

**U.S. DEPARTMENT OF LABOR
FLEET ALTERNATIVE FUEL VEHICLE
ACQUISITION REPORT
FOR FISCAL YEAR 2009**

February 2010

**Office of the Assistant Secretary for
Administration and Management
200 Constitution Avenue, NW, Room S-2203
Washington, D.C. 20210**

U.S. Department of Labor's Alternative Fuel Vehicle Acquisition and Fuel Use Report for Fiscal Year 2009

February 2010

Outcome:

As indicated by the Federal Automotive Statistical Tool (FAST), DOL exceeded the Energy Policy Act of 2005 (EPAAct) 75 percent goal for FY 2009 with an EPAAct compliance percentage of 169 percent.

Introduction:

This Department of Labor (DOL) Alternative Fuel Vehicle (AFV) Program Report for Fiscal Year (FY) 2009 presents data on the number of AFVs acquired in FY 2009, and planned acquisitions and projections for FY 2010. The report has been developed in accordance with EPAAct (42 U.S.C. 13211-13219) as amended by the Energy Conservation Reauthorization Act of 1998 (Public Law 105-388) (ECRA); Executive Order (EO) 13423, Strengthening Federal Environmental, Energy, and Transportation Management (January 2007); and EO 13514 Federal Leadership in Environmental, Energy, and Economic Performance (October 2009).

The EPAAct requires that, beginning in FY 1999, and for each year thereafter, 75 percent of all covered vehicle acquisitions by Federal agencies must be Alternative Fuel Vehicles (AFVs). EO 13423 requires Federal agencies to increase alternative fuel use by 10 percent per year relative to the previous year. EO 13514 set a goal for covered Federal agencies to decrease petroleum consumption by 2 percent per year relative to their FY 2005 baseline through FY 2020.

DOL goals are to meet or exceed the 75 percent 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 percent goal for FY 2009.

Legislative and Executive Order Requirements:

Section 303 of the EPAAct requires that 75 percent 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 percent biodiesel with 80 percent petroleum diesel, that is consumed in vehicles over

8,500 pounds gross vehicle weight rating. These “biodiesel credits” may fill up to 50 percent of a Federal fleet’s EPCa acquisition requirements, but do not carry over into subsequent years and they cannot be traded among fleets.

E.O. 13423 required each Federal agency that operates 20 or more vehicles within the United States to reduce petroleum consumption in fleet vehicles by 2 percent annually through 2015, increase purchase of non-petroleum-based fuel by 10 percent annually, and use plug-in hybrid (PIH) vehicles when commercially available at a life-cycle cost reasonably comparable to non-PIH vehicles. However, EO 13514, issued October 5, 2009, requires a 30 percent reduction in vehicle fleet petroleum use by 2020. 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 EPCa 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).

DOL’s Approach to Compliance with the EPCa, EO 13423 and EO 13514:

To meet the requirements of the EPCa, E.O. 13423 and 13514, the Department continues to use the goals and objectives that were outlined in the 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 EPCa requirements by mandating that a minimum of 75 percent of its new light-duty vehicle acquisitions be AFVs.

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 percent per year and increase non-petroleum-based fuel usage by 10 percent. Although DOL has achieved significant progress with the acquisition and use of AFVs, petroleum reduction continues to be the greatest challenge.

Consequently, the Department’s 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) for each new vehicle;
- 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;

- Increasing the average EPA fuel economy rating of passenger cars and light trucks acquired as part of the overall strategy to reduce petroleum use; and
- Continuing to meet the requirements of Section 303 of the EPO Act, 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 EPO Act credit for fuel purchases and one EPO Act credit for every 2,250 gallons of B-20 used. The credits earned by purchasing biodiesel can be used to satisfy up to 50 percent of the alternative fuel vehicle purchase requirements of the DOL fleet.

