
**Guidance for Implementing Section 141 of the
Energy Independence and Security Act of 2007**

Federal Vehicle Fleets and Low Greenhouse Gas-Emitting
Vehicles

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SmartWay Transport Partnership Program
Transportation and Regional Programs Division
Office of Transportation and Air Quality
U.S. Environmental Protection Agency

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Acronyms and Abbreviations

AFV	Alternative Fuel Vehicle
C.F.R.	Code of Federal Regulations
CH ₄	Methane
CMSA	Consolidated Metropolitan Statistical Area
CNG	Compressed Natural Gas
CO	Carbon Monoxide
CO ₂	Carbon Dioxide
CO _{2e}	Carbon Dioxide Equivalent
DOE	U.S. Department of Energy
E85	Fuel that is 85% ethanol, 15% gasoline
EIA	Energy Information Administration
EISA	Energy Independence and Security Act of 2007
E.O.	Executive Order
EPA	U.S. Environmental Protection Agency
EPAct2005	Energy Policy Act of 2005
EPAct92	Energy Policy Act of 1992
EV	Electric Vehicle
FAST	Federal Automotive Statistical Tool
FFV	Flexible Fuel Vehicle
FR	Federal Register
g/mi.	Grams Per Mile
GHG	Greenhouse Gas
GVWR	Gross Vehicle Weight Rating
REET	Greenhouse Gases, Regulated Emissions, and Energy Use in Transportation model
GSA	U.S. General Services Administration
HEV	Hybrid Electric Vehicle
HFC	Hydrofluorocarbons
kWh	Kilowatt Hour
Lbs.	Pounds
LPG	Liquefied Petroleum Gas (Propane)
MDPV	Medium Duty Passenger Vehicle
MPG	Miles Per Gallon
MPH	Miles Per Hour
MSA	Metropolitan Statistical Area
MT	GSA, Federal Vehicle Policy Division
NDAA2008	National Defense Authorization Act of 2008
NEV	Neighborhood Electric Vehicle
NO _x	Oxides of Nitrogen
PHEV	Plug-in Hybrid Electric Vehicle
PM	Particulate Matter
THC	Total Hydrocarbons
U.S.C.	United States Code
VMT	Vehicle Miles Traveled

Background

Section 141 of the Energy Independence and Security Act of 2007 (EISA) entitled “Federal Vehicle Fleets,” amends section 303 of the Energy Policy Act of 1992 (EPAAct92) (42 U.S.C. § 13212). It supports the goal of reducing greenhouse gas (GHG) emissions by prohibiting federal agencies from acquiring light-duty motor vehicles and medium duty passenger vehicles (MDPVs) that are not low GHG-emitting vehicles.

In order to facilitate the purchase of low GHG-emitting vehicles by the federal government, EISA § 141 directs the Administrator of the Environmental Protection Agency (EPA) to define what a low GHG-emitting vehicle is and to identify annually the makes and models of such vehicles. This guidance explains the criteria EPA uses to identify low GHG-emitting vehicles, directs federal agencies to EPA’s web-based Green Vehicle Guide for up-to-date information about light-duty motor vehicles certified for sale in the United States, and provides the necessary information and resources for federal agencies to implement EISA § 141. Mandatory language is not used in this guidance document except where the EPA is using such language to describe or interpret a statutory requirement.

I. What does EISA § 141 require of federal agencies?

Section 141 prohibits federal agencies from acquiring (purchasing, leasing, or acquiring through transfer, including replacement vehicles) light-duty motor vehicles and MDPVs that are not low GHG-emitting vehicles. Vehicles covered by EISA § 141 include only newly acquired motor vehicles and not an agency’s existing mix of motor vehicles. This guidance document applies to acquisitions made after its issuance date. A motor vehicle¹, as defined by 40 C.F.R. § 85.1703, is a vehicle that is self-propelled and capable of transporting a person, persons, any materials, or any permanently or temporarily affixed apparatus, and, among other things, is capable of exceeding 25 miles per hour (mph) over level, paved surfaces. Section 301(11) of EPAAct92 (42 U.S.C. § 13211(11)) defines light-duty motor vehicle to include both light-duty vehicles and light-duty trucks as defined by 40 C.F.R. § 86.1803-01. Therefore, in this guidance document, the term light-duty motor vehicle includes passenger cars, and, depending on their gross vehicle weight rating (GVWR), pickup trucks, minivans, passenger vans and sport-utility vehicles. Examples of passenger cars include Pontiac G5, Chevrolet Malibu, Ford Focus, Chrysler Sebring and Dodge Avenger. Examples of light-duty trucks include Chevrolet HHR, Saturn Vue, Ford Ranger and Jeep Patriot. Please note that vehicles with a GVWR between 8,500 lbs. and 10,000 lbs. designed to transport primarily persons are MDPVs as defined by 40 C.F.R. § 86.1803-01. Examples of MDPVs include certain configurations of the Ford Expedition, Ford Club Wagon, Chevrolet Suburban and GMC Yukon. Heavy duty trucks (e.g., pickup trucks and non-passenger vans over 8,500 lbs. GVWR or 6,000 lbs. curb weight) are outside the scope of § 141 and, therefore, are not addressed by this guidance document.

¹ All motor vehicles manufactured for sale in the U.S. are required to be certified in accordance with 40 C.F.R. Part 86 to show its ability to comply with federal vehicle emission standards.

II. Is my agency subject to EISA § 141?

Section 141 applies to all federal agencies, except for offices of the legislative branch, but includes the U.S. House of Representatives when vehicles are acquired using a Member's Representational Allowance. Federal agencies include offices of the judicial branch and executive branch including executive departments, independent establishments and government corporations.

For a list of federal agencies please use *The United States Government Manual (2008/2009)*, which can be found at www.gpoaccess.gov/gmanual/index.html. Specifically, the list can be found at www.gpoaccess.gov/gmanual/browse-gm-08.html. For purposes of this guidance document, Members of the U.S. House of Representatives are included in the term "agency."

III. How does EPA quantify the tailpipe GHG emissions from light-duty motor vehicles?

The greenhouse gases carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) are emitted from an operating motor vehicle's tailpipe. Factoring in the global warming potential of each gas provides a vehicle's CO₂ equivalent (CO₂e) emissions. A vehicle's CO₂e emissions are indicative of its energy consumption and environmental performance. CO₂ comprises the majority of the CO₂e emissions and is dependent on the amount of fuel combusted. A vehicle's CH₄ and N₂O emissions are largely dependent on the vehicle's emissions control equipment and miles traveled.

To quantify a vehicle's CO₂e emissions EPA uses emission factors that are based on vehicle emission test results and fuel characteristics. To quantify the CO₂ emissions, EPA factors in the fuel's carbon content, heating value and fuel density. To quantify the CH₄ and N₂O emissions, EPA uses emission factors found in the EPA's *Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2007*² and Argonne National Laboratory's GREET model version 1.8b. The emission factors used are informed by the results of the vehicle testing conducted pursuant to 40 C.F.R. Parts 86 and 600, EPA's emissions certification and fuel economy labeling programs, respectively. Vehicle manufacturers test their vehicles using defined federal test procedures and report the results to EPA. The drive cycles used in the test procedures are designed to simulate real-world driving conditions. From the tests, EPA also determines the amount of fuel consumed per mile driven. This allows EPA to calculate the CO₂e emissions in grams/mile (g/mi.) for every vehicle manufactured for sale in the U.S. The CO₂e emission factors used are provided in Table 1 below.

² U.S. EPA, *Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2007*, Table A-90, EPA 430-R-09-004, April 15, 2009.

Fuel Type	CO ₂		CH ₄ and N ₂ O
	Pounds/Gallon	Grams/Gallon	Grams/Mile
Gasoline	19.59	8,887 ³	1.9 ⁴
Diesel	22.44	10,180 ⁵	0.4 ⁶
E85	13.88	6,295 ⁷	4.0 ⁸
CNG	15.50	7,030 ⁹	6.8 ¹⁰

Currently, a vehicle’s CO₂e emissions do not account for emissions of air conditioner refrigerants, such as hydrofluorocarbons (HFC), nor black carbon, which is a product of the incomplete combustion of fossil fuels. EPA is currently examining ways to better account for HFC and black carbon emissions from vehicles. EPA is in the process of developing a proposal for GHG standards for light-duty vehicles and will evaluate the emission factors used to calculate a vehicle’s GHG emissions during the rulemaking process.

