

B20 VEHICLES WILL, ON AVERAGE, DISPLACE MORE THAN TWICE AS MUCH PETROLEUM AS CONVENTIONAL LIGHT DUTY PASSENGER VEHICLES ALREADY COVERED UNDER EPACT. FRACTIONAL CREDITS FOR B20 VEHICLES ARE UNNECESSARY AND CONTRARY TO THE GOAL OF DISPLACING PETROLEUM

The US Department of Energy is proposing that B20 vehicles included in the EPACT program should only receive a fraction of a full EPACT vehicle credit. They argue that since B20 vehicles operate on a 20% biodiesel blended fuel, then these vehicles should not receive the same full EPACT vehicle credits as other alternative fueled vehicles which operate at higher blends. The DOE proposes that a penalty or fractional credit (ranging from 1/5 to 1/3 of a full credit) should be applied to B20 vehicles to compensate for the "greater" petroleum displacement from existing alternative fuel vehicles already in the EPACT program.

This argument is a false representation of the actual displacement of petroleum from existing EPACT light duty passenger vehicles compared to diesel engine vehicles using B20. Diesel engine vehicles consume significantly greater quantities of fuel than light duty passenger vehicles. It is the diesel engine vehicle portion of existing EPACT fleets that will be the primary market for B20.

Light duty diesel passenger vehicles are not part of the EPACT program. There are very few diesel light duty passenger vehicles in the US market today. According to the National Highway Traffic Safety Administration, diesel light duty passenger vehicles constitute less than one-third of one percent of all light duty passenger vehicles sold in the US. The only manufacturers of light duty diesel passenger vehicles are Mercedes and Volkswagen. EPACT explicitly provides an exemption for foreign manufactured vehicles. Under EPACT no fleet manager is required to acquire a foreign vehicle. Therefore, because light duty diesels constitute a minimal presence vehicle market and because there are specific exemptions for foreign manufactured vehicles under EPACT, light duty diesel passenger vehicles are not part of the EPACT program.

The enclosed chart illustrates that B20 will displace substantial amounts of petroleum. All of the figures on vehicle miles traveled, miles per gallon, and total fuel usage are provided by the Energy Information Administration, as part of their annual calculation of alternative fuel displacement from alternative fueled vehicles.

The chart first shows the annual expected displacement from an existing EPACT light duty passenger vehicle operating on alternative fuel 85 % of the time.

The chart also estimates the total potential displacement of petroleum from light-duty, medium duty, heavy duty trucks as well as school buses and transit buses operating on B20. The key to total displacement, as the chart shows, is not the percentage blend of the fuel but is, more accurately, a function of the fuel blend, the miles per gallon for the vehicles and the annual number of vehicles miles traveled by that vehicle each year.

On average, B20 vehicles will displace more petroleum than existing light duty EPACT passenger vehicles because diesel engine vehicles consume substantially greater volumes of fuel than light duty passenger vehicles. Because B20 vehicles are so effective in displacing petroleum compared to existing EPACT light-duty passenger vehicles, imposing a fractional EPACT credit on B20 vehicles is completely unjustified. It would be a punitive burden that would severely discourage fleet managers from using B20 vehicles in their fleets and that, in turn, would significantly reduce the total amount of petroleum displaced under the EPACT program.

ESTIMATED POTENTIAL PETROLEUM DISPLACEMENT FROM NON PETROLEUM ALTERNATIVE FUELS FROM EPACT VEHICLES (source of information: USDOE Energy Information Administration publication: *Alternatives to Traditional Transportation Fuels 1996*, published in December 1997)

Vehicle/fleet type	VMTs	MPGs	total fuel use	% of petro displaced by alt fuel	total gallons of petrol displaced by alt fuel
Light duty passenger/ government fleet vehicle (E85, M85, or bi-fueled natural gas/propane)	8000	24	334/gal	85%	283/gal
Light duty truck (B20)	16400	16	1025/gal	20%	205/gal
Medium duty truck (B20)	16400	8	2050/gal	20%	410/gal
Heavy-duty truck (B20)	16400	6	2734/gal	20%	547/gal
School bus (B20)	8000	8	1000/gal	20%	200/gal
Transit bus (B20)	33200	4	8300/gal	20%	1660/gal