DOL AFV Acquisitions for FY 2009:

Table 1 shows the number and types of FY 2009 DOL vehicle acquisitions. DOL acquired 765 light-duty vehicles, of which 289 were covered by EPO Act and 488 were AFVs. The 75 percent EPO Act AFV acquisition goal was met. ($488/289 * 100 = 169$ percent)

Table 1: DOL Fiscal Year 2009 Acquisitions

1. Actual Light-Duty Vehicle Acquisitions and Exemptions						
	Acquisitions			Total		
	Leased	Purchased	Total			
Total Light-Duty Vehicle Acquisitions	765	0	765			
Fleet Exemptions: Fleet Size	0	0	0			
Fleet Exemptions: Foreign	0	0	0			
Fleet Exemptions: Geographic	0	0	0			
Fleet Exemptions: Non-MSA Operation	0	0	0			
Vehicle Exemptions: LE Vehicle	8	0	8			
Vehicle Exemptions: Non-MSA Operation	468	0	468			
Total EPO Act-Covered Vehicles	289	0	289			
2. Actual Alternative Fuel Vehicle Acquisition Detail						
Vehicle Type	Fuel	LE	Acquisitions			EPO Act Credits
			Lease	Purchase	Total	
Light Duty Vehicles						
Sedan/St Wgn Compact	E85 FF	No	114	0	114	114
Sedan/St Wgn Midsize	E85 FF	No	89	0	89	89
LD Minivan 4x2 (Cargo)	E85 FF	No	1	0	1	1
LD Minivan 4x2 (Passenger)	E85 FF	No	145	0	145	145
LD Pickup 4x2	E85 FF	No	8	0	8	8
LD SUV 4x2	E85 FF	No	16	0	16	16
LD Pickup 4x4	E85 FF	No	15	0	15	15
LD SUV 4x4	E85 FF	No	92	0	92	92
LD SUV 4x4	E85 FF	Yes	8	0	8	8
Totals:			488	0	488	488

3. Actual EPA Act Acquisition Credits Summary	
Base AFV Acquisition Credits:	488
Zero Emission Vehicle (ZEV) Credits:	0
Dedicated Light Duty AFV Credits:	0
Dedicated Medium Duty AFV Credits:	0
Dedicated Heavy Duty AFV Credits:	0
Law Enforcement or Emergency/Emergency Response Vehicle Credits: ¹	8
Biodiesel Fuel Usage Credits: ⁴	0
Total EPA Act Credits:	488
Overall EPA Act Compliance Percentage:	169 %
Total EPA Act Credits excluding LE & E/ER Credits:	480
EPA Act Compliance Percentage excluding LE & E/ER Credits:	166 %

Table 2 is the fuel usage for DOL fleets in FY 2009. 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 Wright Express credit card.

Table 2: DOL Fiscal Year 2009 Fuel Usage

Covered Petroleum Consumption	3,001,993
Alternative Fuel Consumption	246,210
Total Fuel Usage	3,248,203

Table 3 provides the Department's FY 2010 planned AFV acquisitions. DOL has placed vehicle orders with GSA for FY 2010 that will exceed the EPA Act AFV acquisition requirement. Planned AFV acquisitions for FY 2010 are 488, with 480 covered by EPA Act. DOL is reviewing the cost and feasibility of leasing several hybrid and electric vehicles as part of the DOL fleet when they become available for lease from GSA. If hybrid and electric vehicles are not available from GSA, DOL will review the cost of commercially leasing or purchasing 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 2010 Planned Acquisitions

2. Planned Alternative Fuel Vehicle Acquisition Detail						
Vehicle Type	Fuel	LE	Acquisitions		Total	EPA Act Credits
			Lease	Purchase		
Light Duty Vehicles						
Sedan/St Wgn Compact	E85 FF	No	114	0	114	114
Sedan/St Wgn Midsize	E85 FF	No	89	0	89	89
LD Minivan 4x2 (Cargo)	E85 FF	No	1	0	1	1
LD Minivan 4x2 (Passenger)	E85 FF	No	145	0	145	145

LD Pickup 4x2	E85 FF	No	8	0	8	8
LD SUV 4x2	E85 FF	No	16	0	16	16
LD Pickup 4x4	E85 FF	No	15	0	15	15
LD SUV 4x4	E85 FF	No	92	0	92	92
LD SUV 4x4	E85 FF	Yes	8	0	8	0
Totals:			488	0	488	480

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 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 new AUTOS system development was launched during FY 2010. 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 Energy Policy 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 EPAct.

DOL agencies will continue to ensure the implementation of various strategies to meet the mandates required by the EPAct. 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 EPAct.