



DOE's EPAct Regulations

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What is EPAct?

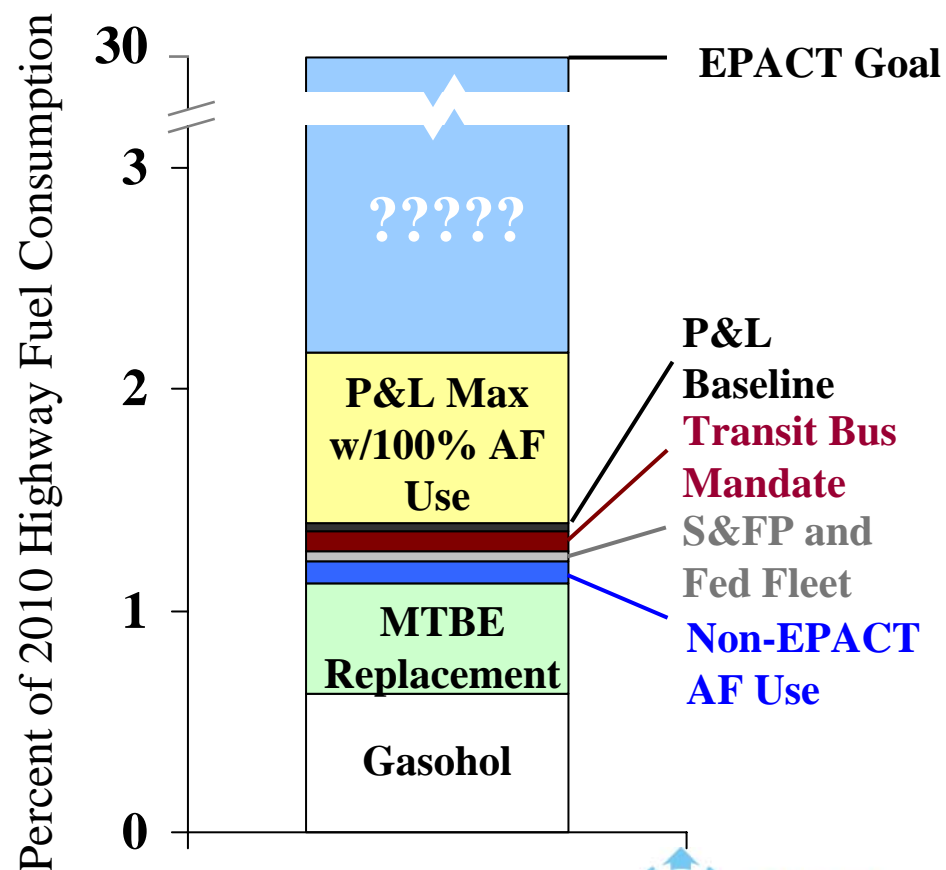
Energy Policy Act of 1992 was passed to encourage the use of alternative fuels, not derived from petroleum, to help reduce dependence on imported oil

DOE's Office of Technology Utilization focuses on transportation sector petroleum use



EPAct Impacts

- Approximately 450,000 AFVs are on the road today (not including FFVs)
- Over 115B gallons of gasoline are used on highways and 366M gallons of alternative fuel



Alternative Fuels

Methanol, denatured ethanol, and other alcohols containing 85% or more by volume of alcohol with gasoline or other fuels; natural gas; liquefied petroleum gas; hydrogen; coal-derived liquid fuels, fuels (other than alcohol, including biodiesel) derived from biological materials; and electricity

Additions (since passage of EPAct)

P-Series Fuels, liquid fuels derived from natural gas – domestically produced, and Biodiesel purchased for use in MDVs/HDVs in blends of 20% or greater



EPAct Programs at DOE

Federal Fleet Program

- EPAct requires fleets to purchase 75% of new light duty acquisitions as AFVs
- Executive Order 13149 established a goal of a 20% reduction in petroleum use by 2005
- Agencies must submit a strategy outlining their plan for achieving the 20% goal
- Strategies should include alternative fuel use and acquisition of highly efficient motor vehicles