IV. What is a low GHG-emitting vehicle as it applies to EISA § 141?

For each model year since 2000, EPA lists the GHG emissions performance for each light-duty motor vehicle model manufactured for sale in the U.S. in its Green Vehicle Guide. This can be found at www.epa.gov/greenvehicles. *The Green Vehicle Guide also provides an air pollution score for a combination of other air pollutants such as THC, CO, PM and NO_x; however, the air pollution score is not considered under EISA § 141, which addresses only GHG emissions.*

In EPA’s Green Vehicle Guide, every light-duty motor vehicle model is given a GHG score from 0 to 10 based on its CO₂e emissions. Table 2 lists GHG scores and corresponding CO₂e emissions for the 2010 model year.

³ Value is based on indolene fuel, a specific EPA test fuel.

⁴ U.S. EPA, *Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2007*, Table A-90, EPA 430-R-09-004, April 15, 2009. Average value for Tier 2 passenger cars and light-duty trucks.

⁵ Value calculated based on 40 C.F.R. 600.113 carbon content.

⁶ U.S. EPA, *Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2007*, Table A-90, EPA 430-R-09-004, April 15, 2009. Average value for advanced diesel passenger cars and light-duty trucks.

⁷ Ethanol value is from the EPA’s Final Mandatory Greenhouse Gas Reporting Rule for Petroleum Suppliers which uses the ethanol density value from the *CRC: Handbook of Chemistry and Physics, 89th Edition, 2008-2009, Editor-in-Chief - David R. Lide*; from Section 15: Density of Solvents as a function of temperature; and based the carbon share value on a calculation of the molecular weight of carbon in ethanol (C₂H₅OH) using the periodic table of elements. The table 1 value is comprised of 83% ethanol and 17% gasoline, accounts for 2% denaturant in ethanol.

⁸ GREET v1.8b available in RFS2 docket # *EPA-HQ-OAR-2005-0161-0956* (spreadsheet “Vehicles”).

⁹ GREET v1.8b available in RFS2 docket # *EPA-HQ-OAR-2005-0161-0925.1* (spreadsheet “Emission Factors”).

¹⁰ GREET v1.8b available in RFS2 docket # *EPA-HQ-OAR-2005-0161-0956* (spreadsheet “Vehicles”).

GHG Score	MY 2010 CO ₂ e emissions (grams/mile)
10	≤ 237
9	238 to 283
8	284 to 329
7	330 to 375
6	376 to 421
5	422 to 467
4	468 to 513
3	514 to 559
2	560 to 605
1	606 to 651
0	≥ 652

To define a low GHG-emitting vehicle, EPA analyzed the tailpipe CO₂e emissions from all light-duty motor vehicle configurations (cars and light-duty trucks) manufactured for sale in the U.S. for the 2009 model year. Based on the distribution of vehicle CO₂e emissions performance, EPA concluded that vehicles with CO₂e emissions within one standard deviation of the mean emission rate of all light-duty motor vehicles manufactured in the same model year are average GHG-emitting vehicles. The mean was calculated by equally weighting all vehicle configurations. Any vehicle with CO₂e emissions greater than one standard deviation above the mean is a high GHG-emitting vehicle. **Any vehicle with CO₂e emissions less than one standard deviation below the mean is a low GHG-emitting vehicle.** The mean emission rate of the 2009 model year vehicle fleet is 470 g CO₂e/mi. and the standard deviation is 98 g

CO₂e/mi. Therefore, one standard deviation below the mean is 372 g CO₂e/mi. As shown in Table 2, the mean minus one standard deviation falls within a GHG score of 7.

To take advantage of EPA’s existing GHG scoring system and to simplify the process of identifying vehicles that qualify under EISA § 141, any vehicle that achieves a GHG score of 7 or higher is considered to be a low GHG-emitting vehicle.

Approximately 18% of the available 2009 model year vehicle configurations achieve a GHG score of 7 or higher, providing a reasonable number of vehicle options to federal agencies. However, the list of vehicles that qualify as low GHG-emitting vehicles is comprised of only 6% of the available 2009 light-duty truck configurations, only one flexible fuel passenger car and one flexible fuel light-duty truck model. Because of the limited number of light-duty trucks and light-duty flexible fuel vehicles (FFVs) that achieve a GHG score of 7 or higher, EPA concluded that for the early years of this program, it is appropriate to lower the minimum GHG score for these vehicles as follows: light-duty trucks that operate with gasoline, diesel or CNG that achieve a GHG score of 6 or higher qualify, flexible fuel light-duty passenger cars that achieve a GHG score of 6 or higher when operated with alternative fuel qualify, and flexible fuel light-duty trucks that achieve a GHG score of 5 or higher when operated with alternative fuel qualify. These adjustments increase options for federal agencies, while still maintaining relatively low GHG emissions performance for these vehicles. These adjustments result in approximately 13% of the 2009 model year non-flexible fuel light-duty truck configurations, 11% of the 2009 model year flexible fuel light-duty vehicle configurations and approximately 21% of all 2009 model year vehicle configurations qualifying as low GHG-emitting vehicles. While the basis for the EPA’s determination is the 2009 model year fleet, this guidance applies to all vehicle acquisitions made after this guidance document’s issuance date and until the document is superseded.

In summary, as shown in Table 3, to be considered “**low GHG-emitting,**” passenger cars that operate with gasoline, diesel or CNG must achieve a GHG score of 7 or higher; light-duty

trucks, MDPVs and FFV passenger cars when operated with alternative fuel must achieve a GHG score of 6 or higher; and FFV light-duty trucks when operated with alternative fuel must achieve a GHG score of 5 or higher. The GHG score for every light-duty motor vehicle available for sale in the U.S. is published on EPA’s Green Vehicle Guide at www.epa.gov/greenvehicles.

Table 3. EPA GHG Scores Needed to Qualify as a Low GHG-Emitting Vehicle		
Passenger cars	Light-Duty Trucks, MDPVs and FFV passenger cars	FFV light-duty trucks
7, 8, 9, or 10	6, 7, 8, 9, or 10	5, 6, 7, 8, 9, or 10

As EPA develops vehicle GHG standards, we will evaluate the GHG emissions performance of the vehicle fleet and we may adjust the definitions of low GHG-emitting vehicles accordingly. Also, the GHG scores in Table 3 that are needed to qualify as a low GHG-emitting vehicle may change as the overall fleets’ GHG performance improves.

V. How do I find and identify vehicles that are low GHG-emitting vehicles?

EPA has added features to its existing Green Vehicle Guide (www.epa.gov/greenvehicles) to allow agencies to generate an up-to-date list of all low GHG-emitting vehicles. Users can create model year or state-specific lists of low GHG-emitting light-duty vehicles that are available for sale in the U.S. Users can also use the Green Vehicle Guide to look up the GHG score of any individual light-duty vehicle for sale in the U.S. To generate a list of low GHG-emitting vehicles select the ‘Federal Vehicle Acquisition’ link on the left navigation bar of the Green Vehicle Guide or go directly to www.epa.gov/greenvehicles/Federalfleet.do.

Once there, a user can select the state in which he or she plans to acquire the vehicle, the model year of interest and the specific vehicle type (i.e., cars, trucks or FFVs). For a comprehensive list, a user can select “All States” and “All Years” from the drop down list. From the list established, a user can click on each vehicle and obtain a detailed description with vehicle specifications. At the top of the vehicle specifications page, a user can select a printable Car Buyer’s Check Sheet. This will help to identify the exact vehicle intended for acquisition and can be used to customize the vehicle intended for acquisition in the U.S. General Services Administration’s (GSA) AutoChoice. The Car Buyer’s Check Sheet can also be provided directly to a dealership or leasing organization. Due to certain federal requirements regarding emissions certification, there may be multiple listings for vehicles that otherwise appear to be identical. Viewing the vehicle specifications page and the detailed description will provide information on the differences between vehicles.

EPA updates the Green Vehicle Guide regularly to reflect new emissions data submitted throughout the model year by vehicle manufacturers. For the most up-to-date list of available low GHG-emitting vehicles, an agency should always reference the Federal Vehicle Acquisition page of the Green Vehicle Guide (www.epa.gov/greenvehicles/Federalfleet.do).

If “N/A” is associated with a vehicle on the Green Vehicle Guide, this indicates that the manufacturer is not required to report the GHG emissions and fuel economy data to EPA, which

is currently the case for MDPVs. However, beginning with model year 2011, manufacturers will be required to submit GHG emissions and fuel economy data for these vehicles.

The GHG emissions performance of motor vehicles varies across vehicle types as well as within a vehicle model. Therefore, it is imperative that an agency verify a vehicle's GHG score using the Green Vehicle Guide prior to acquiring the vehicle.

