

**U.S. DEPARTMENT OF LABOR
ALTERNATIVE FUEL VEHICLE
REPORT
FOR FISCAL YEAR 2008**

February 2009

**Office of the Assistant Secretary for
Administration and Management
200 Constitution Avenue, NW, Room S-2203
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U.S. Department of Labor's Alternative Fuel Vehicle Report for Fiscal Year 2008

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Introduction:

This Department of Labor (DOL) Alternative Fuel Vehicle (AFV) Report for Fiscal Year (FY) 2008 presents DOL's data on the number of AFVs acquired in FY 2008, and its planned acquisitions and projections for FY 2009 and FY 2010. The report has been developed in accordance with the Energy Policy Act of 1992 (EPAAct) (42 U.S.C. 13211-13219) as amended by the Energy Conservation Reauthorization Act of 1998 (ECRA) (Public Law 105-388); and Executive Order (EO) 13423, *Strengthening Federal Environmental, Energy, and Transportation Management* (January 2007), which revokes E.O. 13149, *Greening the Government Through Federal and Transportation Efficiency* (April 2000).

The EPAAct requires that, beginning in FY 1999, and for each year thereafter, 75% of all covered vehicle acquisitions by Federal agencies must be AFVs. E.O. 13423 also set a goal for covered Federal agencies to decrease petroleum consumption by 2% per year relative to their FY 2005 baseline through FY 2015. The E.O. also requires Federal agencies to increase alternative fuel use by 10% per year relative to the previous year.

DOL's goal is to meet or exceed the 75% AFV EPAAct acquisition requirement for light-duty vehicles by acquiring AFVs and using alternatives fuels, biodiesel fuel in its diesel vehicles, and plug-in hybrid vehicles. DOL exceeded the EPAAct 75% goal for FY 2008.

Legislative and Executive Order Requirements:

Section 303 of the EPAAct (42 U.S.C. 13212) requires that 75% of all covered light-duty vehicles acquired by Federal fleets in FY 1999, and each year thereafter, must be AFVs. The EPAAct requirements apply to agency fleets of 20 or more light-duty vehicles (vehicles less than or equal to 8,500 pounds gross vehicle weight rating) that are "centrally fueled or capable of being centrally fueled," and are primarily operated in Metropolitan Statistical Areas (MSAs) or Consolidated Metropolitan Statistical Areas (CMSAs) with populations of more than 250,000 according to 1980 census data. Certain emergency, law enforcement, and national defense vehicles are exempt from these requirements.

The Energy Conservation Reauthorization Act of 1998 amended the EPAAct to allow one AFV acquisition credit for every 450 gallons of pure biodiesel fuel (B100) or 2,250 gallons of B-20, a blend of 20% biodiesel with 80% petroleum diesel, that is consumed in vehicles over 8,500 pounds gross vehicle weight rating. These "biodiesel credits" may fill up to 50% of a Federal fleet's EPAAct acquisition requirements, but do not carry over into subsequent years and they cannot be traded among fleets.

E.O. 13423 requires each Federal agency that operates 20 or more vehicles within the United States to reduce petroleum consumption in fleet vehicles by 2% annually through 2015, increase

purchase of non-petroleum-based fuel by 10% annually, and use plug-in hybrid (PIH) vehicles when commercially available at a life-cycle cost reasonably comparable to non-PIH vehicles. Fleets may achieve the petroleum consumption reductions through a combination of increased use of non-petroleum-based fuel in AFVs, improved efficiency of non-AFV acquisitions, reductions in fleet sizes and vehicle miles traveled, and/or improvements in overall fleet operating efficiencies.

Section 310(b) of the EPAct requires the head of each Federal agency to prepare and submit an annual report to Congress outlining the agency's AFV acquisitions and its plans for future acquisition. Federal agencies are to submit compliance data using the General Services Administration's Web-based Federal Automotive Statistical Tool (FAST).

The DOL Approach to Compliance with the EPAct and EO 13423:

To meet the requirements of the EPAct and E.O. 13423, the Department is continuing to implement its *Compliance Strategy* that was developed in compliance with the previous E.O. 13149. The *Strategy* is a detailed plan developed in conjunction with fleet data available in FY 2001 and individual DOL agency compliance plans. The *Strategy* specifies that DOL will meet its annual EPAct requirements by requiring that a minimum of 75% of its new light-duty vehicle acquisitions be AFVs. The FY 2002 *Strategy* is used on an ongoing basis and includes any new E.O. 13423 requirements.

