

U.S. Department of Housing and Urban Development Fleet Alternative Fuel Vehicle Acquisition Report

Compliance with EPAct and E.O. 13149 in Fiscal Year 2006

This report presents a summary of the performance of the U.S. Department of Housing and Urban Development (HUD) for Fiscal Year (FY) 2006 in meeting the fleet requirements of the Energy Policy Act (EPAct) of 1992 (Public Law 102-486), as amended by the Energy Conservation Reauthorization Act of 1998 (Public Law 105-388); and in meeting the goals of Executive Order (E.O.) 13149, “Greening the Government through Federal Fleet and Transportation Efficiency” (65 FR 24607), which was signed in April 2000. Section 705 of the EPAct of 2005 (Public Law 109-58, enacted August 8, 2005), amended the due date of this report to February 15 of every year. Additional requirements placed on federal fleets by the EPAct of 2005 do not impact fleets in FY 2006, and will be incorporated in subsequent reporting.

Exhibit 1. HUD’s FY 2006 Performance in Meeting EPAct and E.O. 13149 Requirements

Authority/ Mandate	Performance Measure	Goal/Requirement	HUD’s Performance In FY 2006
EPAct	Alternative fuel vehicle (AFV) acquisitions	75 percent of the 117 EPAct-covered light-duty vehicles (LDV) that HUD acquired in FY 2006 must be AFVs	59 percent of the 117 EPAct-covered acquisitions (69 vehicles) are AFVs
E.O. 13149	Alternative fuel use in AFVs	By FY 2005, increase alternative fuel use in AFVs to a majority of the total fuel used in those vehicles	Alternative fuel use in AFVs was 1.1 percent
	Fuel economy of light-duty vehicle (LDV) acquisitions	By FY 2005, increase fuel economy by 3 miles per gallon (mpg) compared to FY 1999 baseline of 23 mpg	Fuel economy for FY 2006 was 23 mpg, the same as the FY 1999 baseline
	Petroleum consumption	By FY 2005, reduce covered consumption by 20 percent compared to FY 1999 baseline of 210,122 gasoline gallon equivalent (GGE)	Consumption was 193,370 GGE, a reduction of 8 percent from the FY 1999 baseline

EPAct Compliance

As Exhibit 1 shows, HUD fell short of the EPAct requirements in FY 2006 for alternative fuel vehicles (AFVs). As a result of its AFV acquisitions in FY 2006, HUD earned 69 AFV acquisition credits, amounting to 59 percent of its 117 EPAct-covered light-duty vehicles (LDVs).

Credits

Federal fleets earn one credit for every bi- or flexible-fuel AFV acquired and for every 450 gallons of neat biodiesel (B100) or 2,250 gallons of B20 (20 percent biodiesel and 80 percent petroleum diesel) used. Additional credits are earned for AFVs that operate exclusively on alternative fuels. For this reporting period, FY 2006, HUD earned 69 credits for AFV acquisitions, 0 credits for biodiesel use, and no additional credits for purchasing dedicated LDVs.

Vehicles

Of the 69 AFVs acquired by HUD in FY 2006, all of them were flexible-fuel vehicles (FFVs), which can run on E-85 (85 percent ethanol, 15 percent gasoline). No compressed natural gas (CNG) vehicles were acquired. FFVs capable of operating on E-85 presently comprise 100 percent of HUD's AFV fleet, 136 out of 136.