VI. Why do some vehicles on the Green Vehicle Guide have two GHG scores?

Each fuel has a different chemical composition, carbon content and heating value, which are factors in a vehicle's tailpipe emissions. These differences are accounted for in the CO_{2e} emission rates in Table 1. FFVs that operate with either gasoline or an alternative fuel (e.g., E85) will receive two GHG scores, one that reflects the use of gasoline and another that reflects the use of the alternative fuel. In some instances, a vehicle may qualify as a low GHG-emitting vehicle on one fuel and not the other. When acquiring a FFV, agencies should pay particular attention to the GHG score for the type of fuel on which the vehicle will be operated.

VII. What if a vehicle intended for acquisition is not listed on EPA's Green Vehicle Guide?

As stated in section V above, the Green Vehicle Guide is updated throughout the year. Vehicle manufacturers submit data to EPA to coincide with a vehicle model's planned introduction into commerce. In some instances a vehicle may be introduced earlier than planned and the Green Vehicle Guide may not reflect this earlier release date. These instances are not typical and an agency should contact EPA using the contact information provided in section XX of this guidance document when it encounters such an occurrence.

VIII. Will a vehicle's GHG score ever change?

An agency should document a motor vehicle's GHG score at the time a vehicle is acquired. This will avoid any question of a vehicle's GHG score for reporting purposes. When an agency acquires a vehicle through GSA, the point of acquisition occurs when the agency orders the vehicle from GSA.

Occasionally, a vehicle manufacturer may update or modify its vehicle certification data submitted to EPA as described in section III of this guidance document. If these updates or modifications substantially change the emissions performance of a vehicle, the GHG score could change. This should occur only rarely and, as stated above, federal agencies should use the GHG score assigned to the vehicle at the time of acquisition.

Each year EPA will evaluate the GHG scoring system and the definitions for low GHG emissions performance to ensure that this program is identifying the appropriate vehicles as low GHG-emitting vehicles. Additionally, vehicle manufacturers are adding advanced technology and other improvements to existing vehicle models that will likely improve their GHG emissions performance. EPA expects that the GHG score for many vehicles will change from one model year to the next. The GHG score for those vehicles in which more advanced engine technology is

added will likely increase. The GHG score for vehicles with similar GHG emissions performance as previous model years will likely decrease.

In any instance, federal agencies should document a vehicle's GHG score at the time a vehicle is acquired since § 141 only applies at the point of acquisition.

IX. Are there exceptions to the requirement to acquire only low GHG-emitting vehicles?

Section 141 specifically prohibits the acquisition of light-duty motor vehicles and MDPVs that are not low GHG-emitting vehicles as defined by this guidance document. Recognizing that federal agencies need some flexibility to acquire vehicles for diverse applications, EISA § 141 allows for two exceptions to the prohibition.

The first exception applies in cases where no low GHG-emitting vehicle is available that meets the **functional needs** of the agency. The second exception applies where an agency has taken specific **alternative measures** to reduce petroleum consumption and GHG emissions. When an agency utilizes these exceptions, EISA § 141 requires that the head of the agency certify in writing that either a specific functional need cannot be met by a low GHG-emitting vehicle or that the agency has implemented cost-effective alternative measures that result in an equivalent amount of petroleum consumption and GHG emission reductions.

Agencies are permitted to establish roles in line with their current motor vehicle management program. For example, it would be reasonable for the head of an agency to delegate certain responsibilities to the individuals within the agency that select vehicles for acquisition. However, EPA recommends that each federal agency consolidate the responsibility for the EISA § 141 certifications in one office to maintain consistency and facilitate program oversight and recordkeeping.

A. How does the “functional needs” exception work?

Section 141 states that the requirements to purchase low GHG-emitting vehicles “shall not apply...if the head of the agency certifies in writing, in a separate certification for each individual vehicle purchased,...that no low greenhouse gas emitting vehicle is available to meet the functional needs of the agency and details in writing the functional needs that could not be met with a low greenhouse gas emitting vehicle...” This exception should apply to vehicles that EPA Act 92 § 301(9) (42 U.S.C. § 13211(9)) specifically excludes from an agency's fleet. These vehicles could include law enforcement motor vehicles, emergency motor vehicles, motor vehicles acquired for military purposes; and vehicles used for protective services.

The head of the federal agency, or his or her designee(s), is responsible for making such a determination. EPA cannot make this determination. EPA recommends that each agency establish an agency-wide method for documenting its determinations and maintain records of such determinations for at least five years and/or in accordance with agency-specific recordkeeping requirements.

B. How does the “alternative measures” exception work?

Section 141 states that the requirement to purchase low GHG-emitting vehicles “shall not apply...if the head of the agency certifies in writing, in a separate certification for each individual vehicle purchased...that the agency has taken specific more cost-effective measures to reduce petroleum consumption that (I) have reduced a measured and verified quantity of greenhouse gas emissions equal to or greater than the quantity of greenhouse gas reductions that would have been achieved through acquisition of a low greenhouse gas emitting vehicle over the lifetime of the vehicle; or (II) will reduce each year a measured and verifiable quantity of greenhouse gas emissions equal to or greater than the quantity of greenhouse gas reductions that would have been achieved each year through the acquisition of a low greenhouse gas emitting vehicle.”

This exception allows an agency to acquire a vehicle that is not a low GHG-emitting vehicle if it offsets the incremental increase of petroleum consumption and GHG emissions compared to a low GHG-emitting vehicle. A range of offsetting reduction strategies can be contemplated, such as reducing vehicle miles traveled (VMT), reducing the number of vehicles owned and operated, acquiring neighborhood electric vehicles (NEVs) to replace conventional vehicles not being used on public roads or highways, or reducing winter temperatures in buildings heated by oil. More information and resources on alternative measures are provided on the Federal Vehicle Acquisition page of the Green Vehicle Guide at www.epa.gov/greenvehicles/Federalfleet.do.

The head of the federal agency, or his or her designee(s), is responsible for determining the appropriate cost-effective alternative measure(s) and for quantifying the GHG emission reductions associated with the measure. Federal agencies are not required to consult with or receive approval from EPA. EPA recommends that each agency establish an agency-wide method for documenting the basis for its determination and maintain records of such determinations for at least five years and/or in accordance with agency-specific recordkeeping requirements.

i. Under the alternative measures exception, can a federal agency assess the aggregate GHG emissions from all of its acquired vehicles to determine the quantity of emissions that must be reduced?

The **alternative measures** exception requires that agencies quantify the total GHG emissions that will result from acquiring vehicles that do not meet EPA’s definition of a low GHG-emitting vehicle. The alternative measures exception further requires that agencies compare the GHG emissions performance of a vehicle that does NOT meet EPA’s definition of a low GHG-emitting vehicle to the GHG emissions performance of a low GHG-emitting vehicle and offset the difference. To most effectively use the alternative measures exception and determine the necessary offsets, EPA believes that agencies should assess the aggregate GHG emissions from their light-duty motor vehicle and MDPV acquisitions annually.

Allowing federal agencies to assess the aggregate GHG emissions from the vehicles they acquire will enable them to obtain the mix of vehicles they need while creating an incentive to acquire vehicles with the highest GHG scores.

To help federal agencies quantify and verify the aggregate GHG emissions as required by the alternative measures exception, EPA developed the Federal Vehicle GHG Emission Assessment Tool. The Assessment Tool can be downloaded from the Green Vehicle Guide's Federal Vehicle Acquisition Web site at www.epa.gov/greenvehicles/Federalfleet.do. The Assessment Tool is a spreadsheet-based calculator that assists federal agencies with tracking, verifying and quantifying the GHG emissions associated with the vehicles they acquire or plan to acquire. To satisfy the § 141 certification requirement, the head of an agency, or his or her designee(s), should certify that the Assessment Tool properly and accurately accounts for all applicable motor vehicle acquisitions completed in a fiscal year or other acquisition cycle specified by the agency.

To calculate the aggregate GHG emissions from an agency's motor vehicles, a user simply inputs into the Federal Vehicle GHG Emissions Calculator, which is found in the Assessment Tool, the number of passenger cars, FFV passenger cars, light-duty trucks and FFV light-duty trucks they intend to acquire within each GHG score during the period specified by the agency. An agency should only enter FFVs in the FFV columns if the FFV will be operated with the alternative fuel. The Federal Vehicle GHG Emissions Calculator performs three main functions based on the number of vehicles entered in the calculator:

1. It quantifies the agency's aggregate GHG emissions.
2. It calculates the agency's EISA GHG emissions limit.
3. It compares the agency's aggregate GHG emissions to its EISA GHG emissions limit.

