

**BWG-M-02-12**

## **Low Carbon Vehicle Partnership**

**Bus Working Group – Inaugural Meeting**  
**Tuesday, 10 December 2002, 10.30-13.00**  
**Policy Studies Institute, 100 Park Village East, London NW1 3SR**

### **MINUTES OF MEETING**

#### **Present**

Steve Bell (EST, for David Lemon)  
Simon Brown (Consultant for TfL)  
Steve Brown (Shell)  
Bob Bryson (Newbus)  
Andrew Colski (DfT)  
Colin Copelin (CPT)  
Terry Davies (UWE/Sciotech)  
Chris Dewey (BP)  
Mark Gaynor (DfT)

Myles Mackie (Coventry Council)  
David Martin (ClearZones)  
Leslie Packer (DfT)  
John I. Smith (TransBus)  
Hans Smits (Evobus)  
Adrian Wickens (Volvo)  
Dave Yuill (DTI)  
Prof Jim Skea (LowCVP)  
Konstanze Scharring (LowCVP)

#### **Apologies**

Chris Dyal (First Group)  
Richard Dyball (Arriva)  
David Lemon (EST)  
Alan Martin (Scania)  
Rayner Mayer (Sciotech)

Chris Moyes (GoAhead)  
Maurice Perl (Wrightbus)  
Brian Jackson (Travel West Midlands)  
Neill Scales (Merseytravel)  
Pat Selwood (TWR)

#### **1. Welcome and introduction**

Jim Skea welcomed the group to the Policy Studies Institute for the inaugural meeting of the LowCVP bus working group. Members introduced themselves and declared their organisation's stake in the low carbon bus agenda.

#### **2. Background and objectives**

Leslie Packer (DfT) informed the group about the policy background of the meeting as outlined in the Government's Powering Future Vehicles Strategy (July 2002). The target set in the PfV Strategy was defined as follows: "By 2012, 600 or more buses coming into operation per year will be low carbon, defined as 30% below current average carbon emissions."

He stressed that the target reflected the Government's overall aim to get a substantial reduction in CO<sub>2</sub> from a significant number of buses but that it was not set in stone. To agree the appropriate way of achieving was the main task for the partnership. Depending on what was deemed achievable the figure of 30%

could vary provided the reduction was substantial. Likewise, an earlier achievement or over-achievement on the target would be highly welcome.

Early projects in the bus area were seen as a way to get to the target faster, cheaper and easier, and served as a test of the partnership proposition that there was mutual benefit in bringing various stakeholders around the table.

Jim Skea briefed members of the work of the launch team over the past months. The future Partnership would receive its strategic guidance by a high-level Board (Board members – see ANNEX 1). The board reports annually to the inter-ministerial Low Carbon Group (DTI, DfT, DEFRA, HM Treasury) which is accountable to Parliament and has the strong interest of the Prime Minister.

The Board's work is prepared by a steering group. It consists of representatives from all membership sections, the key trade bodies and the LowCVP secretariat. The steering group will advise the board to establish as first year priorities the following Working Groups: Buses, Passenger Cars, and Research & Development. It is expected that the Partnership will roll out other areas of work addressing the role of the supply chain in the low carbon agenda and longer-term options for fuelling low-carbon transport such as hydrogen and biofuels.

### **3. Low carbon buses: Barriers & opportunities from working in partnership**

The round table discussion came to the conclusion that the partners could successfully work together in the bus area to achieve the low carbon bus target but that success very much depended on various critical issues:

**Whole-life cost effectiveness** – The Group agreed that ultimately for low carbon buses to succeed in the market, they had to be whole-life cost effective compared to current conventional diesel vehicles. The economics had to be right to achieve the shift.

**Government support:** Government was asked by industry to help get beyond demonstration. The need for heavy subsidies at national and European level was mentioned. It was made clear, however, that the Treasury was not to be expected to provide any extra long-term subsidies for buses in order to meet low carbon objectives. The current review of the Fuel Duty Rebate was seen as critical in terms of achieving a suitable fiscal environment for low carbon buses.

**UK industrial benefit** – Some members expressed their concern if the 'benefits to UK industry' were overemphasised as a goal of PfV. Their companies worked on a global level with R&D work often conducted elsewhere whilst employment created in the UK being high. Partners do not want to see the scope limited, but to combine UK efforts and link them up with European and US partners.

**Councils' role:** Councils were regarded as playing an important role in the low carbon bus agenda (air quality, social inclusion, liveability); they are moving from traffic management to low emission zones & air quality management (AQMA's).

The year 2005 was a milestone, and further restrictions on traffic in town centres (sticks) were to be expected.

#### **4. Working Group – Terms of Reference**

The Group revised the draft terms of reference to include a reference to the need for clarification and further definition of the low carbon bus target (baseline, categories, CO2 figures) in the work plan and to place the work in an international context. The amended draft terms of reference (ANNEX 2) will be tabled for approval at the next Bus WG meeting on 06 February.