Exemptions

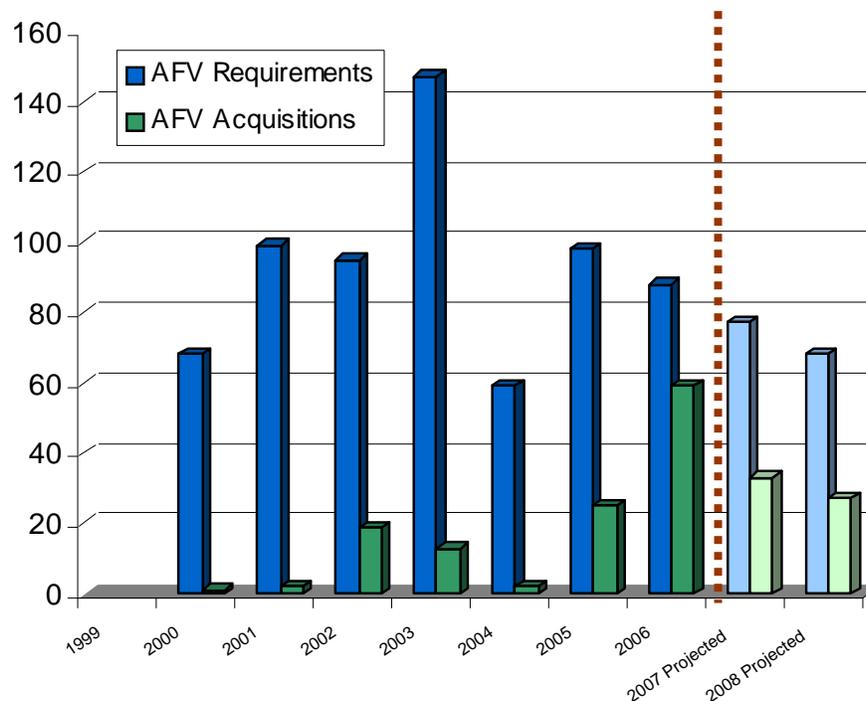
Of the 161 LDVs acquired by HUD in FY 2006, 44 vehicles (27 percent) were considered exempt from compliance with the EPCa. Exemptions are granted for fleet size, geographic location, or use outside a Metropolitan Statistical Area/Consolidated Metropolitan Statistical Area (MSA/CMSA), and use for law enforcement. In FY 2006, exemptions from the EPCa were granted as follows:

- Fleet Size (0)
- Geographic (0)
- Law Enforcement (40)
- Non-MSA/CMSA Operation/Fleet (0)
- Non-MSA/CMSA Operation/Vehicles (4)

FY 2007/2008 Projected Acquisitions

The attachments to this report provide a detailed look at HUD's FY 2006 acquisitions and its projected acquisitions for FY 2007 and FY 2008. As illustrated in Exhibit 2, HUD was not able to meet its annual EPCa acquisition requirements. The planned and projected acquisitions currently entered into FAST unfortunately would continue this trend (see Appendices B and C). Recognizing this shortfall, HUD will work more closely with the General Services Administration (GSA) in an effort to acquire additional AFVs and achieve EPCa compliance.

Exhibit 2. EPCa AFV Acquisitions and Requirements (Actual, Planned, and Projected)



E.O. 13149 Compliance

E.O. 13149 calls for each agency to reduce vehicular petroleum consumption by 20 percent by the end of FY 2005 (compared to FY 1999 levels) and specifies three approaches agencies should take to achieve this goal:

- Comply with the EPAct's annual AFV acquisition requirements (as previously discussed).
- Use alternative fuels in fleet AFVs the majority of the time.
- Increase the fuel economy of LDV acquisitions (excluding AFVs) by 3 mpg by the end of FY 2005, as compared to baseline FY 1999 acquisitions.

Use of Alternative Fuels in AFVs

In FY 2006, 1.1 percent of the fuel used in HUD AFVs was alternative fuel. In FY 2007, HUD will continue to work toward securing greater access to alternative fuel for vehicles in its fleet.

Exhibit 3 compares HUD's covered fuel use in FY 2006 and FY 1999. Although not a substantial change, HUD did improve its alternative fuel use in FY 2006 to .20 percent compared to FY 1999. In FY 2006, HUD's total covered fuel consumption decreased by 8 percent from its level in FY 1999.

