Clinton Climate Initiative/C40 Hybrid & Electric Bus Program Breaks Ground in Latin America

Program Designed to Drastically Reduce Emissions from Traffic in the Region

Rio de Janeiro, Brazil (June 7, 2011) -- The Clinton Climate Initiative (CCI), a program of the William J. Clinton Foundation, today announced that Rio de Janeiro, a member of the C40 Cities Climate Leadership Group (C40), has become the first city to test hybrid buses as part of the CCI/C40 Hybrid & Electric Bus Test Program. The City of Rio will start to test buses this month with more cities following soon. The goal of the CCI/C40 Hybrid & Electric Bus Test Program is to develop a market for fuel efficient, low-carbon buses in Latin America, and was developed at the request of C40 Cities.

Road transportation accounts for 90% of transportation emissions in Latin America, half of which are produced by passenger traffic. Over the coming 14 months, the environmental performance and economic benefits of approximately 10 hybrid and all-electric buses from several manufacturers will be tested in C40 Cities participating in the program, including Bogota, Curitiba and Sao Paulo, in addition to Rio de Janeiro. The buses will be tested under real traffic conditions, in city centers and Bus Rapid Transit (BRT) lines.

The results of each City test will be included in recommendations for the development of the hybrid and electric bus sector in Latin America that CCI will prepare in 2012, at the end of the program, addressing both demand and supply-side barriers to deployment in order to stimulate regional production of hybrid and/or electric buses. Data obtained will define the reliability of hybrid and electric buses, estimate emissions reduction and life-cycle costs, and identify other benefits and mechanisms to reduce costs and risks associated with the adoption of hybrid and electric bus technology. If the test program is successful, it is expected to catalyze the deployment of 9,000 buses across the Cities and reduce annual carbon dioxide emissions by 566,000 tons by 2016.

The program has secured the participation of a number of partners in the CCI/C40 Hybrid & Electric Bus Test Program, including the Volvo Bus Corporation, BYD Motor Inc., and Eletra Industrial Ltda. These partners will support the program in a number of ways including, supplying and maintaining the buses for free during the test phase, and providing data and analysis on estimated emissions reductions and life-cycle costs. A limited number of additional companies with expertise in hybrid or electric buses may be added to the program over the coming months.

Later this month, Rio de Janeiro will start to test a Volvo hybrid bus. In the coming months, Sao Paulo will test Volvo, BYD and Eletra technologies, followed by Bogota’s testing of Volvo buses. Curitiba is
expected to start testing BYD buses towards the end of 2011. CCI is also collaborating with a parallel World Bank initiative in Mexico City where hybrid buses will be tested along conventional routes and in BRT applications.

"Bus companies in Rio de Janeiro believe that public transportation is a viable path to sustainable development and, therefore, are diversifying their activities in this field," said Lelis Marcos Teixeira, President of Fetranspor, a federation composed of 11 unions and about 200 transportation companies in the state of Rio de Janeiro. “Through Fetranspor, bus companies participate in the “Economizar” Project, designed to reduce greenhouse gas emissions. They also created the Green Seal, in partnership with the State Government, which certifies the compliance of the bus fleet to legal environmental standards. The Green Seal has been applied to 94% of 20,000 buses in the City of Rio. Bus companies are testing alternative fuels and vehicle technologies that are less polluting, such as natural gas, biodiesel and electricity, in order to reduce environmental impacts.”

As one of the stages for major sporting events including the World Cup 2014 and Olympic Games 2016, Rio de Janeiro has made a formal commitment to sustainable mobility. The government will specify the deployment of new technologies and improvements in network services, fleet management and new operational techniques that result in sustainable mobility advances.

"Just as with the strategy that resulted in the implementation of “Bilhete Único Carioca” (single ticket tariff integration), the rationalization of the transportation network and fleet will increase the operational efficiency and reduce costs,” said Alexandre Sansão Fontes, Municipal Secretary of Transportation, City of Rio de Janeiro. “It will also support the incorporation of more efficient technologies in terms emissions, even though, in principle, their costs are higher. For this reason, the city of Rio de Janeiro has embraced the CCI/C40 Hybrid & Electric Bus Test Program, in order to demonstrate that hybrid and electric buses can be both an environmental friendly and feasible economic solution.”