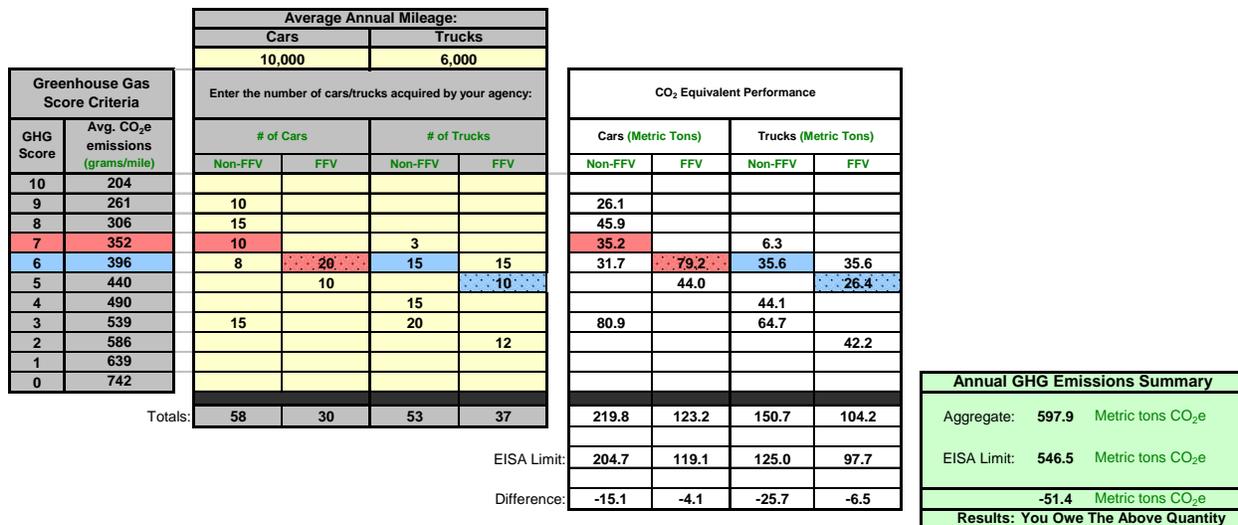
If an agency's aggregate GHG emissions are less than its EISA GHG emissions limit, the agency complies with § 141. If an agency's aggregate GHG emissions exceed its EISA GHG emissions limit, the agency must implement further GHG emission reduction measures to offset the excess GHG emissions consistent with the alternative measures exception or re-evaluate its vehicle acquisition mix.

An agency can also use the Assessment Tool to quantify its GHG emissions if it chooses to implement other mobile source-related GHG emission reduction measures, such as reducing VMT or replacing conventionally fueled vehicles with NEVs. To quantify emission reductions associated with reducing VMT, the user would modify the average annual mileage value used to calculate the agency's aggregate GHG emissions.

Figure 1 shows a screen capture of the Federal Vehicle GHG Emissions Calculator displaying a hypothetical mix of 58 passenger cars that will be operated with either gasoline, diesel fuel or CNG; 30 FFV passenger cars that will

be operated with E85; 53 light-duty trucks that will be operated with either gasoline, diesel fuel or CNG; and 37 FFV light-duty trucks that will be operated with E85 with varying GHG scores. In this example, the hypothetical agency's aggregate GHG emissions from its motor vehicles are 597.9 metric tons CO₂e/year. The agency's EISA GHG emissions limit is 546.5 metric tons CO₂e/year. This agency's aggregate GHG emissions exceed its EISA limit; therefore, consistent with the alternative measures exception, the agency must reduce its CO₂e emissions an additional 51.4 metric tons.

Figure 1. Federal Vehicle GHG Emissions Calculator Interface



Section 141 applies when a vehicle is acquired; therefore, EPA recommends that an agency calculate its EISA GHG emissions limit and aggregate GHG emissions when developing its annual acquisition plan. The Assessment Tool can be downloaded, maintained and updated as vehicle acquisitions are made throughout the year to ensure an agency does not exceed its EISA GHG emissions limit. An agency's EISA GHG emissions limit and aggregate GHG emissions will update as vehicles are added to the tool. EPA also recommends that an agency calculate its final EISA GHG emissions limit and aggregate GHG emissions for a fiscal year or acquisition cycle after all vehicle acquisition activity is completed. The period covered and timing will depend on each agency's purchasing practices and can be done in coordination with Federal Management Regulation requirements (41 C.F.R. § 102). The period covered should be discreet (i.e., a fiscal year or calendar year).

The GHG emissions from vehicles acquired under the "functional needs" exception described above in this section should not be included in an agency's aggregate GHG emissions.

EPA will evaluate the impact of aggregating motor vehicle GHG emissions during the first year of implementation of this guidance document and may make

adjustments or refinements in a future guidance document. EPA plans to address additional GHG emissions accounting opportunities in the future.

C. Are the aggregate GHG emissions for an agency's fleet nationwide or is it quantified based on a metropolitan statistical area (MSA) or consolidated metropolitan statistical area (CMSA) for a federal fleet?

All light-duty motor vehicles and MDPVs acquired by a federal agency are covered by EISA § 141; therefore, an agency should consider all of its light-duty motor vehicles and MDPVs and not just those located in a MSA or CMSA. However, since the head of each agency is permitted to designate a person or person(s) to be responsible for implementing EISA § 141, as stated in this section above, geographic clusters of vehicles can result. In these instances an agency head, or his or her designee(s), can decide that the GHG emissions for each geographic cluster of vehicles can be aggregated independently if the agency elects to utilize the alternative measures exception.

X. What are Electric Vehicles (EVs) and how are they included in this guidance document?

An electric vehicle, as defined by 10 C.F.R. § 474.2, is a vehicle that is powered by an electric motor drawing current from rechargeable storage batteries or other portable electrical energy storage devices. Recharge energy is drawn from a source off the vehicle - they are plugged into an external electrical source to charge their batteries. Hybrid electric vehicles (HEVs) combine the internal combustion engine of a conventional vehicle with the battery and electric motor of an EV. Plug-in hybrid electric vehicles (PHEVs) can be charged by a source off the vehicle like an EV and run on engine power like a HEV. EVs are considered zero-emissions vehicles because they do not produce tailpipe CO₂ emissions. HEVs and PHEVs produce tailpipe emissions and, therefore, are not considered EVs for purposes of this guidance document. HEVs and PHEVs are treated like conventional vehicles. Similar to conventionally fueled vehicles, as described in section III of this guidance document, manufacturers must properly certify EVs with EPA before introducing these vehicles into commerce.

Currently, a vehicle's GHG emissions performance is based only on its tailpipe emissions. Because they have no tailpipe emissions, all EVs achieve a GHG score of 10. At the time of this writing, there are no EVs listed in the Green Vehicle Guide. As manufacturers certify EV configurations, EPA will add these vehicles. If the Green Vehicle Guide scoring framework expands to include emissions from charging an EV's battery using an off-board source (e.g., charging the batteries from the electricity grid), EPA will develop a methodology to account for these emissions. When an agency is acquiring EVs, it should consider two key factors that influence the off-board GHG-emissions, the EV's rate of energy consumption and the emissions from the generation of electricity that is used to charge the EV's batteries.

A. Are Neighborhood Electric Vehicles (NEVs) included as EVs?

Electric Vehicles that are not manufactured primarily for use on public streets, roads and highways (e.g., EVs that cannot exceed a maximum speed of 25 mph) are excluded from

the definition of a motor vehicle (40 C.F.R. § 85.1703) and, therefore, are beyond the scope of EISA § 141. Typically referred to as NEVs, manufacturers of these vehicles are not required to meet vehicle emission certification or fuel economy labeling requirements. Examples of NEVs include certain vehicles used to transport people and cargo on a campus or military base. NEVs typically achieve energy consumption values of approximately 0.23 kWh/mi. or lower.

Currently, NEVs are not included on EPA's Green Vehicle Guide. EPA recognizes that NEVs are being acquired by federal agencies to replace conventionally fueled motor vehicles to reduce GHG emissions and fuel consumption. Therefore, EPA believes it is appropriate to include them in this guidance document. When replacing a conventionally fueled motor vehicle, EPA believes that acquiring a NEV is a reliable alternative measure as described in section IX(B) of this guidance document. An agency should include NEVs (with a GHG score of 10) in its mix of vehicles when using the Federal Vehicle GHG Emissions Calculator as described in section IX(B)(i).

Use of NEVs instead of conventionally fueled vehicles would only be appropriate where the federal agency has determined that the replacement NEV can be operated in accordance with all applicable federal, state and local restrictions.