Improve Fuel Economy

E.O. 13149 calls for each agency to increase the fuel economy of its LDV acquisitions (excluding AFVs). HUD was unable to improve the average fuel economy over FY 1999 baseline.

Summary and Conclusions

In FY 2006, HUD fell short of its EPAct requirements, acquiring 69 AFVs, 59 percent of its total covered AFV acquisitions. Toward compliance with E.O. 13149, HUD used 1.1 percent of alternative fuels in its AFVs. Its petroleum consumption reduced by 8 percent compared to FY 1999.

HUD has used this reporting process as an opportunity to assess its shortcomings and to implement a

functional strategy that will promote compliance in FY 2007 and FY 2008. HUD will re-evaluate and modify as necessary its compliance strategy to better meet both EPAct requirements and E.O. 13423 (which supersedes E.O. 13149) goals. This will include the following:

Exhibit 3. HUD's Total Covered Fuel Use

Fuel Use	FY 1999 (GGE)	FY 2006 (GGE)
<u>Alternative Fuel</u>		
B100	0	0
CNG	0	0
E-85	0	412
Electricity	0	0
LNG	0	0
LPG	0	0
Total Alternative Fuel Use	0	412
<u>Petroleum</u>		
Diesel	1,132	0
Gasoline	208,990	193,370
Total Covered Petroleum Use	210,122	193,370
<i>Total Covered Fuel Use</i>	<i>210,122</i>	<i>193,782</i>
<i>Alternative Fuel Use as a Percentage of Total Fuel Use</i>	<i>0</i>	<i>.20</i>

- Negotiate and issue a policy memorandum that accurately reflects HUD’s revised compliance strategy;
- Collaborate closely with GSA to acquire additional AFVs; and
- Work to overcome obstacles in acquiring access to alternative fuel.

Exhibit 5 summarizes HUD’s FY 2006 performance.

Exhibit 5. HUD’s Performance in Meeting its Requirements/Goals

	FY 1999 Baseline	FY 2006	Change FY 1999 vs. FY 2006
EPA Act	N/A	59 percent	N/A
Alternative Fuel Use in AFVs	N/A	1.1 percent	N/A
Fuel Economy of LDV Acquisitions	23 mpg	23 mpg	0 mpg
Petroleum Consumption	210,122 GGE	193,370 GGE	-8 percent

Appendices

Appendix A

Actual Department of Housing and Urban Development FY 2006 Vehicle Acquisitions					
Actual FY 2006 Light-Duty Vehicle Acquisitions				Total Vehicle Inventory	
	Leased	Purchased	Total		
Total number of Light-Duty (8,500 GVWR) - Vehicle Acquisitions	161	0	161	504	
Exemptions	Fleet Size	0	0	0	
	Geographic	0	0	0	
	Law Enforcement	40	0	40	
	Non-MSA Operation (fleet)	0	0	0	
	Non-MSA Operation (vehicles)	4	0	4	<i>(n/a)</i>
EPACT Covered Acquisitions	117	0	117	396	
Actual FY 2006 AFV Acquisitions				Total Vehicle Inventory	
Vehicle	Leased	Purchased	Total		
Sedan	E-85 Flex-Fuel Compact	6	0	6	30
Sedan	E-85 Flex-Fuel Midsize	54	0	54	80
SUV 4x4	E-85 Flex-Fuel	0	0	0	4
Minivan 4x2 (Passenger)	E-85 Flex-Fuel	9	0	9	22
Total Number of AFV Acquisitions		69	0	69	136
Zero Emission Vehicle Credits		0	0	0	
Dedicated Light-Duty AFV Credits		0	0	0	
Dedicated Medium-Duty AFV Credits		0	0	0	
Dedicated Heavy-Duty AFV Credits		0	0	0	
Biodiesel Fuel Usage Credits - Actual				0	
Total AFV Acquisitions with Credits		69	0	69	
AFV Percentage of Covered Light-Duty Vehicle Acquisition				59 %	

