



Highlights of [GAO-09-75R](#), a correspondence to congressional requesters

FEDERAL ENERGY MANAGEMENT

Agencies Are Acquiring Alternative Fuel Vehicles but Face Challenges in Meeting Other Fleet Objectives

Why GAO Did This Study

Congress and the administration set forth energy objectives for federal fleets with 20 or more vehicles. Agencies are to (1) acquire alternative fuel vehicles (AFV) as 75 percent of all new light-duty vehicle acquisitions; (2) use only alternative fuel in AFVs, unless granted a waiver; (3) increase overall alternative fuel use by 10 percent annually; (4) reduce petroleum consumption by 2 percent annually through 2015; and (5) purchase plug-in hybrid electric vehicles when available and at a reasonable cost. The first two objectives are requirements in the Energy Policy Acts (EPAct) of 1992 and 2005. The last three are goals set by Executive Order 13423. GAO was asked to determine agencies' compliance with these objectives for fiscal year 2007 and how agencies are poised to meet them in the future. GAO obtained and analyzed information from the Department of Energy's (DOE) automotive database and other sources and interviewed agency officials.

What GAO Recommends

GAO recommends that DOE (1) report on agencies' compliance with the requirement to use alternative fuel in AFVs, (2) revise its guidance to disallow AFV credits for AFVs not subject to the acquisition requirement, and (3) continue to work with the General Services Administration to resolve data-quality issues. Congress should consider aligning the federal fleet AFV acquisition and fueling requirements with current alternative fuel availability and revising them as appropriate.

To view the full product, including the scope and methodology, click on [GAO-09-75R](#). For more information, contact Mark Gaffigan at (202) 512-3841 or gaffiganm@gao.gov.

What GAO Found

Federal agencies had mixed results in meeting the energy objectives for fleets in fiscal year 2007. First, all the agencies reported meeting or exceeding the requirement to acquire AFVs. However, they did so partly based on receiving credit for AFVs not subject to the requirement, as allowed by the DOE's implementing guidance. For example, AFVs outside large metropolitan areas do not count when agencies establish their acquisition targets, but they do count toward meeting the targets. Second—regarding the requirement to use only alternative fuel in AFVs—neither DOE nor the agencies reported on whether agencies were in compliance with the requirement for fiscal year 2007, even though they are required by law to make such reports. According to agency officials, current systems are unable to track alternative fuel use at the level necessary to assess compliance. However, data from 2006 indicate that agencies primarily fueled their AFVs with gasoline—not alternative fuel—and our analysis found no evidence that this changed in 2007. Data reliability is a concern with respect to the third and fourth objectives. While about half of the agencies reported increasing their alternative fuel use by 10 percent and about two-thirds reported reducing petroleum use by 2 percent in 2007, persistent data problems call these results into question. Finally, no agency acquired plug-in hybrid electric vehicles because they were not commercially available.

Over the next few years, agencies will likely face challenges in meeting all but one of the fleet energy objectives. As they have over the past 4 years, agencies will likely continue to acquire the mandated percentage of AFVs. However, they will likely find it more difficult to meet both the requirement to fuel AFVs only with alternative fuel and the goal of increasing overall alternative fuel use by 10 percent annually because of the limited availability of alternative fuel. It is uncertain whether agencies will be able to reduce petroleum consumption annually by 2 percent in the near future, primarily because they will not be able to rely on alternative fuel to displace significant amounts of petroleum fuel. Furthermore, without better data, it will be difficult to judge agencies' progress in reducing petroleum consumption and increasing alternative fuel use. Some agencies have taken steps to address these issues and improve data quality, but with limited success. Finally, agencies will not be able to meet the goal of acquiring plug-in hybrid electric vehicles until they become commercially available.

Agency Performance in Meeting the Five Fleet Energy Objectives in Fiscal Year 2007

Source of objective	Fiscal year 2007 fleet energy objective	Number of agencies meeting objective	Percentage of agencies meeting objective
Energy Policy Act of 1992	<i>Requirement:</i> Acquire AFVs for 75 percent of new light-duty acquisitions by fleets of 20 or more vehicles in metropolitan statistical areas of 250,000 or more.	21	100
Energy Policy Act of 2005	<i>Requirement:</i> Must use only alternative fuel in AFVs. (DOE may waive the requirement if not feasible, which DOE defines to be if the fuel is unavailable within five miles or 15 minutes or costs 15 percent more than gasoline.)	0	0
Executive Order 13423	<i>Goal:</i> Increase overall alternative fuel use by at least 10 percent annually relative to the 2005 baseline	11	52
	<i>Goal:</i> Reduce petroleum consumption by 2 percent annually through fiscal year 2015 relative to the 2005 baseline	14	67
	<i>Goal:</i> Acquire plug-in hybrid electric vehicles when they are commercially available at a reasonable cost	0	0

Source: GAO analysis of DOE data.