XI. What if the vehicle that I am interested in purchasing only qualifies as a low GHG-emitting vehicle using an alternative fuel?

As stated in section IV, the minimum GHG score requirements for light-duty FFVs to be considered low GHG-emitting vehicles when operated with the alternative fuel are lower than for dedicated gasoline-fueled vehicles. A FFV passenger car when operated with alternative fuel must achieve a GHG score of 6 or higher. A FFV light-duty truck when operated with alternative fuel must achieve a GHG score of 5 or higher. If a vehicle only qualifies as a low GHG-emitting vehicle when operated with an alternative fuel (e.g., E85), the vehicle must be operated with the alternative fuel in order to be considered a low GHG-emitting vehicle. The fuel type used to determine the GHG score is clearly identified when using EPA's Green Vehicle Guide.

To use the GHG score based on an alternative fuel, agencies must demonstrate that the alternative fuel is available within a 5 mile radius or 15 minutes of the vehicle's garaged location and demonstrate that the vehicle will be operated with the alternative fuel. These are similar criteria that agencies use to determine whether a fuel waiver is appropriate under section 701 of the Energy Policy Act of 2005 (EPAAct2005). Therefore, if an agency intends to request a fuel waiver for a FFV, the agency should use the GHG score associated with operating the vehicle with gasoline. Furthermore, as required by EPAAct2005 § 701, an agency can only operate this FFV with gasoline under a fuel waiver issued by DOE. If an agency decides to utilize the aggregate GHG emissions assessment tool described in section IX(B)(i) above, the appropriate GHG score for each vehicle is the GHG score that corresponds to the fuel on which the vehicle will be operated. If an agency intends to request a fuel waiver for a FFV and operate the vehicle with gasoline, then the agency would include it in the Federal Vehicle GHG Emissions Calculator within the GHG score that corresponds to operating the vehicle with gasoline.

This guidance does not address instances of an agency relocating an alternative fuel vehicle (AFV) to an area where the alternative fuel is not readily available. This circumstance is beyond the scope of EISA § 141, which applies at the time of vehicle acquisition. However, agencies should consider EISA § 142 and Executive Order (E.O.) 13423 fuel use requirements when deciding to relocate an AFV to an area where the alternative fuel is not available.

To find the locations of fueling stations dispensing alternative fuels, please visit www.eere.energy.gov/afdc/stations/find_station.php.

XII. How do the requirements of EISA § 141 interact with the requirements of EPAAct92 § 303(b) (42 U.S.C. § 13212(b))?

As explained above, EISA § 141 requires that federal agencies acquire low GHG-emitting light-duty motor vehicles and MDPVs. Federal agencies are also required to comply with the EPAAct92 § 303(b) AFV acquisition requirement, which requires that 75% of the total number of vehicles acquired by a federal agency for its fleet(s) be AFVs. Federal agencies are required to comply with both statutes.

Many AFVs -- particularly FFVs that are capable of operating on both gasoline and E85 -- do not qualify as low GHG-emitting vehicles, especially if the agency operates or intends to operate the vehicle with gasoline. At the time of this writing, approximately 11% of all 2009 model year FFV configurations qualify as low GHG-emitting vehicles when operated with E85. When operated with gasoline, only one 2009 model year FFV qualifies as a low GHG-emitting vehicle. Even with the lower minimum GHG score requirement for light-duty FFVs, the availability of vehicle configurations that qualify under both EISA § 141 and EPAAct92 § 303(b) may lead to concerns that federal agencies will be unable to comply with both statutes. However, section 2862 of the National Defense Authorization Act of 2008 (NDAA 2008) (Pub. L. 110-181, Jan. 28, 2008) contains a provision which integrates EISA § 141 and EPAAct92 § 303(b) in a manner that enables agencies to more easily comply with both statutory requirements. Section 2862 of NDAA 2008 amends EPAAct92 § 301(3) (42 U.S.C. § 13211(3)) by expanding the definition of an AFV to include the following vehicles:

1. A new qualified fuel cell motor vehicle (as defined by 26 U.S.C. 30B(b)(3));
2. A new advanced lean burn technology motor vehicle (as defined by 26 U.S.C. 30B(c)(3));
3. A new qualified hybrid motor vehicle (as defined by 26 U.S.C. 30B(d)(3)); and
4. Any other type of vehicle that the Administrator of the Environmental Protection Agency demonstrates to the Secretary of Energy would achieve a significant reduction in petroleum consumption.

In accordance with NDAA 2008 § 2862, in a December 12, 2008 letter to DOE (Appendix B), EPA demonstrated that operating a low GHG-emitting vehicle, as defined in this guidance document, would achieve a significant reduction in petroleum consumption consistent with item four above. EPA's demonstration showed that low GHG-emitting vehicles achieve a significant reduction in petroleum consumption similar to or greater than the other newly defined AFVs that

are commercially available (i.e., advanced lean burn and hybrid vehicles), and a significant reduction in petroleum consumption compared to existing FFVs operating on gasoline.

Based on the demonstration EPA made to DOE and the objectives of the EPAAct92 AFV program, any low GHG-emitting vehicle acquired in lieu of a FFV that an agency reasonably determines qualifies for a fuel waiver under EPAAct2005 § 701 is now included in the expanded definition of an AFV. Each agency head, or his or her designee(s), determines if its FFVs would qualify for a fuel waiver based on the criteria established by DOE. Unless an exception is utilized as described in section IX of this guidance document, any FFV that is acquired is required to be a low GHG-emitting vehicle.

The expanded AFV definition described above results in the following options:

- An agency can acquire any qualified fuel cell motor vehicle, advanced lean burn technology motor vehicle or qualified hybrid motor vehicle that is a low GHG-emitting vehicle. These vehicles comply with both the EPAAct92 § 303(b) AFV acquisition requirement and EISA § 141.
- In instances where an agency has access to alternative fuel and will use the alternative fuel, an agency should acquire any FFV or AFV that is a low GHG-emitting vehicle. These vehicles comply with both the EPAAct92 § 303(b) AFV acquisition requirement and EISA § 141.
- In instances where an agency does not have access to alternative fuel and it has made a reasonable determination that a FFV qualifies for a fuel waiver under EPAAct2005 § 701, an agency should acquire any low GHG-emitting vehicle. These vehicles comply with both the EPAAct92 § 303(b) AFV acquisition requirement and EISA § 141.
- In all instances, agencies must acquire a low GHG-emitting vehicle except as provided in the two exceptions described in section IX of this guidance document.

Including low GHG-emitting vehicles in the definition of an AFV within the circumstances described above, provides federal agencies flexibility in reducing petroleum consumption in instances where alternative fuel is not reasonably available. Including low GHG-emitting vehicles in the expanded definition of an AFV does not alter the definition of an alternative fuel as defined by EPAAct92 § 301(2) (42 U.S.C. § 13211(2)) and federal agencies must continue to increase their overall use of alternative fuels as required by EISA § 142 and E.O. 13423. This reconciles EISA § 141 and EPAAct92 § 303(b) and allows agencies to more easily comply with both statutory requirements.

XIII. How are MDPVs addressed?

As defined by 40 C.F.R. § 86.1803-01, a MDPV has a GVWR of greater than 8,500 lbs. (or a curb weight greater than 6,000 lbs.) but less than 10,000 lbs. and is designed primarily to transport less than 12 passengers or less than 9 passengers rearward of the driver's seat. In addition, it is not equipped with an open cargo area of 72 inches in interior length or more.

MDPVs are covered vehicles under EISA § 141. However, corporate average fuel economy standards do not apply to MDPVs until model year 2011; therefore, EPA has only limited data on their GHG emissions. Beginning with model year 2011, manufacturers are required to provide this data to EPA.

EPA anticipates that the GHG emissions performance of MDPVs will be similar to light-duty trucks. Based on the data EPA does have, EPA does not believe there are any MDPVs that are low GHG-emitting vehicles using the light-duty truck definition (i.e., a MDPV that achieves a GHG score of 6 or higher). For the 2009 and 2010 model years, federal agencies requiring MDPVs should request the combined fuel economy value from the manufacturer. To compare to other vehicles listed in the Green Vehicle Guide, the fuel economy should be evaluated over the same driving cycles referenced in section III of this guidance document. Once the combined fuel economy value is obtained, an agency can go to the About the Ratings Web page of the Green Vehicle Guide Web site at www.epa.gov/greenvehicles/Aboutratings.do to determine the MDPV's GHG score. Once an agency is on the About the Ratings Web page, scroll to the section labeled Greenhouse Gas Score where a table of minimum miles per gallon (mpg) values and the corresponding GHG scores is provided. An agency should also consider whether the "functional needs" exception described under section IX(A) of this guidance document is appropriate or if an alternative measure as described in section IX(B) can be implemented to achieve necessary GHG emissions reductions. Except when using the "functional need" exception, an agency should include these vehicles in the Federal Vehicle GHG Emissions Calculator if it elects to aggregate its GHG emissions.