#### **5. Draft Workplan**

Two working groups were established which will report back their preliminary findings at the next Bus WG meeting:

**Bus Target Sub-Group** – The group consists of Steve Bell, Steve Brown, Bob Bryson, Adrian Wickens, and Simon Brown. Its task is to define the basics underlying the low carbon bus target: establish the current baseline of CO2 emissions from Euro 3 buses, establish appropriate methods of measurements of those emissions, and recommend an appropriate segmentation of bus types to establish precise CO2 emission targets for each type. The group agreed to meet on 21 January 2003.

**Policy & Fiscal Framework Sub-Group** – Members are Terry Davies, Colin Copelin, Myles Mackie, Alastair Dick, Leslie packer and Andrew Colski. Its task is to advise on suitable fiscal instruments that will enable a successful introduction of low carbon buses. The current review of FDR would feature in their discussion.

Further areas on which the group wants to achieve results in the first year are demonstration projects / pilots and awareness raising.

The target of achieving the objectives set out in the work plan within the next twelve months was adopted.

#### **6. Membership of LowCVP Bus Working Group**

It was agreed to hold meetings of the Bus WG every two months with sub-groups pursuing their work in the intermediate time. Individual meetings should be given a theme so that members could attend according to their interest and numbers of attendants would not exceed an effective working level. Members would host the meetings and carry their own costs (meetings / activities).

The Group agreed to broaden the membership of the Bus WG. A closer engagement in the WG by local government, energy industry, suppliers and bus operators was to be sought.

In particular the engagement of bus operators was seen as critical. The lack of operators present at the meeting did not reflect their lack of interest but the date and too little notice prevented their attendance.

The CPT agreed to help to get working level engagement from operators in Bus WG. Following the LowCVP launch event the launch team was tasked to arrange one-to-one meetings with the CEOs of the big five operators to unlock their diaries and secure top level interest.

### **7. Election of Chairman**

John I. Smith was elected chairman of the LowCVP Bus Working Group.

### **8. Dates for meetings in 2003**

The following dates were suggested for future meetings: Feb 6; April 3; June 5; Aug 7; Oct 2 and Dec 4. The dates and location of these meetings (members' facilities) will be confirmed at the next Bus WG meeting.

### **9. Any other business**

International context – Hans Smits offered to collate some useful information on international developments in the low carbon bus area and report back to the group at a future meeting.

CPT leaflet – Colin Copelin will provide the launch team with the CPT leaflet “Fuels for Buses” (June 2001) which will be handed out at the next meeting.

CfIT Report – Konstanze Scharring was asked to circulate with the minute of the meeting the Commission for Integrated Transport's report “Public Subsidy for the Bus Industry” (December 2002).

*The report itself is not available in pdf format to send to members. Please use the link to the CfIT webpage: <http://www.cfit.gov.uk/reports/psbi/cfit/index.htm>*

### **Next LowCVP Bus Working Group meeting**

**Thursday 06 February 2003, 10.30-13.00**  
**SMMT, Forbes House, Halkin Street, London SW1X 7DS**  
**Tube: Hyde Park Corner (Piccadilly Line)**

**LOW CARBON VEHICLE PARTNERSHIP BOARD - 2003**

Graham Smith, Managing Director	Toyota (GB) PLC, <i>Chairman LowCVP Board</i>
Jim O'Donnell, Managing Director	BMW (GB) Ltd
Dr Bernard J. Bulkin, Chief Scientist	BP plc
Tom Delay, Chief Executive	The Carbon Trust
Leslie Packer, TET Divisional Manager	Department for Transport
Sarah Chambers, Director, Automotive Unit	DTI
Eoin Lees, Chief Executive	Energy Saving Trust
Roger Putnam, Chairman	Ford Motor Co Ltd
Dr David Hart, Head of Fuel Cell & Hydrogen Research	Imperial College
Dr Jack Frost, Director, Fuel Cell Business	Johnson Matthey plc
John Wood, Managing Director	MIRA Ltd
Nick Hartley, Senior Adviser	OXERA
Edmund King, Chief Executive	RAC Foundation
Neville Jackson, Director, Technology	Ricardo Consulting Engineers
Dr Paul Jefferiss, Environmental Policy	Royal Society for the Protection of Birds (RSPB)
John Fleming, Managing Director	Mayflower Corp. / TransBus

Further appointments are due in the following membership sections: Local government, commercial fleet operator, public transport operator, fleet buyer.

# **Low Carbon Vehicle Partnership**

## **Bus Working Group – (Draft) Terms of Reference**

The Bus Working Group is set to contribute to the LowCVP's mission by providing a forum that brings together stakeholders in the development and use of low carbon buses in the UK. Its tasks will include:

- Identifying and recommending ways of removing barriers to the introduction of low carbon buses in UK
- Creating wider awareness of the opportunities for the UK presented by low-carbon buses
- Providing guidance on achieving the Government's target of 600 or more new buses to be low carbon by 2012, defined as 30% below current average carbon emissions.
- Advising on policy, fiscal and regulatory instruments that will help the UK to achieve and move beyond the 2012 target, by taking into account wider European and global developments.
- Identifying low carbon bus demonstration and pilot projects and creating opportunities for stakeholders to participate in such projects
- Providing feedback on the progress and effectiveness of Government R&D programmes relating to low carbon vehicles, with particular reference to buses