



February 24, 2015

The Honorable Lamar Alexander,
Chairman,
Senate Energy & Water Appropriations
Subcommittee

The Honorable Dianne Feinstein,
Ranking Member,
Senate Energy & Water Appropriations
Subcommittee

The Honorable Mike Simpson,
Chairman,
House Energy & Water Appropriations
Subcommittee

The Honorable Marcy Kaptur,
Ranking Member,
House Energy & Water Appropriations
Subcommittee

Re: Support for Funding for DOE's Clean Cities Program

Dear Chairman Alexander, Ranking Member Senator Feinstein, Chairman Simpson, and Ranking Member Kaptur:

We, the undersigned trade associations, are writing in support of the request made by the nation's nearly 100 Clean Cities Coalitions and their 14,000 stakeholders to ensure that adequate funding for the Department of Energy's (DOE) Clean Cities alternative fuels deployment program is included in the FY 2016 Energy and Water Appropriations bill. Clean Cities Coalitions are cooperative efforts by local and regional partners to deploy all alternative fuels and vehicles. The Clean Cities program, by advancing these local efforts, is helping to create national benefits of reduced vulnerability to volatile gasoline prices, decreased reliance on foreign oil, and increased American competitiveness.

Specifically, we support including the below report language in the Vehicle Technologies section of the Energy Efficiency and Renewable Energy Account in the FY 2016 Energy and Water appropriations bill:

Within available funds, the Committee directs the Department to allocate \$50 million to the Clean Cities program for alternative fuel deployment activities, including \$25 million in competitive grants that support innovative alternative fuel and vehicle deployment strategies.

Today, more than 70 percent of the oil we import is used as our primary transportation fuel – as gasoline for our national fleet of 250 million cars and light trucks, or as diesel fuel for our 8 million heavy-duty

trucks. As you know, gas prices in America remain tied to the volatile global market and, despite increasing production, we continue to send more than \$684 million a day to OPEC and other foreign countries for oil. Meanwhile, China and other nations threaten to outpace the United States in leadership of the global alternative fuels market.

While our member companies have been investing in technology advances, vehicle development and infrastructure, the work of the Clean Cities coalitions has been reinforcing our efforts. The \$159 million in Federal program funding made available through the DOE Clean Cities Program since 2006 has been leveraged into another \$1.789 billion in public and private investment. According to the U.S. Department of Energy, there are now nearly 1.2 million alternative fuel vehicles - electricity, natural gas, propane, biodiesel, ethanol, and hydrogen - on the road in the United States and nearly 27,000 alternative fueling stations.

The alternative fuels industry is also critical to our economic growth and global competitiveness.

- American manufacturing benefits from an increasingly robust electric drive industry and the resulting growth throughout the supply chain. The global market for lithium ion batteries in the light duty fleet will grow from \$3.2 billion in 2013 to \$24.1 billion in 2023; the revenue in the infrastructure segment is projected to grow to \$5.8 billion in annual revenue by 2022.
- Propane is the world's third most common engine fuel. In the U.S., there are nearly 150,000 buses, delivery vehicles, taxi cabs, and other vehicles currently running on clean-burning propane.
- The U.S. is now the number 1 producer of natural gas in the world, and American businesses and consumers continue to embrace natural gas vehicles. Approximately 150,000 NGVs operate on America's roads today. These vehicles are supported by 1,539 CNG and 105 LNG fueling stations that are connected by 1.5 million miles of natural gas pipelines. Projections indicate that the transportation sector will consume 1.2 Tcf of natural gas by 2030 and that 50 percent of the LD and HD vehicle market could be powered by natural gas by 2050.
- Today, there are 200 ethanol bio-refineries throughout the nation are helping to employ more than 400,000 Americans, largely in and around rural communities, contributing over \$44 billion to our nation's economy while helping to reduce our dangerous dependence on foreign oil.
- A recent economic study prepared for the National Biodiesel Board shows that the biodiesel industry supported more than 64,000 jobs across the country in 2012.

Again, we urge you to include in the FY 2016 Energy and Water Appropriations bill adequate funding for the deployment of alternative fuels and vehicles through the DOE Clean Cities program. Investment in the deployment of clean, domestically produced fuels and vehicles is an investment in the energy, economic and national security of the nation.

Thank you for your consideration. Please let us know if you have questions, or want more information, concerning this request.

Sincerely,

Electric Drive Transportation Association
Growth Energy
National Biodiesel Board
National Propane Gas Association
Natural Gas Vehicles for America