAIRPERSON GENNARO: Sure.

9 SHELBY NEAL: But probably the two
10 to three year timeframe, so I would agree on that
11 piece. In terms of including renewable diesel in
12 the specification, our preference would be to wait
13 until renewable diesel or hydro-treated vegetable
14 oils are balloted in to the specification, that
15 would be our preference. I suppose I could leave
16 it at that.

17 CHAIRPERSON GENNARO: Okay, yeah,
18 that, I just want to make sure that--

19 SHELBY NEAL: But in the longer
20 term, we would not oppose that.

21 CHAIRPERSON GENNARO: Okay. Scott,
22 you--

23 SCOTT HEDDERICH: If I could just
24 add, I think renewable diesel has a tremendous
25 amount of promise for the future. And this is not

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meant as a knock on the renewable diesel producers
whatsoever. But our industry for almost--

CHAIRPERSON GENNARO: But this
would be, so, but this would be like the, I guess
for, in my, in kind of like common parlance, so
like the restaurant grease diesel, is that what
we're--or biodiesel, is that what we're talking
about?

SCOTT HEDDERICH: No, it's a
different--it's a different production practice--

CHAIRPERSON GENNARO: Okay.

SCOTT HEDDERICH: --entirely.

CHAIRPERSON GENNARO: Practice with
regard to--

SCOTT HEDDERICH: Production.

CHAIRPERSON GENNARO: --renewable
diesel [crosstalk]

SCOTT HEDDERICH: How to make the
product.

CHAIRPERSON GENNARO: Renewable
biodiesel, what you're speaking of now.

SCOTT HEDDERICH: I think, and this
is going to be grossly simplistic, so if I weigh
it out--

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CHAIRPERSON GENNARO: That
certainly works for me.

SCOTT HEDDERICH: But I think the
way to think of it is, is you're doing for fats
and oils what a modern refinery does for
petroleum. You're running it through similar
types of processes, you're adding hydrogen, you're
coming up with a product that chemically, in a lot
of respects, is very similar to diesel, in ways
that ours is not. But, I was going to make the
point, our industry's worked with ASTM for about
20 years to try to come up with unified, agreed
upon, from everyone in the value chain, standards
that would govern what our B100 would look like,
what B5 would look like in diesel. And what B20
blends would look like. And we're just quite
there yet, on the ruble-diesel [phonetic] side.
It's a wonderful product, but it doesn't have a
spec, and for some folks--it doesn't have an ASTM
spec, excuse me--for some folks, that's a concern;
for others, they're much more concerned about the
chemical properties. It has terrific cold flow
capabilities that make us blush. So again, it has
the potential to be a great product. I think we--

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2 it'd be important to let the ASTM process go
3 through, that we have a unified standard that
4 everyone can agree to on what production
5 specification should be before we start folding it
6 in to a broad state mandate, or this case, City
7 mandate.

8 CHAIRPERSON GENNARO: Okay, fine,
9 yeah, just something that came up and I want to
10 run it by everyone, so you know, note to the staff
11 to the Committee, let's just get the right
12 definition and go forward appropriately. That
13 sounds like a safe statement I just made, right?
14 That sounds--who could argue with that? You know.
15 And when I asked you about this statement, from
16 the Administration, I'm sure you were listening
17 very attentively to the points that were made in
18 the statement by Commissioner Kerman, and my
19 banter kind of with him. Anything jump out, you
20 know, regarding anything we talked about that
21 anyone on the panel would like to weigh in on?

22 SCOTT HEDDERICH: I guess I just
23 add, I understand that the City's--

24 CHAIRPERSON GENNARO: I'm just
25 talking about the B5--

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SCOTT HEDDERICH: Right.

CHAIRPERSON GENNARO: --and then like all the warranties and they want it and--

SCOTT HEDDERICH: Right. First and foremost, I think that, again, the City's done a great job in utilizing product, right. And their knowledge base has been B5 year round and B20 blend in the summer. So to the extent that it gives them some trepidation because there hasn't been a lot of winter usage, let's crawl before we walk. And I think it's reasonable to accommodate the City's concerns. I'll just say that if you look at Illinois, where you've got B11 blends in almost every gallon of diesel that's sold, and Illinois' a comparable northern state, the northern half comparable to the, certainly the climate of New York City, there hasn't been issues, there hasn't been concerns.