EPAct Programs at DOE

Federal Fleet Program

EPAct and Federal Fleets

- Goal of achieving petroleum reduction and energy security through acquisition of AFVs
- 75% of new acquisitions in covered Federal fleets must be AFVs
- Light duty vehicles only – less than 8,500 lb GVWR
- No requirement for alternative fuel use



EPAct Programs at DOE

Federal Fleet Program

Executive Order 13149

- 20% petroleum reduction in covered federal fleets in FY 2005 compared to FY 1999 baseline
- Use of alternative fuel majority of time in AFVs by FY 2005
- Increased average fuel economy of new light duty vehicle acquisitions (1 mpg by 2002 and 3 mpg by 2005)
- DOE has the lead in coordination and overall reporting to White House

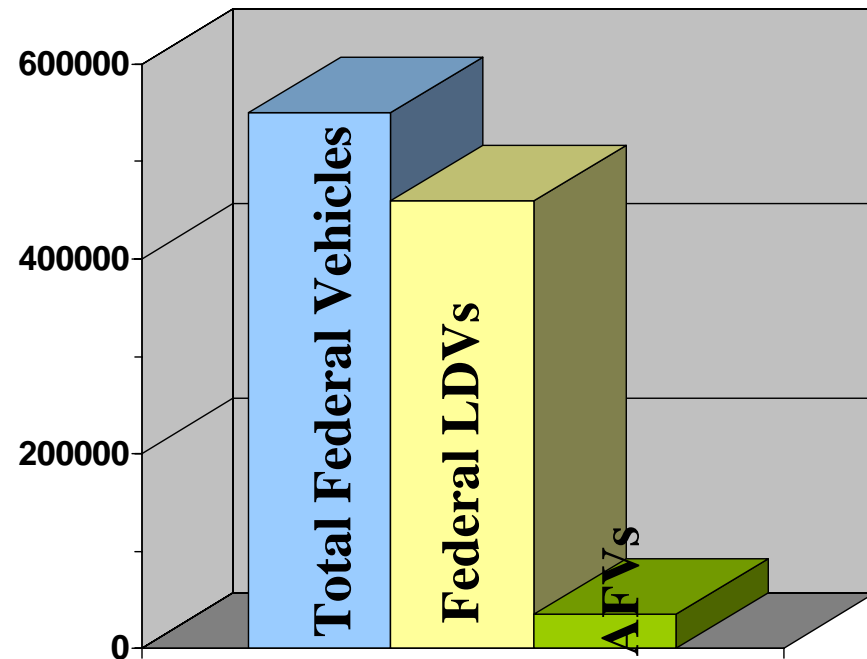


EPAct Programs at DOE

Federal Fleet Program

Federal Fleet Status

- Acquire approximately 55,000 vehicles per year
- Approximately 7,500 are AFVs



EPAct Programs at DOE

State & Alternative Fuel Provider Program

- Requires vehicle acquisitions of covered fleets in metropolitan statistical areas
- Fuel providers must use alternative fuel in their AFV
- Uses a credit program where fleets earn credits for AFV acquisitions and biodiesel fuel use that can be traded or banked
- Allows for exemptions for certain circumstances such as lack of fuel or vehicle availability



EPAct Programs at DOE

State & Alternative Fuel Provider Program

Covered Fleets

- **50** or more light-duty vehicles in the U.S.
- **20** or more LDVs in a single MSA/CMSA
 - MSA is metro area with 1980 Census population of **250,000** or more (125 exist in the U.S.)
 - **20** or more vehicles in MSA must be capable of being centrally refueled at least 75% of the time
- Excluded vehicles: law enforcement, emergency, non-road, personal residence, research and testing vehicles...



EPAct Programs at DOE

State & Alternative Fuel Provider Program

Covered Fuel Provider Organizations

Alternative fuels are their **principal business**

OR

At least **30% of the gross revenues** are derived from producing, storing, refining, processing, transporting, distributing, importing, or selling at wholesale or retail any alternative fuel



EPAct Programs at DOE

State & Alternative Fuel Provider Program

Alternative Fuel Use

- EPAct requires *alternative fuel providers* to use alternative fuel whenever possible.
- EPAct does not require alternative fuel use for *state fleets*, however substantial infrastructure incentives are available.
- Several States have adopted state policies to use alternative fuel (New York, Iowa, Texas)



