

to conduct planning and reporting. Fifth, attendees generally agreed on the need for incentives to help offset the costs of moving toward alternative fuels, especially the costs of infrastructure. Some stated that incentives should be adopted instead of mandates, while others said incentives were useful in conjunction with mandates.

The attendees at the Washington, DC workshop also raised issues concerning education and outreach needs. First and foremost they saw, education and outreach programs as key activities, whether or not a fleet rule is proposed. They identified a major need to provide information to fleet operators and decision-makers. Second, they stated that education of personnel is also now more complicated, because of the need to train them on the aspects of complex, computer-controlled vehicles. Third, attendees asserted that most of the public does not understand the true affect of oil use, and how individual actions impact the Nation's energy security. Attendees argued that the general public hears about supply issues, but not about demand. They asserted that large vehicles (like sport utility vehicles and full-size pickup trucks) are often not actually needed by the drivers using them, but that the OEMs are selling these vehicles in large numbers. Attendees argued that until the general public understands the impacts of oil use, support for higher budgets (such as for local governments or incentives) to help AFV programs, and changes to the relative economics of oil and alternative fuels is unlikely.

In contrast to the attendees at the first two workshops described above, attendees at the Washington, DC workshops had widely differing opinions on possible regulations. This wide divergence of opinions was primarily was due to the unrestricted attendance at the Washington workshop.

While a number of attendees supported some form of regulatory action by DOE, several not only had a negative view of mandates, but also asserted that because of the substantial legal issues presented, virtually any mandate by DOE would be met with litigation. Of those who supported regulatory action, most supported a Replacement Fuel Rule, with some stating that the Fleet Rewards Program should be a fall-back position. Most attendees supported a flexible approach that focused on fuel use, and felt that vehicle acquisition programs do not result in alternative fuel use. Several commenters felt that unless DOE moved forward with some regulatory action, it

would be sending a message that replacing petroleum is not important.

Several attendees were interested in whether private fleets could be separated from local government fleets, so that different requirements could be imposed on each. Several State government representatives discussed the relationship between a potential private and local government rule and the existing fleet regulations because they were interested in opting into a Replacement Fuel Rule or Fleet Rewards Program.

Attendees said enforcement of existing and future fleet programs was an issue. For any regulations put in place, commenters asserted that DOE must be committed to enforcing them to ensure that the program goals are being achieved.

#### Summary of Written Comments

DOE received 28 sets of written comments in response to the notice for intergovernmental consultation, from equipment suppliers, local governments, alternative fuel organizations, Clean Cities coalitions and coordinators, and fleet management and leasing organizations, among others. These comments in many respects echo the remarks made at the three workshops. Some important themes run through these comments, and are summarized below.

While most comments focused almost exclusively on a potential fleet requirement rule, a few key addressed the replacement fuel goals. A representative from a conversion company asserted that reducing the use of petroleum is important, and that incentives are needed for natural gas companies to provide public stations. The representative also stated that grants are needed for stations and equipment, but organizations trying to move things ahead are being penalized by matching requirements. One local government representative submitted a similar statement, arguing that DOE should focus on reducing the financial burden on fleets from AFV acquisition programs, through additional grants for vehicles and refueling infrastructure.

An alternative fuel association representative stated that EPAct's energy security objectives are not being met under current conditions. This representative felt that the present regulatory framework is not effective in displacing petroleum, and that DOE should reform existing fleet programs by adding greater flexibility and multiple options. The representative also believed that DOE must realize EPAct's replacement fuel goals cannot be achieved solely through AFV

acquisitions and alternative fuel use by private and local government fleets. This representative supported adoption of financial and non-financial incentives, including tax incentives and grant programs, especially for infrastructure.

A representative for Clean Cities coalitions stated that its chapters strongly support fuel-neutral incentives. This representative said its chapter were working toward an initial appropriations target of \$25–30 million to support AFV acquisitions, infrastructure construction, and educational programs. This additional funding would be used to increase alternative fuel use.

One Northeastern State asserted that not achieving the replacement fuel goals set forth in EPAct is a function of policy limitations, not potential. The State said fleets are acquiring FFVs and dual-fuel vehicles, and thus gaining the capability of using alternative fuels, but operating them on gasoline. The State felt that DOE should keep the 30 percent by 2010 replacement fuel goal in EPAct.

The U.S. Conference of Mayors, an association representing potentially-covered fleets, stated that it strongly supports policies to promote use of alternative fuels, but does not support mandates. It suggested that DOE work with communities to support the use of alternative fuels. It also suggested that DOE work with EPA to develop a comprehensive policy integrating clean air objectives and EPAct goals. Its members adopted a resolution supporting reducing dependence on imported fossil fuels and increasing fuel diversity, as well as one indicating that widespread use of alternative fuels provides air quality, economic, and national security benefits. It said that Clean Cities has not provided sufficient funding to support widespread promotion and implementation of alternative fuel programs. Further, the resolution indicated that community leaders are committed to actively implementing AFV projects if adequate resources are available, and that the organization supports making alternative fuels a priority for the Nation, but calls upon the Federal government to provide sufficient funds. In addition, the National League of Cities expressed the concern that the proposals presented did not include sufficient information concerning costs to local governments and availability of infrastructure.

An association representing vehicle dealers indicated that a successful local government or private fleet AFV acquisition program needs to try to reduce the cost differentials between