CHAIRPERSON GENNARO: Right.

SCOTT HEDDERICH: Minnesota, there's a state biodiesel taskforce that the Governor appoints that's specifically tasked with collecting data and issues and problems that arise from the issuance of biodiesel. The last three

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2 years, there hasn't been a substantial,
3 substantive complaint whatsoever. I think that
4 points to the fact that, you know, our industry,
5 as it matures, is producing tighter and tighter
6 spec product, that's what I think we all should
7 expect when we--whatever the industry is as it
8 grows and matures, you get better product, you get
9 better usage, you get better knowledge. Our
10 technical understanding is that much better. And
11 I would expect, our company would expect, that
12 only continues to grow. So, to be concerned about
13 B20 in the wintertime, I think is--we'll look back
14 a couple of years from now as an interesting
15 footnote, but one that we'll be surprised we made
16 as much of a stink of as we did.

17 CHAIRPERSON GENNARO: Right. I'm
18 just wondering how to, you know, work this out,
19 because this going to be like our last shot at
20 this, at least, for, you know, this
21 administration, and I want to be reasonable, I
22 want to work with the Administration, but I don't
23 want to, you know, I don't want to give away the
24 store. And, and so I'm just wondering if there's
25 a way to word that somehow, that we kind of work

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2 with their concerns, but put us on some sort of
3 arc or some kind of trajectory whereby we, you
4 know, really want to, you know, go to B20, or
5 whatever it is, and unless there's some major, you
6 know, impediment, or whatever, rather than saying,
7 "Okay, you can, you know, we'll do B20 and then B5
8 during certain months," even if it's the B10
9 thing, or something, I just want--I mean,
10 naturally I just want to get what I can get.

11 SCOTT HEDDERICH: Sure.

12 CHAIRPERSON GENNARO: And I think
13 there's a way to do that, to be reasonable, to the
14 operational concerns of the City, but also to kind
15 of, you know, push it a little bit.

16 DANIEL GIANFALLA: Well, as Shelby
17 point--

18 CHAIRPERSON GENNARO: 'Cause we're
19 going to be doing a lot of--I mean, there are--I
20 am confident that the City's efforts to, you know,
21 reduce overall greenhouse gases by, you know, 30
22 percent by 2017, in the City sector, and 30
23 percent in the overall City by 2030, is not going
24 to be the last effort that the City does to set
25 newer and more stringent greenhouse gas reduction

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2 targets, or goals/mandates. And so, every time I
3 have an opportunity to, you know, squeeze a little
4 harder, that gives us the ability to, you know,
5 realize future dreams, which are coming down the
6 road. And so, you know, a little bit here, a
7 little bit there, it starts adding up, and it's
8 all good. So, I want to be considerate to the
9 great environmental partner that the Bloomberg
10 Administration has absolutely been. But I don't
11 want to be too cautious, I want to challenge
12 people and want to, you know, we want to push it.
13 And also who mentioned about the ferries, who
14 talked about that? Yeah, and so, it's kind of not
15 a bad idea. You know, so we should take a look at
16 that and 'cause we did the--last ferry bill we did
17 was just, it was just [background comment] it was
18 just like requiring that they use like fuel or
19 something like that, it was [laughs] you know,
20 like that had to power to with, you know,
21 something. Yeah. I'm kidding, of course, I think
22 it was, it--it was just like an ultra-low thing,
23 right? That's all we, they were asked to do,
24 right? Was to use ultra-low?

25 COUNSEL: We called on them to do

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retrofits of their engines.

CHAIRPERSON GENNARO: Okay, right, okay, so, yeah, so it was an ultra-low plus the best available control technology for the--Okay. So it was something, it was what we were doing back then. But that was then, this is now. And ferries are all the rage and you know, what the heck. Yeah, that's what I'm thinking. I mean, we'll see. Good idea. And does anyone have anything else that they want to--Shelby, Shelby.

SHELBY NEAL: Yes, Mr. Chairman, I just wanted to say that I think that you're so accustomed to leading on environmental issues that, you know, perhaps your bar is quite high, and so I would just suggest that, from our perspective, this policy is very progressive.

