DEPARTMENT OF ENERGY

Office of Energy Efficiency and Renewable Energy

10 CFR Part 490

[Docket No. EE-RM-95-110]

RIN 1904-AA64

Alternative Fuel Transportation Program

AGENCY: Office of Energy Efficiency and Renewable Energy, Department of Energy (DOE).

ACTION: Notice of Proposed Rulemaking and Public Hearings.

SUMMARY: The Department of Energy today proposes rules required by the Energy Policy Act of 1992 in order to implement statutorily-imposed alternative fueled vehicle acquisition requirements that become effective by operation of law on September 1, 1995, when model year 1996 begins. These statutory requirements apply to certain alternative fuel providers and some State government vehicle fleets. The proposed rules principally cover: (1) Required interpretations necessary for affected entities to determine whether and to what extent the statutory requirements apply; (2) required procedures for exemptions and administrative remedies; and (3) a program of marketable credits to reward whose who voluntarily acquire vehicles in excess of mandated requirements or before the requirements take effect, and to allow use of such credits in order to demonstrate compliance with those requirements.

DATES: Written comments (8 copies and, if possible, a computer disk) on the proposed rule must be received by the Department on or before May 1, 1995.

Oral views, data, and arguments may be presented at public hearings which are scheduled as follows:

1. March 23, 1995, beginning at 9:30 a.m. in Chicago, Illinois.

2. March 30, 1995, beginning at 9:30 a.m. in Berkeley, California.

3. April 4, 1995, beginning at 9:30

a.m. in Washington, DC.
Requests to speak at a hearing should be submitted to the Department no later than 4 p.m. on:

1. March 20, 1995 for the March 23, 1995 Chicago, Illinois, hearing.

2. March 27, 1995 for the March 30, 1995 Berkeley, California, hearing.

1995 Berkeley, California, hearing. 3. March 30, 1995 for the April 4, 1995 Washington, DC, hearing.

The length of each oral presentation is limited to 10 minutes.

ADDRESSES: Written comments (8 copies) and requests to speak at a public

hearing should be addressed to: U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, EE–33, Docket Number EE–RM–95–110, 1000 Independence Ave., SW, Washington, DC 20585, (202) 586–3012. The public hearings will be held at the following locations:

1. Chicago—University of Illinois at Chicago, Chicago Circle Center Building (Student Union), Room 605 (6th floor), 750 S. Halsted Street, Chicago, IL.

2. Berkeley—Lawrence Berkeley Laboratory, 1 Cyclotron Road, Building 50 Auditorium, Berkeley, CA 94720.

The Lawrence Berkeley Laboratory (LBL) Shuttle stops at Center Street and Shattuck Street as well as the BART station and downtown public parking lots.

3. Washington, DC—U.S. Department of Energy, Forrestal Building, Auditorium, 1000 Independence Avenue, SW, Washington, DC 20585.

Copies of transcripts from hearings and written comments may be inspected and photocopied in the DOE Freedom of Information Reading Room, Room 1E–190, (202) 586–6020, between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday, except Federal holidays.

For more information concerning public participation in this rulemaking see the "Opportunity for Public Comment" section found in the Supplementary Information section of this proposed rule.

FOR FURTHER INFORMATION CONTACT: For information concerning the proposed rule: Mr. Kenneth R. Katz, Program Manager, Office of Energy Efficiency and Renewable Energy (EE–33), U.S. Department of Energy, 1000 Independence Avenue SW., Washington, DC 20585. (202) 586–6116. Josephine B. Patton, Esq., U.S. Department of Energy, Office of General Counsel (GC–72), 1000 Independence Avenue SW., Washington, DC 20585. (202) 586–9507.

For information concerning the public hearings and submitting written comments: Andi Kasarsky, (202) 586–3012.

SUPPLEMENTARY INFORMATION:

I. Introduction

II. Section-By-Section Analysis
III. Opportunity for Public Comment
IV. Review Under Executive Order 12612
V. Review Under Executive Order 12778
VI. Review Under Executive Order 12866
VII. Review Under the Regulatory Flexibility
Act

VIII. Review Under the Paperwork Reduction Act

IX. Review Under the National Environmental Policy Act X. Impact on State Governments

I. Introduction

Pursuant to title V of the Energy Policy Act of 1992 (Act) (Pub. L. 102-486), the Department of Energy (Department or DOE) today proposes rules required by law to implement statutorily-imposed alternative fueled vehicle acquisition requirements that take effect by operation of law on September 1, 1995, when model year 1996 begins. These statutory requirements establish that specified percentages of vehicles acquired by covered fleets must be alternative fueled vehicles. These requirements apply to certain alternative fuel providers and some State government fleets. The statutory percentages for model year 1996 are 30 percent for affected alternative fuel providers and 10 percent for affected State government fleets, and these percentages increase over time. This notice of proposed rulemaking principally covers: (1) Required interpretations of statutory provisions essential for affected entities to determine whether and to what extent the mandatory vehicle acquisition requirements apply; (2) procedures for exemptions and administrative remedies; and (3) a program of marketable credits to reward voluntary acquisition of alternative fueled vehicles in excess of mandatory requirements or before the requirements take effect, and to allow use of such credits as an alternative means of compliance. This notice also summarizes, and is accompanied by, a detailed cost impact analysis for public review.

A. Background

A primary goal of the Energy Policy Act of 1992 (the Act) (Pub. L. 102-486) is to enact a comprehensive national energy policy that strengthens U.S. energy security by reducing dependence on imported oil. Currently, the United States consumes seven million barrels of oil more per day than it produces. Section 502 of the Act (42 U.S.C. 13252) provides goals of a 10 percent displacement in U.S. motor fuel consumption by the year 2000 and a 30 percent displacement in U.S. motor fuel consumption by the year 2010 through the production and increased use of replacement fuels. Section 504 of the Act (42 U.S.C. 13254) allows the Secretary to revise these goals downward. According to the latest projections by the Energy Information Administration, the transportation sector will consume 13.1 million barrels per day of petroleum in 2010. Of this total, about 7.4 million barrels per day of petroleum are projected to be used by