Appendix B

Planned Department of Housing and Urban Development FY 2007 Vehicle Acquisitions				
Planned FY 2007 Light-Duty Vehicle Acquisitions				
		Leased	Purchased	Total
Total number of Light-Duty (8,500 GVWR) - Vehicle Acquisitions		118	0	118
Exemptions	Fleet Size	0	0	0
	Geographic	0	0	0
	Law Enforcement	11	0	11
	Non-MSA Operation (fleet)	0	0	0
	Non-MSA Operation (vehicles)	5	0	5
EPACT Covered Acquisitions		102	0	102
Planned FY 2007 AFV Acquisitions				
Vehicle		Leased	Purchased	Total
Sedan	E-85 Flex-Fuel Compact	10	0	10
Sedan	E-85 Flex-Fuel Midsize	17	0	17
SUV 4x4	E-85 Flex-Fuel	1	0	1
Minivan 4x2 (Passenger)	E-85 Flex-Fuel	6	0	6
Total Number of AFV Acquisitions		34	0	34
Zero Emission Vehicle Credits		0	0	0
Dedicated Light-Duty AFV Credits		0	0	0
Dedicated Medium-Duty AFV Credits		0	0	0
Dedicated Heavy-Duty AFV Credits		0	0	0
Biodiesel Fuel Usage Credits - Planned				0
Total AFV Acquisitions with Credits		34	0	34
AFV Percentage of Covered Light-Duty Vehicle Acquisition				33 %

Appendix C

Projected Department of Housing and Urban Development FY 2008 Vehicle Acquisitions				
Projected FY 2008 Light-Duty Vehicle Acquisitions				
		Leased	Purchased	Total
Total number of Light-Duty (8,500 GVWR) - Vehicle Acquisitions		97	0	97
Exemptions	Fleet Size	0	0	0
	Geographic	0	0	0
	Law Enforcement	4	0	4
	Non-MSA Operation (fleet)	0	0	0
	Non-MSA Operation (vehicles)	3	0	3
EPACT Covered Acquisitions		90	0	90
Projected FY 2008 AFV Acquisitions *				
Vehicle		Leased	Purchased	Total
Sedan	E-85 Flex-Fuel Compact	15	0	15
Sedan	E-85 Flex-Fuel Midsize	8	0	8
SUV 4x4	E-85 Flex-Fuel	1	0	1
Total Number of AFV Acquisitions		24	0	24
Zero Emission Vehicle Credits		0	0	0
Dedicated Light-Duty AFV Credits		0	0	0
Dedicated Medium-Duty AFV Credits		0	0	0
Dedicated Heavy-Duty AFV Credits		0	0	0
Biodiesel Fuel Usage Credits - Projected				0
Total AFV Acquisitions with Credits		24	0	24
AFV Percentage of Covered Light-Duty Vehicle Acquisition				27 %

* This is worst-case scenario. HUD will try to acquire additional AFVs to the extent practicable.

Appendix D

Acronym	Phrase
AFV	Alternative Fuel Vehicle
B100	Biodiesel (100 percent, neat)
B20	Biodiesel (20 percent biodiesel, 80 percent petroleum diesel)
CNG	Compressed Natural Gas
HUD	U.S. Department of Housing and Urban Development
E-85	Ethanol (85 percent ethanol, 15 percent petroleum)
E.O.	Executive Order
EPAct	Energy Policy Act
FFV	Flexible Fuel Vehicle
FAST	Federal Automotive Statistical Tool
FR	Federal Register
FY	Fiscal Year
GGE	Gasoline Gallon Equivalent
GVWR	Gross Vehicle Weight Rating
HD	Heavy-Duty
INL	Idaho National Laboratory
LD	Light-Duty
LDV	Light-Duty Vehicle
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas (Propane)
MD	Medium-Duty
MPG	Miles Per Gallon
MSA/CMSA	Metropolitan Statistical Area/Consolidated Metropolitan Statistical Area
SUV	Sport Utility Vehicle