Considerations for discussion of 15 Climate Change Advisory Committee Recommendations Environmental Quality Council Draft April 2008

The information below is a summary of key points from the Montana Climate Change Action Plan and the associated appendices. The legislative and administrative options prepared by staff and participating agencies do not include an economic analysis.

TLU-9

Procurement of Efficient Fleet Vehicles

(62% of participating EQC members voting 4 or 5 and 60% of the public voting 4 or 5) ✓Goal of 70% all heavy duty vehicles and 90% of all light duty vehicles in state fleet to be energy efficient by 2020.

* **Note**: Much of the information below was prepared and offered by the Montana Department of Transportation.

Note provided by MDT on TLU-9:

MDT purchases fuel efficient vehicles that meet or exceed the Governor's 20x10 initiative and Senate Bill No. 449 requirements. MDT considers the EPA fuel efficiency ratings calculated over the life of vehicles for each purchase of light duty vehicles. MDT also purchases the most fuel efficient vehicles it can for heavy duty vehicles.

The 20x10 initiative states that state vehicles purchased between now and the end of 2010 are supposed to have a fleet average of 30 mpg. Senate Bill No. 449 states that vehicles purchased need to meet current CAFE standards, however, gives an exception to purchase alternative fueled vehicles (e.g. E85 vehicles). If alternative fuel vehicles are purchased as authorized by Senate Bill No. 449, then the fleet average of 30 mpg, as required by the 20x10 initiative, may not be realized. E85 vehicles average 4 to 6 mpg less than a standard fueled vehicle.

Conservation Considerations:

- Fuel Efficiency
- Pages H-41 through H-43 Appendices

What's Being Done:

- Governor's 20x10 initiative sets goals for the state vehicle fleet to achieve a 30 mpg average on all new vehicles purchased, with some exceptions. MDT began to meet this initiative by purchasing Hybrid sedans with a CAFE rating of 65.778 mpg fro the spring call. MDT plans to follows this initiative as it makes purchasing decisions in the future.
- The 2007 Legislature approved Senate Bill No. 449, requiring fuel efficiency standards for certain state-owned vehicles and requiring a plan for fuel and travel reduction by state agencies. Vehicles purchased after January 1, 2008 must meet or exceed CAFE standards, with exemptions. The CAFE standards are 27 mpg. MDT met this goal with the fall purchase of vehicles by checking each grouping of vehicle ordered to ensure they met the CAFE standards. This is currently part of MDT's process in purchasing vehicles for the future.

• State Energy Policy requires the state to adopt a state transportation energy policy as provided in 90-4-1010, MCA and an alternative fuels policy and implementing guidelines as provided in 90-4-1011, MCA.

Potential Actions:

- * <u>Legislative or EQC options</u> (not complete, intended to be starting point for discussion):
- Implement goals above through legislation. (Identify barriers to purchasing hybrid vehicles and research and develop solutions to procure hybrid or other lower GHG emitting vehicles in the state in considerations).
- Expand existing programs as outlined above.
- * <u>Resolution or recommendation of intent</u>
- * No action
- * Administrative options:
- Establish that the state or appropriate agency will implement
- Enact procurement policies and/or join the EPA SmartWay program. The program provides information and suggested strategies to improve fuel economy and environmental performance of vehicle fleets.