Average annual petroleum displacement for light duty passenger vehicles in government fleets operating on 85% non-petroleum fuel. 283/gal

Average annual petroleum displacement for light, medium and heavy duty trucks, school buses and transit buses operating on B20 604/gal

Average annual petroleum displacement for light, medium and heavy duty trucks operating on B20, excluding school and transit buses 387/gal

VMT: Vehicle Miles Traveled

MPG: Miles Per Gallon

TALKING POINTS IN OPPOSITION TO FRACTIONAL CREDITS FOR B20 VEHICLES

B20 VEHICLES WILL DISPLACE MORE PETROLEUM THAN EXISTING EPACT LIGHT DUTY PASSENGER VEHICLES

FRACTIONAL CREDITS FOR B20 VEHICLES ARE PUNATIVE, UNNECESSARY AND CONTRARY TO THE GOAL OF DISPLACING PETROLEUM

FRACTIONAL CREDITS WILL SEVERELY DISCOURAGE THE USE OF B20 VEHICLES IN EPACT FLEETS AND REDUCE THE TOTAL DISPLACEMENT OF PETROLEUM

DIESEL ENGINE VEHICLES CONSUME SIGNIFICANTLY GREATER QUANTITIES OF FUEL THAN EXISTING EPACT LIGHT DUTY PASSENGER VEHICLES.

TOTAL DISPLACEMENT OF PETROLEUM IN A VEHICLE IS NOT BASED ON THE MAXIMUM PERCENTAGE BLEND OF ALTERNATIVE FUEL. IT IS BASED ON THE TOTAL AMOUNT OF ALTERNATIVE FUEL CONSUMED BY THE VEHICLE IN A YEAR.

THE TOTAL AMOUNT OF ALTERNATIVE FUEL CONSUMED IN A VEHICLE IS BASED ON THE PERCENTAGE BLEND OF ALTERNATIVE FUEL, THE MILES PER GALLON RATING FOR THE VEHICLE, AND THE TOTAL VEHICLE MILES TRAVELED.

BASED ON HIGHER TOTAL FUEL CONSUMPTION OF DIESEL VEHICLES, B20 VEHICLES WILL DISPLACE GREATER AMOUNTS OF PETROLEUM THAN CURRENT EPACT LIGHT DUTY ALTERNATIVE FUELED PASSENGER VEHICLES.

LIGHT-DUTY DIESEL PASSENGER VEHICLES ARE NOT PART OF THE EPACT PROGRAM DUE TO A SPECIAL EXEMPTION FOR FOREIGN VEHICLES. THEREFORE THE TOTAL FUEL CONSUMPTION OF LIGHT DUTY DIESEL PASSENGER VEHICLES OPERATING ON B20 IS NOT CURRENTLY AN ISSUE FOR EPACT PROGRAMS.

COMPARATIVE VEHICLE PETROLEUM DISPLACEMENT AND EPACT VEHICLE CREDITS (SOURCE; USDOE, ENERGY INFORMATION ADMINISTRATION)

ANNUAL AMOUNT OF PETROLEUM DISPLACED FROM EPACT LIGHT DUTY PASSENGER VEHICLES OPERATING ON 85% ALTERNATIVE FUEL --- 283 GALLONS = 1 FULL VEHICLE CREDIT

ANNUAL AMOUNT OF PETROLEUM DISPLACED BY MEDIUM-DUTY DIESEL VEHICLES OPERATING ON B20 --- 410 GALLONS = 1/3 TO 1/5 VEHICLE CREDIT, AS PROPOSED

ANNUAL AMOUNT OF PETROLEUM DISPLACED BY HEAVY-DUTY DIESEL VEHICLES OPERATING ON B20---547 GALLONS=1/3 TO 1/5 VEHICLE CREDIT, AS PROPOSED

ANNUAL AMOUNT OF PETROLEUM DISPLACED BY URBAIN TRANSIT BUS OPERATING ON B20 --- 1660 GALLONS=1/3 TO 1/5 VEHICLE CREDIT, AS PROPOSED