The Department issues amendments to the *Strategy* in the form of policy documents and agency meetings asking DOL component agency heads to continue the Department's acquisition of AFVs, redouble efforts to decrease petroleum consumption by the required 2% per year and increase non-petroleum-based fuel usage by 10%. Although DOL has achieved significant progress with the acquisition and use of AFVs, petroleum reduction continues to be the greatest challenge.

Consequently, the Department efforts continue to focus on the following goals and objectives that are already outlined in the Strategic Plan:

- Increasing the use of alternative fuels in all AFVs, where possible and practical;
- Maintaining the required fuel economy improvement of 3 miles per gallon (mpg);
- Continuing to educate and train drivers and fleet officials on the acquisition and use of alternative fuels by providing formal and informal training;
- Continue mandating use of the DOL Automobile Use Tracking On-line System (AUTOS) as the primary data collection tool to track the use of alternative fuels and notify DOL component agencies throughout the fiscal year when they are not meeting the standard;
- Using a DOL incentive awards program implemented to reward DOL component agencies that increase their use of alternative fuels;
- Increasing the average EPA fuel economy rating of passenger cars and light trucks acquired as part of the overall strategy to reduce petroleum use;
- Continuing to meet the requirements of Section 303 of the EPAct, that alternative fuel vehicles and vehicle reporting credits should cover at least 75% of light-duty vehicle acquisitions.

DOL has tasked its agencies to increase the use of biodiesel fuel by taking more aggressive and innovative approaches to further reduce petroleum consumption in diesel vehicles. The use of B-20 diesel blended fuel provides an immediate EPEAT credit for fuel purchases and one EPEAT credit for every 2,250 gallons of B-20 used. The credits earned by purchasing biodiesel can be used to satisfy up to 50% of the alternative fuel vehicle purchase requirements of the DOL fleet.

DOL AFV Acquisitions for FY 2008:

Table 1 shows the number and types of FY 2008 DOL vehicle acquisitions. DOL acquired 768 light-duty vehicles, of which 444 were covered by EPEAT and 518 were AFVs. The 75% EPEAT AFV acquisition goal was met. (518/444 * 100 = 117%)

Table 1: DOL Fiscal Year 2008 Acquisitions

Actual Department of Labor FY 2008 Vehicle Acquisitions				
Actual FY 2008 Light-Duty Vehicle Acquisitions				
		Leased	Purchased	Total
Total number of Light-Duty (8,500 GVWR) - Vehicle Acquisitions		768	0	768
Exemptions	Fleet Size	0	0	0
	Geographic	0	0	0
	Law Enforcement	35	0	35
	Non-MSA Operation (fleet)	0	0	0
	Non-MSA Operation (vehicles)	289	0	289
EPEAT Covered Acquisitions		444	0	444
Actual FY 2008 AFV Acquisitions				
	Vehicle	Leased	Purchased	Total
Sedan	E-85 Flex-Fuel Compact	66	0	66
Sedan	E-85 Flex-Fuel Midsize	159	0	159
Pickup 4x2	E-85 Flex-Fuel	16	0	16
Pickup 4x4	E-85 Flex-Fuel	7	0	7
SUV 4x2	E-85 Flex-Fuel	3	0	3
SUV 4x4	E-85 Flex-Fuel	83	0	83
Minivan 4x2 (Passenger)	E-85 Flex-Fuel	184	0	184
Minivan 4x2 (Cargo)	E-85 Flex-Fuel	0	0	0
Van MD (Passenger)	CNG Bi-Fuel	0	0	0
Van MD (Cargo)	CNG Bi-Fuel	0	0	0
Total Number of AFV Acquisitions		518	0	518
Zero Emission Vehicle Credits		0	0	0
Dedicated Light-Duty AFV Credits		0	0	0
Dedicated Medium-Duty AFV Credits		0	0	0
Dedicated Heavy-Duty AFV Credits		0	0	0
Bio diesel Fuel Usage Credits - Actual				1
Total AFV Acquisitions with Credits		518	0	519
AFV Percentage of Covered Light-Duty Vehicle Acquisition				117 %

Table 2 is the fuel usage for DOL fleets in FY 2008. Most vehicles acquired by DOL are leased from GSA, with all maintenance and fuel costs for the vehicle included in the lease. In order to pay for fuel, the DOL fleets utilize the GSA Voyager credit card.

