GREENHOUSE GAS MEMORANDUM OF UNDERESTANDING (MOU)

between the

ALBERTA MOTOR TRANSPORT ASSOCIATION (AMTA) and GOVERNMENT OF ALBERTA (GOA)

ANNUAL REPORT 2010

Overview:

The Greenhouse Gas (GHG) MOU between the AMTA and the GOA was originally signed by the Executive Director of the AMTA, and Ministers of Alberta Environment (AENV) and Alberta Transportation (AT) on June 16th, 2005. This MOU was renewed by all parties listed above, on March 29th, 2009, remaining active until December 31, 2012.

As a result of this MOU, the parties agreed to form a joint coordinating committee to guide efforts to study and implement methods to reduce greenhouse gas (GHG) emissions by improving the fuel efficiency of the commercial trucking industry in Alberta. This committee was formed as the AMTA GHG Coordinating Committee (AGCC). The AGCC is made up of representatives from the Alberta Government, the AMTA, Climate Change Central, and the Alberta trucking industry. The committee was established to provide overall direction and coordination regarding possible measures and initiatives that will facilitate fuel use reduction and mitigation of GHG emissions from the Alberta trucking sector.

The MOU outlines the requirement of an Annual Report highlighting the activities of the AGCC, to be submitted to Deputy Ministers of Environment, and Transportation, and the AMTA Board of Directors.

AMTA GHG Coordinating Committee (AGCC):

The 2010 AGCC membership consisted of:

- Lawrence Schmidt, AENV consultant contract (co-chair)
- Mayne Root, AMTA (co-chair)
- Don Wilson, AMTA (replacing Mayne Root Dec/10)
- Brian Waddell, AENV
- Peter Dzikowski, AT
- Lloyd Blower, AT
- Bud Rice, AMTA
- Adam Gagnon, Climate Change Central (C3)
- Don Chapman, Canadian Freightways
- Peter Mills, Canadian Freightways
- Gail Sharko, ECL Transport (now Westcan)
- Vic Duckering, Duckering's Transport
- Terry Rhode, Rosenau Transport
- Jim Belcher former resource consultant contract (finishing March/10)
- Michael Humphrey current resource consultant contract (commencing April/10)

During 2010, the AGCC met on January 25, June 21, and October 4. These meetings created a forum for feedback and consultation from industry that was important in the development of new ideas and strategies to advance GHG mitigation within the Alberta commercial transport truck sector. AGCC meetings also served the purpose to inform industry representatives of any relevant climate change / GHG mitigation policy developments or initiatives at the broader provincial or national level. In addition to the full AGCC meetings, core committee meetings were conducted to advance decisions and directions set at the AGCC meetings.

Major AGCC Initiatives of 2010:

Provincial Rebate Program

- Early in 2010 the AGCC was informed of a potential provincial transport truck rebate program through funding made available from AENV, with program management and delivery by C3.
- AGCC members provided input regarding program formation: application / reporting process, product and technology eligibility, corporate competitiveness issues, etc.
- The \$2 million "Trucks for Tomorrow" Program was launched on May 31, 2010, providing up to \$30,000 (per company) in rebates on aerodynamic and fuel efficient technologies.
- The AGCC and AENV representatives developed parameters for the resource consultant role in promotion of the rebate program and provision of application support.
- AGCC members participated in rebate program applications on behalf of their respective companies.

Industry Engagement (Resource Consultant)

- Direct "one on one" meeting contact was undertaken with Alberta carriers to investigate current fuel efficiency practices and protocols, and present alternative measures ("best practices") and programs available for consideration.
- Carrier engagement was focused in the following areas: Calgary, Edmonton, Medicine Hat, Lethbridge, Red Deer, Lloydminster, Fort McMurray, Grande Prairie, Rocky Mountain House, Hinton, and Edson.
- Resource Consultant group presentations were held at monthly AMTA regional meetings promoting GHG reduction and the importance of fuel efficiency practices: Calgary, Medicine Hat, Lethbridge, Red Deer, Edmonton, Lloydminster, Fort McMurray, and Grande Prairie.
- Work was conducted with C3 in promotion of the "Trucks of Tomorrow" Rebate Program for carriers throughout the province (meetings with individual carriers, AMTA regional meetings, and AMTA truck scale BBQs).
- Follow-up with carriers was performed as a result of inquiries from the AGCC website "Truckfuelsavings.ca".
- A lead role was taken in preparing for a strong AGCC presence at the 2011 at the Annual General Meeting of the AMTA, through the "Advantages of Being Green" workshop at the AGM, with guest panellists, (including Resource Consultant), promoting fuel efficiency in the trucking sector.

Website Development / Maintenance

- In early 2009 the AGCC directed the development of a website (<u>www.truckfuelsavings.ca</u>), dedicated to provide information regarding fuel efficiency measures for the Alberta commercial trucking industry.
- The website was created through funding provided by AENV, and through the technical support of a website design firm.
- During 2010 this website was further developed and improved in the following areas: linkages to related external websites (C3, AMTA); expansion of resources page; industry links page; news updates; FAQ; and relevant polls.
- The host site was also transferred from the original website developer to the AMTA.

AGCC Accomplishments:

- Identified current, transport truck, industry-proven fuel efficiency practices (technologies and programs) with attractive payback periods, in the Alberta context.
- Identified Alberta-based trucking companies that are not currently using these readily available, proven fuel efficiency practices, focusing on large to mid-sized carriers.
- Contacted and engaged relevant targeted carries to outline practices (case studies), and emphasize a business case to implementation, with focus on payback periods.
- Established base-line information and conducted research toward the development of a future, potential rebate program.
- Prepared for possible implementation of comprehensive fuel efficiency component in Alberta driver education programs; and best practices – award/recognition program.
- Industry engagement regarding relevant market intelligence to key industry representatives:

Provincial, federal and international climate change processes.

Canadian / Alberta renewable fuel standards.

Provincial and federal developments regarding emissions trading protocol.

Provincial initiatives involving: tire technology, truck stop electrification, hybrids and natural gas technologies.

Next Steps:

Objectives for 2011 and to the end of the MOU term (Dec. 31, 2012), will be outlined in the 2011/12 AGCC Work Plan document. It is expected the key areas of focus will be: continued industry engagement (new Alberta locations); and an emphasis on driver education (within the trucking firms); through training schools; and through the provincial licensing process.