EPAct Programs at DOE

State & Alternative Fuel Provider Program

Exemptions

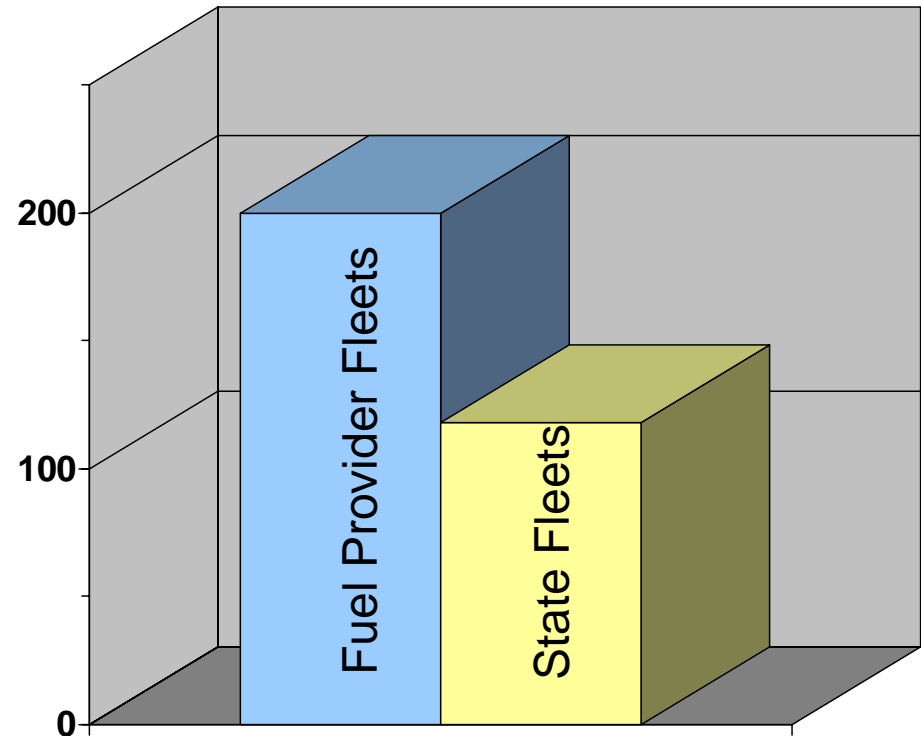
- Only if AFVs and/or alternative fuels are not available that meet the fleet's normal business requirements and practices
- For one model year only
- May be granted in whole, part, or rejected
- File exemption request early in model year



EPAct Programs at DOE

State & Alternative Fuel Provider Program

- 314 covered State and fuel provider fleets on record
- 13,700 AFVs acquired in MY2000 due to program
- 59,000 vehicles in DOE compliance database



EPAct Programs at DOE

Private & Local Government Program

- EPAct authorizes DOE to expand fleet programs if necessary
- ANOPR was issued in 1998 to gather comments
- Workshops held in 2000 to gather comments
- Currently the program is being analyzed to determine its potential impacts
- Decision will need to be made by the new administration as part of entire energy policy plan



EPAct Programs at DOE

Private & Local Government Program

Comments Mixed

- Participants **split** on **mandates** - approximately half supporting and half objecting; **Fuel-use-based program** was favored by mandate supporters
- **Replacement Fuel Goals** were seen as important
- Concern over **technical issues** and **fuel availability**
- **Incentives** are critical
- **Flexibility** in meeting requirements and **integration** with existing regulatory programs was emphasized



EPAct Regulations Summary

EPAct programs have been effective in getting vehicles on the road – less effective with fuel use

Status of the P&L rulemaking is tentative based on mixed comments and analysis

Various items in proposed energy bills could impact EPAct and alter the course



Information Resources

EPAct Fleet Information and Regulations website:

www.ott.doe.gov/epact

Regulatory Email: regulatory_info@afdc.nrel.gov

Regulatory Line: (202) 586-9171 or 1-800-832-0885 ext 69171



Literature (See EPAct website)

- Final Rule (S&FP)
- Executive Order (Fed Fleet)
- Compliance Guidelines (Bluebook)
- Executive Order Guidance
- Frequently Asked Questions

