Evanston has long pursued actions to contribute to its status as a “green” city. EVNORSKO clearly supported Strategic Plan Goal #5, to protect and optimize the City’s natural resources and built environment, leading by example through sustainable practices and behaviors. While the attainment of the EVNORSKO unit was in concert with this goal, the unit has been plagued by issues of sustainability. In the current automobile market, in which natural gas-operated vehicles are difficult to come by and the cost of natural gas has increased along with other fuel costs, the EVNORSKO unit operates at a modest, but continuing, deficit to the City.

EVNORSKO was originally funded in 2002 through a Federal grant aimed at reducing municipal vehicle emissions. However, since installation of the compressed natural gas (CNG) unit housed at the City’s Service Center, vehicle manufacturers overwhelmingly abandoned CNG technology and instead pursued gas-electric hybrid and ethanol technologies. Honda is the only auto manufacturer that sells market-ready CNG vehicles in the United States. Evanston explored the idea of purchasing refuse trucks that run on CNG, but the additional cost of these vehicles was prohibitively expensive at more than $50,000 per unit.

A cost-benefit analysis of EVNORSKO (2006-07 Budget Memo #45) performed in response to the Council’s request during the 2006-2007 budget process found that maintaining the unit amounted to an approximate loss of $500 per year to the City. In the past calendar year, Evanston has used approximately 700 gallon-equivalents of CNG but has spent $2,640 on maintenance and repair of the unit. The average cost per gallon-equivalent was lower than gasoline during the past year, at $1.62 per gallon-equivalent versus more than $2.50 per gallon of gasoline, which represents a savings of $616 realized by using CNG instead of gasoline. However, this does not offset the costs incurred for maintenance of the unit and to pay the company that processes billing for the City. If current CNG usage and upkeep costs continue at their current pace, the potential savings that the City would realize through the sale of the unit would be approximately $2,000, in addition to any price paid by an outside organization for the sale of the unit.

While the sale of the unit may seem to detract from Evanston’s environmental efforts, the City is actively pursuing other measures to increase the fuel-efficiency and improve the emission standards of the Fleet Service vehicles. For example, Fleet Services currently is completing the grant application process to fund the purchase and installation of special muffler replacement units on diesel vehicles in the City’s fleet to reduce toxic emissions. These units, called Diesel Oxidation Catalysts, add extra filtering capabilities so that harmful diesel exhaust particulates are reduced by approximately 70 percent. Furthermore, the anticipated purchase of gasoline-electric
hybrid vehicles through the Fleet Service’s 2007-08 capital replacement program reflects the City’s dedication to building a “green” fleet.

As previously mentioned, EVNORSKO Corporation members discussed the sale of the EVNORSKO CNG unit in February of 2006. One potential buyer, the DuPage County Forest Preserve, expressed interest in the unit at that time. However, before arrangements could be made for the sale and transport of the unit, DuPage County FP received a Federal grant to install a CNG unit of its own. The Preserve has expressed interest in acquiring a second unit, and the cost estimate provided to DuPage County for the removal and installation of the unit was $63,000, which does not include any purchase price attached to the unit. This issue would have to be discussed and agreed upon by the EVNORSKO Corporation members at its next meeting, which has yet to be scheduled.

One additional item to consider when weighing the sale of the unit is the disposal or conversion of one Fleet Services vehicle that runs solely on CNG. This vehicle would either need to be sold (potentially to the buyer of the CNG unit itself) or be outfitted with retrofit technology to allow it to run on gas or biodiesel.

Staff recommends that the Council approve exploration of the sale of the unit by local communities or organizations and the conversion or sale of the dedicated CNG vehicle in the City’s Fleet.