“Emissions from the transport sector in Latin America are expected to increase significantly across the region over the coming years as a result of urbanization, and population and trade growth,” said Manuel Olivera, Director of the CCI/C40 Hybrid & Electric Bus Test Program. “Although both hybrid and electric buses can deliver significant reductions in emissions and thereby improve air quality, lack of availability and higher purchase price has limited deployment to date. Through the CCI/C40 Hybrid & Electric Bus Test Program we aim to address these and other key barriers.”

The program has obtained a US$1.5 million grant from the Inter-American Development Bank (IDB) to pay for the technical procedures associated with the tests, as well as a study of market barriers and opportunities. As well, CCI is providing assistance to the cities and working with the IDB on financing mechanisms. The two organizations are working together to identify financing mechanisms that can cover the current hybrid and electric bus price premium with the savings on fuel that will accrue over the lifecycle of the bus.

Hybrid and electric buses are low-carbon forms of transportation. Hybrid buses are typically powered by a conventional internal combustion engine and an electrical propulsion system that captures, stores,
and reuses energy that would otherwise be lost in braking. A hybrid system reduces fuel consumption and corresponding emissions, in some cases generating 30% fewer CO₂ emissions than a traditional diesel bus. An electric bus is battery-based and like an electric vehicle, can be charged by plugging-in at a charging station. The emissions generated by an electric bus can approach zero if the electricity used to charge it comes from low-carbon generating sources.

“The Clinton Climate Initiative has initiated an ambitious program, which will show that the actions required to mitigate climate change need not be costly to society,” says Edward Jobson, Director of Environment, Volvo Bus Corporation. “The tests are designed to give the most accurate and comprehensive evaluation of the true environmental performance and economic benefits of hybrid buses – and their results will be extremely valuable in establishing both the environmental and business case for a city’s potential investment in hybrid buses. We therefore support the program actively.”

“BYD’s mission is to drive the mass-market adoption of renewable solar-power generation, environmentally-friendly energy storage that makes these renewable generation sources relevant to the grid, and finally products like our long-range, all-electric eBUS, that use energy responsibly,” said Michael Austin, Vice President, BYD. “This comprehensive approach coupling renewable-power, energy-storage and electrified vehicles creates a truly zero-emissions eco-system. We enthusiastically support the goals of the CCI.”

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Notes to editors:

About the Clinton Climate Initiative:
The William J. Clinton Foundation launched the Clinton Climate Initiative (CCI) in 2006 to create and advance solutions to the core issues driving climate change. Working with governments and businesses around the world to tailor local solutions that are economically and environmentally sustainable, CCI focuses on three strategic program areas: reducing emissions in cities, catalyzing the large-scale supply of clean energy, and working to measure and value the carbon absorbed by forests. In each of these programs, CCI uses a holistic approach to address the major sources of greenhouse gas emissions and the people, policies, and practices that impact them. CCI is a non-profit organization that operates from an independent and unbiased perspective and has no financial interest in any project that might be developed as a result of its involvement.

In 2006, CCI became the delivery partner of the C40 Cities Climate Leadership Group (C40), an association of large cities around the world that have pledged to accelerate their efforts to reduce greenhouse gas emissions. President Bill Clinton and Mayor Michael R. Bloomberg of New York and Chair of the C40, recently announced an expanded alliance between the C40 and the CCI Cities Program. Visit: www.clintonfoundation.org/ccci

About C40 Cities
The C40 Cities Climate Leadership Group (C40) is an organization of large and engaged Cities from around the world committed to implementing meaningful and sustainable climate-related actions locally that will help address climate change globally. Visit: live.c40cities.org

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i Hybrid Bus Test Program in Brazil and Colombia. Plan Of Operations (RG-T1798) (IADB)

ii BYD is a battery manufacturer and electric-bus manufacturer based in China

iii Eletra is a developer of electric bus technology based in Brazil

iv Based on a Volvo demonstration evaluation, Rio de Janeiro