CHAIRPERSON GENNARO: Right.

SHELBY NEAL: As it sits.

CHAIRPERSON GENNARO: Well, just for the record, like the bar that I got to is at street level. [laughter] It's not, you know--

SHELBY NEAL: And you have a wonderful sense of humor. So, I think even if the bill were drafted to largely address the City's

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2 concerns, it would still have the potential to be
3 the first major implemented B20 requirement in the
4 country. So, I think it is still, no matter how
5 this shakes out, an incredible policy and
6 certainly will make a lasting impact.

7 CHAIRPERSON GENNARO: Right. Yeah,
8 certainly, we just want to, you know, we want to
9 do it, we want to get the most out of it and we
10 want to word it in a reasonable way that gives
11 people a chance to, or kind of mandates that they
12 kind of like climb the ladder a little bit. And
13 yeah, and so, I'm that type, if I would hit a home
14 run in Little League, I would circle the bases
15 twice, you know, just because whatever, you know.
16 And so, they only count it one run, though, but
17 it's just, you know, we just want to push, we want
18 to do it. I've, you know, when I first started
19 this, it was--I had the luxury of time, I don't
20 have the luxury of time anymore. And we're going
21 to change Administrations, I'm leaving the
22 Council, and we want to get done everything that
23 we can. And, you know, we put the City on this
24 very good trajectory of, you know, lowering
25 greenhouse gas emissions, and we just can't afford

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2 to leave anything on the table. And so that's my
3 standard. And so, and thanks for coming through
4 with this, with the good products that you, you
5 know, with these good, sustainable products, and
6 that was only a couple years ago that people were
7 saying no, but they're saying yes now. And so,
8 New York City was there then, when there was all
9 the contrarians and we don't hear from them
10 anymore, and that's good. But you know, let's,
11 let's just get whatever we can get. So, I'd like
12 to thank this panel, Cathy, great to see you,
13 guys. And with no one else wishing to be heard--
14 [background comment] What? Oh, I'm sorry, oh my
15 god, oh my god, it's just--forgive me, forgive me.
16 Okay, this panel did a great job, and I'm--I did
17 not know that there was another witness, but here
18 absolutely is. And the witness, first initial A,
19 looks like, Wersam, W-E-R-S--Okay? Sir, please
20 come forward. And you come from The Bronx, USA,
21 very good. Okay. [background comment] Oh, wait
22 a minute, wait a minute, let's--please have a seat
23 and let's get you situated behind the microphone,
24 and we were just asked, sir, that you state your
25 name for the record and proceed with your good

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2 testimony. Thank you very much for waiting to be
3 heard. And if I can ask the Sergeant to just to
4 close the door, so we get some quiet, and so we
5 have the witness heard, that'd be great. Sir,
6 please.

7 ABE WEISMAN: City Council has to--

8 CHAIRPERSON GENNARO: Well, wait a
9 minute, here's what you got to do, you got to put
10 the microphone on, and the first thing I want to
11 hear is your name stated clearly for the record.
12 Yep.

13 ABE WEISMAN: Abe Weisman. City
14 Council has to establish people who are going to
15 enforce the laws. You're passing laws that aren't
16 being enforced, specifically noise. Nobody's
17 enforcing the noise laws in the - -

18 CHAIRPERSON GENNARO: [interposing]
19 Okay, I--here's what I will say. That is not the
20 topic for this hearing, but I want to give you a
21 little bit of latitude. That is not on today's
22 agenda, you came from The Bronx, you waited to
23 testify, I'm going to give you a little bit of
24 latitude because we do deal with that issue in the
25 grand, you know, scope of this Committee and this

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2 Council, so I'm going to grant you a little bit of
3 latitude to talk about a topic that is not on the
4 agenda today. So, I'll give you a little bit of
5 time to do that, so please proceed.

6 ABE WEISMAN: The Police have, do
7 not want to enforce the laws. DEP doesn't seem to
8 have anybody willing to enforce the laws. So in
9 The Bronx it's like chaos with noise. Mr. Softie
10 continues violating the law, you passed a law a
11 number of years ago.

