



FREIGHT TRANSPORT ASSOCIATION

JEH/DC/225

07 August 2006

Mr Ken Livingstone
Mayor of London
City Hall
Queen's Walk
London
SE1 2AA

Dear Mr Livingstone

Low Emission Zones

FTA and its members were pleased that your recent announcement on the proposed Low Emission Zone took some account of representations we made to TfL, in particular on the costs of moving to the Euro 4 standard in 2010. We were disappointed, however, by your adherence to an approach based on Euro-standards in general rather than the rolling age limit that we advocated in our submission. We felt that this design of scheme yielded wider environmental benefits, avoided the downside of retrofitting, depended on a single implementation date and offered a simpler to understand system. Given your wider objectives, espoused again this week in Los Angeles, I wanted to ensure that you were fully aware of the positive benefits a rolling age scheme could deliver.

Wider environmental benefits

When the LEZ proposals began to gain ground last year FTA took the view that a scheme of some sort was inevitable because of the legal demands of the Air Quality Framework Directive as well as your own manifesto pledges. With this in mind we considered how the policy objectives of a reduction in a basket of pollutants, including NO_x and PM₁₀ particulates might best be achieved. Not included in this scheme, but equally important were two other elements – the first is your desire to reduce climate impacts through reduced CO₂ emissions; the second the need to widen the delivery time window by overhauling the London Lorry Control Scheme (LLCS). It was clear to us that a strategy to shorten the vehicle replacement cycle would support all of these objectives by quickly increasing the proportion of newer vehicles operating in London:

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Mr Ken Livingstone

07 August 2006

- Euro 5 vehicles produce only 25% of the amount of NO_x produced by a Euro 2 equivalent (no technology is validated for *retrofitting* NO_x abatement kit);
- Euro 4 and 5 vehicles are tolerant of biodiesel blends, the use of which gives a 50% reduction (pro rata) in CO₂ emissions as well as a further significant reduction in PM₁₀ particulates;
- Newer vehicles, particularly the commercial hybrid vehicles that are becoming available, can overcome the noise issues that have led to the now-obsolete time limits of the LLCS and local curfews. Allowing more deliveries by “quiet” vehicles from 5:30 or 6:00 am would allow many of those vehicles to have left central London before the morning peak.

Retrofitting

With regard to the downside of the revised proposals, you should note that many of the options set out in Deloitte’s model, such as retrofitting of older vehicles with Euro 3 or Euro 4 engines are simply unworkable and demonstrate a worrying unfamiliarity with both the industry and the technology. For example, when TfL achieved retrofit on its bus fleet it was installing engines that were still freely available whereas it is already impossible to find new Euro 3 engines, and upgrading to Euro 4 would be unworkable because of the need to integrate so many electronic systems. Similarly the model considered retrofitting with NO_x abatement systems but these are neither available or suitable (largely because trucks in the US, where NO_x retrofit is a small, but established market, are larger and have much more room “under the hood” for modifications than European vehicles where the length limits have squeezed cab and engine compartments to the minimum).

Retrofitting of particulate traps too is of uncertain value. Whilst they may work well when leaving the workshop, many operators have removed them because of poor operations in the stop-start working environment of central London. As there is no process for validating performance at any time after fitting, any damage or malfunction will go unnoticed and unfixed and has a deleterious impact on emissions.

Single implementation date

We are also concerned with the confusion that will arise with four separate implementation dates (two in 2008, another in 2010 and a fourth in 2012) with the prospect of a fifth for light goods vehicles. Whilst our members are already being briefed and advised there are many operators – around a third – who are not in membership of FTA or any other trade association who we believe will learn the hard way. Of those operators in the “long tail” of older vehicles who do comply but only make occasional visits, many will take the option of paying the daily charge, thereby undermining the environmental credentials of the scheme.

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Mr Ken Livingstone

07 August 2006

Simplicity

One of the virtues of our proposal is its simplicity – the scheme only needs to be introduced once and will continue indefinitely, rather than your revised proposal where the benefits diminish downwards towards the “do nothing” option by 2015.

You may be aware that early analysis of a ten-year rolling age limit concluded that the environmental benefits were negligible. However, at a meeting with the Director, Malcolm Murray Clarke, we were informed that the numbers were being reworked to assess 8-, 7- and 6-year schemes to evaluate their effectiveness and likely costs to industry – we have not yet been informed of the outcome of that work but believe that a 7-year rolling age scheme would be as effective on particulates (excluding the benefits of a biodiesel strategy) as the current, revised scheme. An age-based scheme would also be easier to enforce as most UK vehicles clearly display the year of registration and many European countries employ similar labels on registration plates.

In summary, we would urge you to use the next round of consultations on the scheme order and the intervening period to bring our considerable industry and technology expertise together in discussion with your advisors at the GLA and TfL to redesign a scheme that will deliver long term environmental benefits for Londoners whilst minimising the financial impacts for large and small operators alike. A bold step would be to consult on both types of schemes and re-assess your options in the light of a healthy public debate.

Yours sincerely

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