

**U. S. Department of Housing and Urban Development  
Alternative Fuel Vehicle  
Acquisition Report for Fiscal Year 1999**

**Introduction**

This Department of Housing and Urban Development (HUD) Fleet Alternative Fuel Vehicle (AFV) Acquisition Report provides data on HUD's fleet acquisitions of AFVs for Fiscal Year 1999 and planned acquisitions and projections for Fiscal Years 2000 and 2001. This 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 (Public Law 105-388).

**Background**

EPAAct requires that 75 percent of all covered vehicles acquired for federal fleets in Fiscal Year 1999 and beyond must be AFVs. This requirement applies to fleets of 20 or more vehicles that are capable of being centrally fueled and are operated in a metropolitan statistical area with a population of more than 250,000 based on the 1980 census. Certain emergency, law enforcement, and national defense vehicles are exempt from these requirements. Federal agencies must report annually on the number of AFV acquisitions and inventory in their fleet and the agency's alternative fuel use.

**HUD Fleet AFV Acquisitions for Fiscal Year 1999**

In Fiscal Year 1999 there were only four EPAAct covered fleet vehicles acquired for the HUD Headquarters Building. Two of these vehicles were exempted from Executive Order 13101. These were the Secretary's Lincoln and Suburban, which are equipped to be used as emergency vehicles if, during a national emergency, the Secretary is called by the President to report immediately. HUD Headquarters had one light duty AFV acquisition, an E-85 flex-fuel vehicle. This represented a 50 percent AFV acquisition rate. All other EPAAct covered fleet vehicles used by HUD field offices nationwide were covered in the General Services Administration quantitative data for energy reporting. Table 1 below represents the fleet data provided by GSA for HUD.

**Table 1: HUD Fiscal Year 1999 Acquisitions**

<b>Category</b>	<b>Fuel Type</b>	<b>Total Acquisitions</b>	<b>Total Covered Acquisitions</b>
Sedans	Gasoline	106	72
	Ethanol/Gas	7	5
Light Truck<8500	Gasoline	9	4
	Ethanol/Gas	4	4
<b>TOTAL</b>		<b>126</b>	<b>85</b>

Table 2 provides the fuel usage data for the Department in Fiscal Year 1999.

**Table 2: HUD Fuel Usage in Fiscal Year 1999**

<b>Fuel Type</b>	<b>Total Fuel (gallons)</b>
CNG	0
Diesel	986.87
All Others*	208,989.57
<b>TOTAL</b>	<b>209,976.44</b>

\* Includes gasoline and may include some alternative fuel use

**HUD Planned Fleet AFV Acquisitions for 2000 and 2001**

There continue to be difficulties in funding as well as accessing alternative fuels. Table 3 provides a projection for vehicle acquisitions in Fiscal Years 2000 and 2001. In Fiscal Year 2000 departmental fleets plan to acquire (25) AFVs, which increases the percentage of AFVs in the fleet. For Fiscal Year 2001, HUD's projections are to acquire (25) AFVs. Although exempt from regulation, (25) AFVs for Fiscal Year 2000 and (25) AFVs for Fiscal Year 2001 acquisitions are planned and will entitle HUD to (50) AFV credits.

**Table 3: HUD Planned Acquisitions for Fiscal Year 2000 and Fiscal Year 2001**

<b>Vehicle Type</b>	<b>Fuel Type</b>	<b>FY 2000</b>	<b>FY 2001</b>
Sedans	Ethanol/Gas	15	15
Light Trucks	Ethanol/Gas	10	10
<b>TOTALS</b>		25	25

**AFV Acquisition and Use Issues**

HUD continues to experience difficulties in the acquisition and use of AFVs. These issues include the high incremental cost of certain AFV models, lack of available alternative fuel use data, poor distribution of information on available AFVs, difficulty in ordering and receiving AFVs, and limited access to alternative fuel infrastructure and services in certain areas. This lack of available alternative fuel use data continues to hinder Federal agencies' compliance with the mandated reporting requirements. Federal agencies and major fuel suppliers are seeking the best approach to address this issue.

A significant impediment for HUD is the high incremental cost of many AFVs and the lack of specific appropriations to cover these costs. This is an especially difficult problem, as fleets are required to pay the entire incremental cost of the vehicles within the first year of the lease as opposed to spreading it out over the life of the lease. To help ensure that departmental fleets have the funding needed to continue to comply with the AFV acquisition mandates of EPAct, agencies are working with the General Services Administration (GSA) to establish a monthly surcharge on all vehicles leased by federal fleets.

Most vehicles acquired by HUD and other federal fleets are leased from GSA with all maintenance and fuel costs for the vehicle included in the lease. In order to pay for fuel, fleets utilize a GSA credit card. Since the product code standards are not uniform among fuel suppliers for alternative fuels, such as ethanol (E-85), it is not currently possible for credit vendors to track and gauge the purchase of alternative fuels by fleets.