Program Activity & Accomplishments in FY 2001

The Energy Policy Act of 1992 (EPAct) established the State & Alternative Fuel Provider (S&FP) Program, which requires state governments and alternative fuel providers to acquire alternative fuel vehicles (AFVs). To comply with the regulation, fleets across the United States have collectively acquired more than 50,000 AFVs. This report summarizes program accomplishments during fiscal year (FY) 2001 and includes fleet acquisition statistics for model year (MY) 2000, which were reported to the U.S. Department of Energy (DOE) in FY 2001.

Status of Covered Fleets

In FY 2001, the S&FP Program worked closely with out-of-compliance fleets that did not submit annual AFV acquisition reports to DOE, had never reported, or had reported too few acquisitions. Noncompliant fleets were contacted and given one-on-one assistance. Because of these efforts, several more large fleets are now in compliance.

The distribution of state and alternative fuel provider fleets among the total 314 fleets on record at the end of MY 2000 is depicted in Figure 1. This graph also illustrates the relative number of fleets that are in or out of compliance.

In MY 2000, while state fleets comprised only 40% of the total number of fleets, they accounted for more than 80% of the 13,500 AFVs acquired under the program. The distribution of vehicles between state and alternative fuel provider fleets is shown in Figure 2 below.

Vehicle Acquisitions

As of MY 2000, alternative fuel provider fleet AFV acquisition percentages were fully phased in at 90% of new light-duty vehicle (LDV) acquisitions. State fleet AFV acquisition requirements were 50% for MY 2000 and were fully phased in at 75% in MY 2001.

Altogether, S&FP Program covered fleets were required to purchase a total of 13,501 light-duty AFVs in MY 2000. However, the fleets slightly exceeded this number by purchasing a total of 13,541 light-duty AFVs. Additionally, through various means, fleets banked an excess of 4,101 credits during the model year.
Credit Trading and Use

Credit trade numbers for MY 2000 were the same as MY 1999. Overall, 376 credits were traded by 12 fleets, accounting for less than 2% of the overall credit activity for MY 2001. This indicates that most fleets are saving credits for their own use.

The number of credits banked by fleets remains high at 46,155. During MY 2000, fleets used 2,759 banked credits toward their compliance requirements, representing more than 16% of overall credit activity.

Biodiesel Fuel Use Credits

MY 2000 was the first full year that biodiesel (used in blends of 20% and higher) could be used to earn credits under the program. This partially explains the jump in biodiesel use from 105 credits in MY 1999 to 585 credits in MY 2000—a 650% increase.

Fleets have been working with suppliers to make biodiesel more widely available so they can use it to comply with their requirements. Overall, biodiesel accounts for approximately 3.5% of all program credits.

Exemptions

In MY 2000, 20 fleets were approved to receive exemptions for 717 vehicles. This accounts for approximately 4% of that year’s acquisition requirements.

Program Accomplishments

Despite funding and legislative limitations, the S&FP Program has been working with covered fleets to increase the number of AFVs on the road. Specific efforts during FY 2001 include the following activities.

Increased Communication

Better communication with covered fleets has proven to be the best way to maximize compliance.

During FY 2001, the S&FP Program stepped up its communication efforts by updating A Guidebook to the DOE's Alternative Fuel Transportation Program for State

Fleet Fuel Preferences

The most popular vehicle/fuel configurations purchased by the S&FP Program’s covered fleets are shown in Figure 3. A substantial increase in the purchase of flexible fuel vehicles by state fleets continued in MY 2000. Compressed natural gas and propane vehicles are strongly favored by fuel provider fleets now that they are more widely available. In general, the bifuel AFV configurations have been more popular with covered fleets because of limited alternative fuel infrastructure in many areas.

Table 1:
MY 2000 Activity

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Required AFV Acquisitions</td>
<td>13,501</td>
</tr>
<tr>
<td>Total AFVs Purchased</td>
<td>13,541</td>
</tr>
<tr>
<td>Number of Vehicle Exemptions Granted</td>
<td>717</td>
</tr>
<tr>
<td>Number of Banked Credits Used</td>
<td>2,759</td>
</tr>
<tr>
<td>Number of Biodiesel Credits Earned</td>
<td>1,239</td>
</tr>
<tr>
<td>Credits Banked by Fleets</td>
<td>4,101</td>
</tr>
</tbody>
</table>

Figure 3:
Vehicle Acquisition Summary
48,325 AFVs

- Dedicated CNG
- Dedicated Propane
- Dedicated Electric
- Bifuel CNG
- Bifuel Propane
- FFV E85

- Through MY 1999
- MY 2000

December 2001
and Alternative Fuel Provider Fleets (commonly called “The Blue Book”), participating in several regional Clean Cities meetings and other workshops, and developing an e-mail list for news updates. The program also continues to operate the Regulatory Information Line and e-mail address, which fielded more than 250 inquiries in FY 2001.