XIV. Are government-owned contractor-operated vehicles included?

Yes, government-owned contractor-operated vehicles are subject to the provisions of EISA § 141. Executive Order 13149, Sec. 505 (42 U.S.C. § 13212) states that "Agencies must ensure that all Government-owned contractor-operated vehicles comply with all applicable goals and other requirements of [the E.O.] and that these goals and requirements are incorporated into each contractor's management contract." Executive Order 13423 (72 FR 17, January 26, 2007) requires that agencies "ensure that contracts entered into...for contractor operation of government-owned...vehicles require the contractor to comply with the provisions of [the E.O.] with respect to...vehicles to the same extent as the agency would be required to comply if the agency operated the...vehicles." Both Executive Orders include government-owned contractor-operated vehicles in order to improve the environmental performance of vehicles owned by the federal government. Therefore, EPA believes the requirement to purchase low GHG-emitting vehicles, as defined by this guidance document, should be included in each contractor's management contract, as appropriate. An agency is permitted to utilize the exceptions in sections IX(A) and (B), as appropriate. An agency should include these vehicles in the Federal Vehicle GHG Emissions Calculator if it elects to aggregate its GHG emissions as described in section IX(B)(i). This requirement does not apply to contracts entered into by the U.S. House of Representatives or its Office of the Chief Administrative Officer.

XV. What about vehicles purchased in the United States and operated outside of the United States?

EISA § 141 requires that in determining which vehicles are low GHG-emitting, EPA consider standards “applicable to and enforceable against motor vehicle manufacturers for vehicles sold anywhere in the United States.” This means that EISA § 141 applies to the acquisition of vehicles manufactured for sale in the U.S., including territories and possessions of the U.S., but shipped overseas for operation. An agency should include these vehicles in the Federal Vehicle GHG Emissions Calculator if it elects to aggregate its GHG emissions. Vehicles manufactured for sale outside the U.S. are beyond the scope of EISA § 141. As a general note, federal agencies should verify that other countries in which vehicles manufactured for the U.S. market will operate have a supply of the fuels needed to ensure proper performance of the vehicle’s advanced emission control equipment. Some fuels available in certain other countries will compromise the emission control equipment of vehicles manufactured for operation in the U.S.

XVI. What if my agency wants to acquire vehicles that are from a model year prior to model year 2010?

The Green Vehicle Guide begins with model year 2000. Therefore, agencies should use the GHG score provided in the Green Vehicle Guide for model years 2000 through the current model year. The minimum GHG scores that qualify vehicles as low GHG-emitting vehicles apply to all model years.

XVII. Does EISA § 141 apply to all individual vehicle acquisitions or only vehicles associated with fleets as defined by section 301(9) of EPAAct92 (42 U.S.C. § 13211(9))?

Section 301(9) of EPAAct92 (42 U.S.C. § 13211(9)), for applicability purposes, defines “fleet” to mean “a group of 20 or more light-duty motor vehicles, used primarily in a metropolitan statistical area or consolidated metropolitan statistical area, ..., that are centrally fueled or capable of being centrally fueled and are owned, operated, leased, or otherwise controlled by a governmental entity..., except that such term does not include – (D) law enforcement motor vehicles; (E) emergency motor vehicles; and (F) motor vehicles acquired and used for military purposes that the Secretary of Defense has certified to the Secretary [of Energy] must be exempt for national security reasons;...”

However, EISA § 141, which amends EPAAct92 § 303 (42 U.S.C. § 13212), is written in terms of individual “vehicles,” not fleets. Furthermore, if an agency elects to utilize one of the exceptions described in section IX of this guidance document, the agency head is required to provide separate certification for each individual vehicle purchased, without regard to whether that vehicle is part of a fleet.

EPA believes that EISA § 141 covers all individual light-duty motor vehicles and MDPVs acquired by a federal agency, regardless of the size and location of its fleet(s).

XVIII. What are the recordkeeping requirements?

Section 141 requires that agency heads, or his or her designee(s), “certify in writing, for each individual vehicle purchased” when a non-low GHG-emitting vehicle is acquired under the “**functional needs**” or “**alternative measures**” exceptions described in section IX of this guidance document. Agencies should also maintain records documenting the use of the Assessment Tool as described in section IX(B). EPA recommends federal agencies develop agency-specific methods for maintaining the data or information demonstrating compliance with EISA § 141, including which vehicles were acquired under each exception. The method could utilize a spreadsheet or other format and should include, but not be limited to, the make and model of each individual vehicle, model year, fuel on which the vehicle is operated and GHG score. In consultation with GSA, EPA has recommended including information regarding the acquisition of low GHG-emitting vehicles by federal agencies in GSA’s Federal Fleet Report.

XIX. What are the reporting requirements?

Section 141 imposes no specific reporting requirements on federal agencies. However, 41 C.F.R. § 102-34.75, Motor Vehicle Management, requires that agencies provide GSA, Federal Vehicle Policy Division (MT), on an annual basis, a synopsis of their motor vehicle leases and purchases. This is currently accomplished through use of the Federal Automotive Statistical Tool (FAST). EPA has had discussions with GSA and DOE, and all parties agree that acquisition of low GHG-emitting vehicles will be incorporated into the FAST system for reporting purposes. Upon completion of the necessary updates to FAST, federal agencies will be able to enter the relevant low GHG-emitting vehicle information on an annual basis. EPA anticipates reviewing the information annually to evaluate implementation of EISA § 141. In particular, EPA will assess the use of the exceptions described in sections IX(A) and (B) of this guidance.

Prior to the necessary FAST modifications, in order to evaluate implementation of EISA § 141 adequately and to gauge necessary modifications to this guidance document, EPA requests that agencies submit electronic copies of records and other supporting documentation including, but not limited to: their Assessment Tool, records indicating vehicles acquired under each exception described in sections IX(A) and (B), and records indicating vehicles’ GHG scores. All records should be submitted to EPA at the e-mail address provided below in section XX. Upon implementation of the necessary modifications to FAST, EPA will extract the relevant data from FAST on an annual basis for review purposes only.

XX. Contact Information

Jason Swift, Office of Transportation and Air Quality, (202) 343 – 9073, swift.jason@epa.gov

Appendix A

PUBLIC LAW 110–140—DEC. 19, 2007 121 STAT. 1517

Subtitle C—Federal Vehicle Fleets

SEC. 141. FEDERAL VEHICLE FLEETS.

Section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection:

“(f) VEHICLE EMISSION REQUIREMENTS.—

“(1) DEFINITIONS.— In this subsection:

“(A) FEDERAL AGENCY.—The term ‘Federal agency’ does not include any office of the legislative branch, except that it does include the House of Representatives with respect to an acquisition described in paragraph (2)(C).

“(B) MEDIUM DUTY PASSENGER VEHICLE.—The term ‘medium duty passenger vehicle’ has the meaning given that term section 523.2 of title 49 of the Code of Federal Regulations, as in effect on the date of enactment of this paragraph.

“(C) MEMBER’S REPRESENTATIONAL ALLOWANCE.—The term ‘Member’s Representational Allowance’ means the allowance described in section 101(a) of the House of Representatives Administrative Reform Technical Corrections Act (2 U.S.C. 57b(a)).

“(2) PROHIBITION.—

“(A) IN GENERAL.— Except as provided in subparagraph (B), no Federal agency shall acquire a light duty motor vehicle or medium duty passenger vehicle that is not a low greenhouse gas emitting vehicle.

“(B) EXCEPTION.— The prohibition in subparagraph (A) shall not apply to acquisition of a vehicle if the head of the agency certifies in writing, in a separate certification for each individual vehicle purchased, either—

“(i) that no low greenhouse gas emitting vehicle is available to meet the functional needs of the agency and details in writing the functional needs that could not be met with a low greenhouse gas emitting vehicle; or

“(ii) that the agency has taken specific alternative more cost-effective measures to reduce petroleum consumption that—

“(I) have reduced a measured and verified quantity of greenhouse gas emissions equal to or greater than the quantity of greenhouse gas reductions that would have been achieved through acquisition of a low greenhouse gas emitting vehicle over the lifetime of the vehicle; or

“(II) will reduce each year a measured and verified quantity of greenhouse gas emissions equal to or greater than the quantity of greenhouse gas reductions that would have been achieved each year through acquisition of a low greenhouse gas emitting vehicle.