12 CHAIRPERSON GENNARO: Right. Where
13 they can't ring the chimes while the thing is
14 sitting.

15 ABE WEISMAN: Right.

16 CHAIRPERSON GENNARO: While the
17 truck is sitting in one place.

18 ABE WEISMAN: Right, right. Best
19 law to be passed here is to put a cutoff switch on
20 Mr. Softie when it comes to a stop, he can't play
21 it. So you don't have to depend on the driver
22 knocking it off.

23 CHAIRPERSON GENNARO: Right, and I
24 think there--in our role is to kind of set a
25 standard that they have to follow, and then do

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2 enforcement. I, in my own, you know, district
3 have tried to sort of ferret out those areas that
4 are consistently bombarded by, you know, noise
5 pollution, if you will. And I've been, you know,
6 successful at giving the police and the DEP and
7 you know, various inspectors, to be on their toes
8 and to do that, and I'm fortunate to have a
9 representative of DEP in the room that actually
10 deals with noise related issues, that I'm going to
11 request that she listen to the particular
12 complaints that you have in your section of The
13 Bronx. And you can be more specific in telling
14 her what you really have. And then this
15 individual who testified here earlier today, her
16 name is Gerri Kelpin, and she's sitting right
17 there in the blue jacket. I believe that DEP,
18 which is the enforcement entity, because Council
19 doesn't really do enforcement, that's an executive
20 function, and we try to, you know, pass laws that
21 are reasonable able to be enforced. And then we
22 hold oversight to try to make sure that that
23 actually happens. But we don't do the
24 enforcement. But I think you can find that your
25 trip down here today is going to pay off, 'cause

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2 you're going to sit face-to-face with someone with
3 whom you can give your particular complaints.
4 Street corners, times, the park, this opening,
5 this truck, and I think you're going to see a
6 little difference. Also, your local Council
7 Member would be a vital ally to try to work with
8 you and your community and your building and your
9 co-op association or whatever, with the various
10 enforcement entities. I do a lot of that in my
11 district. They come to me and then I get the
12 police involved, I get DEP involved, I get whoever
13 has to be involved involved. And this is part of
14 the role of being a Council Member. And no need
15 to state the name of your Council Member on the
16 record if you don't know who that individual is--

17 ABE WEISMAN: She wants nothing to
18 do with it. She won't--

19 CHAIRPERSON GENNARO: Well, we do
20 have, fortunately, a representative from the
21 actual enforcement agency here, that I'm quite
22 confident will, you know, try to bring some
23 enforcement to bear on the problems that you're
24 having. So, I'd say probably like the--probably
25 the best of, the best further use of your time in

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2 this room is probably talking to Gerri, because
3 she's the one. And now that she knows that I'm
4 concerned about it, and I'm looking at her, and
5 you know, so [laughter] you know, so you're trip
6 down here from The Bronx was well spent because
7 you're going to talk to the person who heads this
8 for the, for the DEP. I wish there were more
9 civic minded citizens like yours that, like you,
10 that come all the way down here, you know, put an
11 issue on the table. And it's not often that I
12 actually have the person who can give you the most
13 help sitting right here. But in this case, it's
14 kismet, you know, we all have all the pieces right
15 here together.

16 ABE WEISMAN: Right.

17 CHAIRPERSON GENNARO: And so if you
18 talk to Gerri, I think she'll take care of you.

19 ABE WEISMAN: Okay.

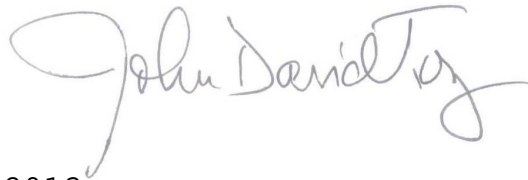
20 CHAIRPERSON GENNARO: Okay, thank
21 you, sir, for being here today. And with no one
22 else wishing to be heard, this hearing is
23 adjourned. Thanks everybody for coming.

24 [gavel]

C E R T I F I C A T E

I, JOHN DAVID TONG certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature

A handwritten signature in cursive script that reads "John David Tong". The signature is written in black ink and is positioned to the right of the printed word "Signature".

Date June 28, 2013