

The Fleet Express

A quarterly publication for Agency Transportation Officers



OFMS KEY STAFF

MICHAEL BISOGNO

DIRECTOR

michael.bisogno@dgs.virginia.gov

GARY JOHNSON

PLANNING AND DEPLOYMENT MANAGER

gary.johnson@dgs.virginia.gov

KEVIN CRAIN

FLEET SERVICES MANAGER

kevin.crain@dgs.virginia.gov

CARL LOVELAND

BUSINESS MANAGER

carl.loveland@dgs.virginia.gov

CONNIE BECK

VMCC PROJECT MANAGER

connie.beck@dgs.virginia.gov

Department of General Services
Office of Fleet Management Services
2400 W. Leigh St. Richmond, VA 23220
P: (804) 367-6526 F: (804) 367-8987
www.fleet.dgs.virginia.gov

Update: Governor's PPEA on Alternative Fuel

The Commonwealth of Virginia has been actively working on a statewide plan to investigate the feasibility to introduce alternative fueled vehicles in state fleets. Legislation (House Bill 2282) passed during the 2011 General Assembly directs the establishment of a plan to provide for the replacement of state-owned or operated vehicles with vehicles that operate using natural gas, electricity, or other alternative fuels.

Other alternative fuels include ethanol, propane, biodiesel, hydrogen and others as identified by alternative fuel providers.

To fulfill this requirement, the Commonwealth looked to the private sector, through a Public-Private partnership, to investigate the feasibility of such a plan. This Public-Private initiative is being conducted in accordance with the Public-Private Educational Facilities and Infrastructure Act (PPEA) of 2002 (§ 56-575.1 et seq.), and PPEA guidelines as published on the Commonwealth of Virginia, Department of General Services website <http://dgs.virginia.gov/PPEA/tabid/62/Default.aspx>

This process requires industry leaders in vehicle manufacturing, alternative fuel infrastructure, producers of alternative fuels and other alternative fuel experts to partner among themselves and govern-

ment for a successful plan to be developed and implemented.

Objectives of this Public-Private initiative include: reducing the Commonwealth's dependency on gasoline and diesel fuel refined from foreign oil, reducing the amount of carbon dioxide emissions from the operation of the Commonwealth's state-owned vehicles, expanding business opportunities within the Commonwealth for large and small businesses resulting in new jobs, and, providing a cost efficient solution. As solutions were developed, the Commonwealth encouraged consideration of how vehicles owned and operated by the Commonwealth's local government, institutions of higher education, citizens of the Commonwealth, and visitors traveling through the Commonwealth in their vehicles can participate and benefit from proposed solutions.

The Commonwealth has now completed the Conceptual Phase of the PPEA process and is moving forward with two of the sixteen proposals submitted. The two finalists include the Clean Energy plan focusing on compressed natural gas (CNG) and the Alliance AutoGas proposal which focuses mainly on Liquid Propane Gas (LPG). These two proposals are now in the Detailed Phase of the process where the vendor teams will

From the Director: NEW OFMS-1 is Now Available

The new version of the OFMS Form 1 is now available on the OFMS website. The new form will be easier to request a specific vehicle with a block to outline vehicle specifications. It will be easier to use this form for mileage exception, commuting and home office requests. Best of all, the new form will be MS Excel based, allowing you to type directly in the form and save the form electronically. While we will still only accept physical signatures, I hope this allows a little more flexibility in your operations.

We will accept both the old and new forms as we transition, but please try and migrate to the new form. As always, feedback is welcome. The new form can be found here: <http://www.dgs.virginia.gov/LinkClick.aspx?fileticket=BOdXgrxTS%2Bo%3d&tabid=311>

Continued from Page 1

now use additional data and guidance provided by the Commonwealth to further identify a cost-neutral plan to move as many vehicles as possible to an alternative fuel. They will develop a plan that will also allow for the continuous improvement of the project with an objective of moving away from the dependence on foreign oil.

If you would like additional information on this project, please contact Michael Bisogno, Director of OFMS. We will continue to provide updates as details become available.

Fuel Prices on the Rise Again

The second week of April has marked a slight decrease in fuel prices, but analysts are warning not to get too excited. Fuel prices are expected to increase a few more times before an expected peak sometime in May.

Higher gasoline prices are the result of global supply and demand and are determined, in part, by factors such as how much oil countries are pumping and how much oil is in reserves, as well as the geopolitical stability of oil-rich countries. Of concern lately, is panic buying of gasoline in Europe and the adding to the stockpiles in Asia because of the uncertainty of Iran and what they may do with respect to the Strait of Hormuz or what Israel may do with respect to Iran's nuclear program. Also, sanctions against oil exports from Iran and reduced refining capacity here and abroad are factors that may cause gasoline prices to go higher.

Gasoline prices typically rise each spring as refiners draw down supply in order to switch from producing winter-grade fuel to producing summer blend fuel, which is less-polluting but more expensive to produce. This year, however, the annual spring surge in prices came earlier than usual.

Another cause of upward pressure on prices is the tight supply market caused by the closing of four refineries in the eastern U.S. Sunoco will add to this number by closing its refinery in Philadelphia this July, due to the cost of crude oil and financial pressures. Only part of this loss can be made up by increasing production at the remaining refineries.

According to AAA, the national average price for a gallon of regular gasoline is \$3.92 per gallon which is up 9 cents per gallon in the past month. The average retail gasoline cost in Virginia is currently \$3.89. The only certainty in fuel pricing over the next few months is that it will become more and more volatile.