Table 2: DOL Fiscal Year 2008 Fuel Usage

Covered Petroleum Consumption	3,061,501
Alternative Fuel Consumption	248,877
Total Fuel Usage	3,310,378

Table 3 provides the Department’s FY 2009 AFV acquisitions and planned FY 2010 acquisitions. DOL has placed vehicle orders with GSA for FY 2009 that will exceed the EPAct AFV acquisition requirement. Total AFVs ordered for FY 2009 are 518, with 444 covered by EPAct. DOL is reviewing the cost and feasibility of leasing several hybrid vehicles as part of the DOL fleet when they become available for lease from GSA. If hybrids are not available from GSA, DOL will review the cost of commercially leasing these vehicles from the private sector. There are several advantages in acquiring these types of vehicles: They are fuel-efficient and emit up to 84% less smog-forming emissions than are permitted under Federal guidelines; and they will have a direct impact upon the 20% fuel reduction requirement specified in E.O. 13423.

Table 3: FY 2009 Ordered and FY 2010 Planned Acquisitions

Vehicle Type	Fuel Type	FY 2009	FY 2010
Sedans	E85	225	225
LD Trucks 4x2	E85	16	16
LD Trucks 4x4	E85	7	7
SUV	E85	86	86
Minivan	E85	180	180
Other	Hybrid	4	6
TOTALS		518	520

AFV Acquisition and Other Use Issues:

The lack of an AFV fueling infrastructure to support DOL AFVs continues to be a major concern. When AFVs are leased, significant difficulties remain in locating fuel and maintenance repair sites in close proximity to large populations of DOL vehicle users. There are still less than two thousand E85 refueling sites in the United States. Until the number of refueling sites is substantially increased, the goal of using alternative fueling in AFVs is extremely difficult, and in some areas impossible.

DOL continues making improvements to its new in-house, on-line fleet data tracking system, AUTOS. This system replaced various non-standardized systems and methods used by the different agencies within DOL. An enhanced version of the AUTOS system development was launched during FY 2007. AUTOS supplies accurate and efficient compilation of data for all

DOL agency fleets and provides an additional tool for DOL agencies to use in reviewing their fleet compliance progress.

Several new enhancements have been developed that include system interface with the Federal Automotive Statistical Tool (FAST). This online system has significantly improved productivity, performance, data collection and timely access to accurate data such as vehicle mileage, alternative fuel usage and maintenance costs.

Summary:

DOL continues to strive to reduce the consumption of petroleum through improvements in fuel efficiency and the use of alternative fuels. To improve its compliance posture under the EPA Act and the accompanying Executive Order, DOL has implemented an internal policy establishing AFVs as the “vehicles of choice” for new acquisitions and directs DOL agencies to select the smallest vehicles meeting mission requirements. The policy also calls for DOL drivers to use alternative fuels and fuel blends, wherever it is possible and practical.

Guidance documents, policy statements and senior management briefings are routinely used to ask DOL agency heads for their continued support to achieve key targets of the EPA Act. The Department, in conjunction with Department of Energy, has contacted private sector stakeholders to investigate the feasibility of partnering with the Clean Cities Program, as well as other Federal agencies, to bring alternative fueling stations to locations with high concentrations of AFVs. The goal is to participate in the identification of potential fuel suppliers/infrastructure developers as well as potential grouping of Federal, state, and local government agencies in order to extend the customer base for alternative fuels beyond Federal agencies. This will encourage industry to building refueling stations in new areas.

DOL agencies will continue to ensure the implementation of various strategies to meet the mandates required by the EPA Act. Perhaps the greatest challenge is the requirement to increase the use of alternative fuels. Notwithstanding the challenge posed by the requirement to increase the use of alternative fuels, the Department will continue its efforts to meet the goals of EPA Act.