“(C) SPECIAL RULE FOR VEHICLES PROVIDED BY FUNDS CONTAINED IN MEMBERS’ REPRESENTATIONAL ALLOWANCE.— This paragraph shall apply to the acquisition of a light duty motor vehicle or medium duty passenger vehicle using any portion of a Member’s Representational Allowance, including an acquisition under a long-term lease.

“(3) GUIDANCE.—

“(A) IN GENERAL.— Each year, the Administrator of the Environmental Protection Agency shall issue guidance identifying the makes and model numbers of vehicles that are low greenhouse gas emitting vehicles.

“(B) CONSIDERATION.— In identifying vehicles under subparagraph (A), the Administrator shall take into account the most stringent standards for vehicle greenhouse gas emissions applicable to and enforceable against motor vehicle manufacturers for vehicles sold anywhere in the United States.

“(C) REQUIREMENT.—The Administrator shall not identify any vehicle as a low greenhouse gas emitting vehicle if the vehicle emits greenhouse gases at a higher rate

than such standards allow for the manufacturer's fleet average grams per mile of carbon dioxide-equivalent emissions for that class of vehicle, taking into account any emissions allowances and adjustment factors such standards provide.''.

Appendix B



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

DEC 12 2008

OFFICE OF
AIR AND RADIATION

Mr. John Mizroch
Acting Assistant Secretary
Office of Energy Efficiency and Renewable Energy
U.S. Department of Energy
Room 6a-013/Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Dear Mr. Mizroch:

On December 19, 2007, the President signed the Energy Independence and Security Act of 2007 (EISA). Section 141 of EISA amends section 303 of the Energy Policy Act of 1992 (EPAAct92) (42 U.S.C. § 13212) and requires the Environmental Protection Agency (EPA) to define low greenhouse gas (GHG) emitting vehicles and to annually provide federal agencies a list of low GHG-emitting vehicles, which the federal agencies must then acquire. As you know, EPAAct92 § 303(b) already requires federal agencies to purchase alternative fueled vehicles (AFVs) for 75% of their federal fleet (42 U.S.C. § 13212(b)). The coexistence of these two requirements may cause some uncertainty as to which vehicles agencies should acquire.

However, staff in EPA's Office of Transportation and Air Quality and in the Department of Energy's (DOE's) Federal Energy Management Program have worked together to develop a solution that integrates and reconciles the two requirements and creates a more flexible, cohesive EPAAct92 program that allows agencies to acquire the most appropriate vehicles for very diverse applications and geographic areas, while at the same time reducing petroleum consumption. This solution utilizes a provision of the National Defense Authorization Act for Fiscal Year 2008 (NDAA 2008) that amends EPAAct92. Section 2862 of NDAA 2008 (42 U.S.C. § 13211(3)) expands the definition of AFVs and provides DOE the flexibility to include low GHG-emitting vehicles in the expanded definition. To take advantage of this flexibility, EPA must demonstrate to DOE that low GHG-emitting vehicles would achieve a significant reduction in petroleum consumption.

This letter serves as EPA's demonstration to DOE that low GHG-emitting vehicles, as defined in EPA's enclosed draft guidance, achieve a significant reduction in petroleum consumption.

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BACKGROUND:

In 2006, EPA developed a GHG scoring system that assigns every car and light truck a GHG score from 0 to 10 (where 10 indicates the best GHG performance). EPA will use this existing scoring system to implement section 141 of EISA. We intend to define low GHG-emitting vehicles to be any passenger car that achieves a GHG score of 7 or higher and any light duty truck or medium duty passenger vehicle that achieves a GHG score of 6 or higher. A more detailed description of EPA's GHG scoring system is included in the enclosed draft guidance document titled 'Guidance for Federal Agencies: Federal Vehicle Fleets, Energy Independence and Security Act of 2007.'

During the course of developing this EISA guidance, we have talked to numerous federal agencies about how the new EISA § 141 requirements will be integrated into their existing EPCA92 program that requires the acquisition of AFVs. Many AFVs – particularly flexible fuel vehicles (FFVs) that are capable of operating with both gasoline and E85 – will not qualify as low GHG-emitting vehicles, especially if the agency intends to operate the vehicle with gasoline¹.

As stated earlier, the best opportunity for integrating the two requirements relies on section 2862 of NDAA 2008 which adds several new types of vehicles to the definition of an AFV. Newly defined AFVs include the following:

- 1) a new qualified fuel cell motor vehicle (as defined by 26 U.S.C. 30B(b)(3))
- 2) a new advanced lean burn technology motor vehicle (as defined by 26 U.S.C. 30B(c)(3));
- 3) a new qualified hybrid motor vehicle (as defined by 26 U.S.C. 30B(d)(3)); and
- 4) any other type of vehicle that the Administrator [of EPA] demonstrates to the Secretary [of Energy] would achieve a significant reduction in petroleum consumption.

The fourth type of vehicle described above provides DOE the flexibility to include low GHG-emitting vehicles in the definition of an AFV. If low GHG-emitting vehicles reduce petroleum consumption as much as those vehicles defined by any of the first three examples then it is reasonable to conclude that low GHG-emitting vehicles would also achieve a "significant reduction in petroleum consumption" for purposes of section 2862 of NDAA 2008. EPA demonstrates below that low GHG-emitting vehicles, as defined in EPA's draft guidance, satisfy this measure.

EPA's DEMONSTRATION:

For DOE to include low GHG-emitting vehicles as AFVs, NDAA 2008 specifically requires that EPA demonstrate to DOE that these vehicles achieve a significant reduction in petroleum consumption. Below we compare the petroleum consumption of low GHG-emitting

¹ Only one 2009 model year FFV qualifies as a low GHG-emitting vehicle when operated with gasoline – the Chevrolet HHR, which is a light duty truck

vehicles to the first three types of vehicles now considered AFVs as a result of NDAA 2008 and to traditional AFVs currently acquired by many federal agencies, specifically FFVs.

1. Comparison of low GHG-emitting vehicles to the first three types of vehicles now considered AFVs as a result of NDAA 2008

The first three vehicle types are defined by the Internal Revenue Service (IRS) for purposes of the Alternative Motor Vehicle Credit (26 U.S.C. § 30B). Both advanced lean burn technology and hybrid vehicles are commercially available to the general consumer and to federal agencies. At this time, no fuel cell vehicles are commercially available. Annually, the IRS provides a list of eligible vehicles², which are provided in Table 1 along with their associated fuel consumption and GHG performance.

EPA's definition of a low GHG-emitting light-duty truck requires a minimum combined gasoline fuel economy of 22 MPG (25 MPG for diesel powered trucks). EPA's definition of a low GHG-emitting passenger car requires a minimum combined gasoline fuel economy of 24 MPG (28 MPG for diesel powered cars). Of the 25 hybrid and advanced lean burn technology truck and passenger car models that qualify as AFVs under NDAA 2008, 8 models (32%) have combined fuel economy values less than the minimum needed to qualify as low GHG-emitting vehicles. Therefore, all low GHG-emitting vehicles provide better fuel consumption performance than 32% of the qualifying hybrid and advanced lean burn technology AFVs. In addition, there are at least 13 traditional gasoline powered low GHG-emitting vehicles with a combined fuel economy of at least 30 MPG, including the Chevrolet Aveo and Cobalt, Pontiac G3 and G5, Toyota Corolla and Yaris, and the Honda Fit. Each of these 13 models has better fuel economy than 16 of the 25 (64%) hybrid and advanced lean burn technology models.

Based on the above comparison, low GHG-emitting vehicles reduce petroleum consumption as much, and in many cases more, than qualifying hybrid and advanced lean burn technology vehicles already defined by NDAA 2008 as AFVs. As a result, we believe that low GHG-emitting vehicles achieve a significant reduction in petroleum consumption and should qualify as AFVs under section 2862 of NDAA 2008.