Also in FY 2001, DOE developed a new outreach series called “compliance advisories,” which discusses technical aspects of program compliance and outlines DOE’s position on certain issues. The first advisory, which discussed hybrid electric and low-speed vehicles, was sent out in September 2001.

DOE hopes these efforts will help clarify program issues for covered fleets and plans to issue them when pertinent issues arise. The compliance advisory and all other outreach documents are available online at www.ott.doe.gov/epact/state_fleets.html.

Initiated State Infrastructure Partnership Program

Because state fleets do not have an alternative fuel use requirement under the S&FP Program, DOE began work on a new voluntary initiative, the State Infrastructure Partnership, to promote the use of alternative fuels in these fleets. A new series of publications will be developed to highlight case studies of states that have found new and innovative ways to promote alternative fuel use in their fleets.

In addition, there were increased outreach activities with state fleets through one-on-one meetings and presentations at conferences and workshops.

The State Infrastructure Partnership Program is designed to cooperate closely with Clean Cities coalitions across the country to promote refueling infrastructure development. Under the program, projects that support state fleets will receive more guidance regarding state energy program infrastructure funding and driver training. Targeted symposia will be held to provide training on requirements and opportunities for AFVs for specific state niche fleets. Initial plans are being developed for the first such symposium for California universities and colleges.

Redesigned S&FP Program Database

Developed and implemented by DOE and the National Renewable Energy Laboratory (NREL), the new database is a data collection and analysis tool that offers users direct online reporting and access to their account information. It also provides DOE with immediate access to the reported information of covered fleets.

The database was launched in spring 2001 following an extensive quality analysis of the new system and the data stored in the previous system. Notices were sent to all covered fleets and detailed user instructions were provided. MY 2001 data will be the first entered by users directly into the new system.

Developed EPAct Brand

The EPAct programs managed at DOE developed a common look and feel for all outreach materials. Significant FY 2001 outreach efforts that portray the new identifying design include:

• A series of compliance advisories.

• The program’s FY 2000 annual report.

• Issues of the S&FP Program newsletter What’s New.

• A new exhibit, which was featured at the Clean Cities and other stakeholder conferences.

• A new program fact sheet.

Highlights for FY 2001

✦ Number of AFVs counted in program nearly doubled in one year.

✦ Covered fleets exceeded total required acquisitions by 40 AFVs.

✦ 91% of covered fleets achieved program compliance.

✦ 585 biodiesel fuel use credits were utilized—a 650% increase from MY 1999.

✦ 376 credits were traded by 12 fleets.
Activities Forecasted for FY 2002

✦ Implement a fleet monitoring plan for on-site field visits to covered fleets.
✦ Develop fleet driver training in cooperation with DOE’s Clean Cities Program.
✦ Emphasize better identification of state fleets through communications and outreach activities.
✦ Host a workshop for state fleets that features opportunities and requirements for AFVs.

Conclusion

From a new image to increased fleet communications, DOE in FY 2001 improved the administration of the S&FP Program and put many more AFVs on the road. During FY 2002, efforts will focus on persuading fleets to increase alternative fuel use through a variety of outreach programs designed to educate and inspire fleet operators to use alternatives to petroleum. In addition, there will be an increased emphasis on enforcement, including closer monitoring of reported data.

What is EPAct?

The Energy Policy Act of 1992, or EPAct, was passed by Congress to reduce the nation’s dependence on imported petroleum. Provisions of EPAct require certain fleets to purchase alternative fuel vehicles. DOE administers the regulations through its State & Fuel Provider Program, Federal Fleet Program, Private & Local Government Program, and Fuel Petition Program. EPAct also includes voluntary programs, such as Clean Cities, which help accelerate the use of alternative fuels in transportation.

For more information, visit http://www.ott.doe.gov/epact, or call the Regulatory Information Line at (202) 586-9171.

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