² www.irs.gov/newsroom/article/0,,id=157632,00.html

Make	Model	Fuel Type	Technology Type	Combined MPG MY 2009	Annual Average Gallons Consumed (Based on 10,000 Miles Driven)	GHG score	Qualify As EPA low GHG Emitting Vehicle?
Trucks							
Mercury	Mariner Hybrid 2WD	Gasoline	Hybrid	33	303	8	Yes
Ford	Escape Hybrid 2WD	Gasoline	Hybrid	33	303	8	Yes
Mazda	Tribute 2WD	Gasoline	Hybrid	32	313	8	Yes
Mazda	Tribute 4WD	Gasoline	Hybrid	28	357	8	Yes
Mercury	Mariner Hybrid 4WD	Gasoline	Hybrid	28	357	8	Yes
Ford	Escape Hybrid 4WD	Gasoline	Hybrid	28	357	8	Yes
Saturn	Vue Green Line	Gasoline	Hybrid	28	357	8	Yes
Toyota	Highlander Hybrid 4WD	Gasoline	Hybrid	26	385	7	Yes
Lexus	RX 400h 2WD and 4WD	Gasoline	Hybrid	25	400	7	Yes
Chevrolet	Tahoe Hybrid 2WD	Gasoline	Hybrid	21	476	5	No
GMC	Yukon Hybrid	Gasoline	Hybrid	21	476	5	No
Chevrolet	Tahoe Hybrid 4WD	Gasoline	Hybrid	20	500	5	No
GMC	Yukon Hybrid	Gasoline	Hybrid	20	500	5	No
Mercedes-Benz	R320 BLUE TEC	Diesel	Lean Burn	20	500	4	No
Mercedes-Benz	ML320 BLUE TEC	Diesel	Lean Burn	20	500	4	No
Mercedes-Benz	GL320 BLUE TEC	Diesel	Lean Burn	19	526	3	No
Passenger Cars							
Toyota	Prius	Gasoline	Hybrid	46	217	10	Yes
Honda	Civic CVT	Gasoline	Hybrid	42	238	10	Yes
Nissan	Altima Hybrid	Gasoline	Hybrid	34	294	9	Yes
Toyota	Camry Hybrid	Gasoline	Hybrid	34	294	9	Yes
Volkswagen	2009 Sportwagen --2.0L TDI	Diesel	Lean Burn	34	294	8	Yes
Volkswagen	2009 Jetta --2.0L TDI Sedan	Diesel	Lean Burn	33	303	8	Yes
Chevrolet	Malibu Hybrid	Gasoline	Hybrid	29	345	8	Yes
Saturn	Aura hybrid	Gasoline	Hybrid	26	345	8	Yes
Lexus	LS 600h L Hybrid	Gasoline	Hybrid	24	476	5	No

2. Comparison of low GHG-emitting vehicles to traditional AFVs currently acquired by many federal agencies, specifically FFVs

In general, FFVs currently offered by manufacturers are larger, more powerful types of passenger cars and light-duty trucks. When run on gasoline, only one FFV model qualifies as a low GHG-emitting vehicle, the Chevrolet HHR (a light duty truck). As a result, when federal agencies acquire FFVs and place them in areas where the appropriate alternative fuel (usually E85) is not available, they are forced to operate them with gasoline, thereby consuming more petroleum than if they had acquired low GHG-emitting vehicles.

For example, the most fuel efficient passenger car FFV, when run on gasoline, is the Chevrolet Impala. However, it does not qualify as a low GHG-emitting vehicle when run on gasoline because it only achieves a combined fuel economy of 23 MPG. A low GHG-emitting vehicle, such as the Chevrolet Cobalt or the Pontiac G5, uses significantly less petroleum. The Cobalt and G5 both achieve a combined fuel economy of 30 MPG. Operating a Cobalt or G5 (or any similar low GHG-emitting vehicle) 10,000 miles per year would achieve a petroleum reduction of 102 gallons per year compared to operating the Impala FFV with gasoline.

Table 2 shows a broad comparison of the fuel consumption of a variety of low GHG-emitting vehicles compared to FFVs. All low GHG-emitting vehicles consume less petroleum than FFVs running on gasoline.

Make	Model	Technology Type	Combined Gasoline MPG MY 2009	Annual Average Gallons Consumed (Based on 10,000 Miles Driven)	Petroleum Savings Using Low GHG Emitting Vehicles* (gallons/year)	GHG score	Qualify As EPA low GHG Emitting Vehicle?
Trucks							
Jeep	Compass	Gasoline	25	400	126	7	Yes
Jeep	Patriot	Gasoline	25	400	126	7	Yes
Nissan	Rogue	Gasoline	24	417	110	7	Yes
Ford	Escape	Gasoline	24	417	110	7	Yes
Mazda	5	Gasoline	24	417	110	7	Yes
Ford	Ranger	Gasoline	23	435	92	6	Yes
Mercury	Mariner	Gasoline	23	435	92	6	Yes
Subaru	Outback Wagon	Gasoline	22	455	72	6	Yes
Mitsubishi	Outlander	Gasoline	22	455	72	6	Yes
Honda	CR-V	Gasoline	22	455	72	6	Yes
Saturn	Vue	Gasoline	22	455	72	6	Yes
Chevrolet	HHR	FFV	24	417	110	7	Yes
Dodge	Caravan**	FFV	19	526	0	5	No
Chrysler	Town and Country	FFV	19	526	0	5	No
Chevrolet	Tahoe	FFV	17	588	-62	3	No
GMC	Sierra	FFV	17	588	-62	3	No
GMC	Yukon	FFV	16	625	-99	3	No
Ford	Expedition	FFV	16	625	-99	3	No
Ford	F150	FFV	16	625	-99	3	No
Passenger Cars							
Chevrolet	Cobalt	Gasoline	30	333	102	8	Yes
Chevrolet	Aveo	Gasoline	30	333	102	8	Yes
Pontiac	G3	Gasoline	30	333	102	8	Yes
Pontiac	G5	Gasoline	30	333	102	8	Yes
Honda	Fit	Gasoline	31	323	112	8	Yes
Chevrolet	Malibu	Gasoline	26	385	50	7	Yes
Dodge	Caliber	Gasoline	27	370	65	7	Yes
Mazda	3	Gasoline	27	370	65	7	Yes
Chevrolet	Impala*	FFV	23	435	0	6	No
Lincoln	Town Car	FFV	18	476	0	5	No
Mercedes-Benz	C300	FFV	21	476	0	5	No
Mercury	Grand Marquis	FFV	19	526	0	5	No
Ford	Crown Victoria	FFV	19	526	0	5	No
Buick	Lucerne	FFV	21	476	0	5	No

* Petroleum savings compared to best FFV that does not qualify as a low GHG-emitting vehicle
** Best FFV that does not qualify as a low GHG-emitting vehicle

In addition, we understand that DOE issued approximately 70,000 fuel waivers in FY 2007 to operate FFVs on gasoline. If these 70,000 vehicles were low GHG-emitting vehicles like the Chevrolet Cobalt or Pontiac G5 instead of the Impala, federal agencies could have saved approximately 7.1 million gallons of gasoline (170,000 barrels of petroleum) and avoided approximately 86,205 tons of CO₂e emissions.

As demonstrated here, on both an individual vehicle comparison and a fleet-wide comparison, low GHG-emitting vehicles achieve a significant reduction in petroleum consumption compared to FFVs operating on gasoline. We believe it is reasonable to conclude that low GHG-emitting vehicles should qualify as AFVs under section 2862 of NDAA 2008.

SUMMARY:

Based on comparisons of low GHG-emitting vehicles to hybrids and advanced lean burn technology motor vehicles, which are both now considered AFVs as a result of NDAA 2008, and to traditional AFVs currently acquired by many federal agencies, EPA has demonstrated that low GHG-emitting vehicles, as defined in EPA's draft guidance, achieve a significant reduction in

petroleum consumption. Operating low GHG-emitting vehicles, where a stable supply of appropriate alternative fuel is not available, will allow federal agencies to reduce their petroleum consumption, save money on capital and fuel costs, and create a more flexible and cohesive EPAAct92 program that allows agencies to acquire the most appropriate vehicles for their very diverse applications and geographic areas.

We believe this demonstration of the ability of low GHG-emitting vehicles to achieve a significant reduction in petroleum consumption provides DOE the flexibility to include low GHG-emitting vehicles in the expanded definition of AFVs under section 2862 of NDAA 2008.

Please let me know if this demonstration is sufficient to include low GHG-emitting vehicles in the expanded definition of AFVs. If you have any questions about this demonstration, please do not hesitate to contact me. Additionally, for more information, your staff can contact Mitchell Greenberg, Manager of EPA's SmartWay Transport Partnership, at (202) 343-9269.

Sincerely,



Robert J. Meyers
Principal Deputy Assistant Administrator

Enclosure

cc: Mr. Richard Kidd
Program Manager, Federal Energy Program Manager

Mr. Brad Gustafson
Supervisor, FEMP Fleet Team

Mr. Christopher Calamita
U.S. DOE, Office of General Counsel

Mr. Steven Silverman
U.S. EPA, Office of General Counsel