



**October 21, 2010 Joint Public Hearing
Los Angeles, California**

**RE: Revisions and Additions to Motor Vehicle Fuel Economy Label;
Proposed Rule, 75 Fed. Reg. 58078 (September 23, 2010)**

**Statement of
Karen Szabo Hay
On Behalf of

NGVAmerica
and
IMPCO Technologies, Inc.**

Introduction

My name is Karen Szabo Hay with by IMPCO Technologies and I head our certification and regulatory affairs activities.

Today it is my pleasure to provide the following statement on behalf of IMPCO Technologies, Inc. and Natural Gas Vehicles for America, also known as NGVAmerica. The CA Natural Gas Vehicle Coalition also supports this testimony.

About IMPCO Technologies, Inc.

Both IMPCO and its sister company BRC are engaged exclusively in the design, manufacture, and supply of advanced alternative fuel systems and components to enable internal combustion engines to run on clean-burning gaseous fuels such as natural gas and propane. Markets include the transportation, industrial, and power generation industries.

Together, IMPCO and BRC have over 1,700 employees around the world and generated almost half a \$billion in revenue last year.

About NGVAmerica

NGVAmerica is a national organization dedicated to the development of a growing and sustainable market for vehicles powered by natural gas, biomethane and natural gas-derived hydrogen. NGVAmerica represents more than 130 member companies, including: vehicle manufacturers; natural gas vehicle (NGV) component manufacturers; natural gas distribution, transmission, and production companies; natural gas development organizations; environmental and non-profit advocacy organizations; state and local government agencies; and fleet operators.

My statement today will be short. IMPCO and NGVAmerica plan to submit more extensive comments at a later time.

EPA & NHTSA Joint Proposal

Let me start off by commending the agencies for their thoughtful and detailed proposal. There is much about the proposed label revisions that we support. We fully support the notion of providing additional information to help consumers make more informed decisions when buying new automobiles. In particular, providing additional information with respect to the economic impacts of purchasing a more fuel efficient or alternative fuel vehicle should help drive consumers to vehicles that will not only provide them with additional benefits, but also benefit the larger society.

Vehicle Comparisons

In general, we think the comparisons, whether they are based on economics, criteria pollutants, or greenhouse gas emissions, should be limited to vehicles of a similar class segment. We think that providing comparisons of similar-sized vehicles is more relevant than comparing a vehicle to the average of all motor vehicles. For example, we don't think it is particularly useful or relevant to compare a compact car to an SUV, because few consumers are likely to be actually considering vehicles with such different functionality. If the comparative ratings show the best and worst on a scale, the best and worst vehicles should be within the same class.

Economic Cost/Savings

The current labels indicate the expected average annual fuel cost of operating a vehicle. EPA has proposed changing this information to include the average savings or cost of a vehicle over a five-year period compared to an average vehicle. We support this proposal.

Driving Range Information for Alternative Fuel Vehicles

The proposal would include driving range information for alternative fuel vehicles. We support including information on the label about the driving range of different alternative fuel vehicles because we consider driving range to be an important performance factor for alternative fuel vehicles.

Greenhouse Gas Emissions & Criteria Pollutants

We strongly recommend that ratings for greenhouse gas emissions and criteria pollutants include the full-fuel-cycle emissions (or well-to-wheels impacts) for all fuel types. These comparisons can be made using data readily available using the GREET model supported by the U.S. Department of Energy. Emissions of greenhouse gases and criteria pollutants can be based on national averages, just as fuel costs, miles traveled per year, and fuel economy ranges can be based on national averages. More detailed assessments by region can be provided on a website maintained by the EPA or other governmental authorities.

We think that including upstream emissions is absolutely critical when it comes to greenhouse gas emissions because, as EPA and NHTSA note in their proposed rule, for some technologies the upstream emissions are much more important or significant than vehicle emissions. Only showing the vehicle emissions without also showing the upstream emissions ignores a critical factor in determining whether a particular vehicle

truly provides an environmental benefit. Failure to include such information also creates an unrealistic impression that the use of some technologies results in little or no emissions, when this is simply not true. As tailpipe-out emissions become cleaner and fuel efficiency is improved greatly, upstream emissions are likely to become even more important in evaluating the overall impact of operating a motor vehicle. Therefore, it is critical that the labels start providing this information now in order to begin educating consumers on the importance of full fuel-cycle impacts.

One of the guiding principles highlighted in the notice reads as follows:

“The advanced technology vehicle labels must be as equitable as possible across different technologies, both advanced and conventional. For example, the agencies want to avoid picking a label design or label metric that inherently favors a certain advanced technology beyond the energy and environmental merits of the individual vehicles.”

The fact that the proposed labels ignore upstream emissions and energy inputs is obviously inequitable because it creates a situation whereby electric vehicles have a significant unwarranted advantage over other fuel technologies. The notice also indicates that the labels should “provide objective information and help consumers make good decisions for both themselves and the environment.” Ignoring upstream emissions and focusing exclusively on tailpipe-only emissions is inconsistent with these objectives. Going forward, upstream emissions also will become more important even in the case of petroleum-fueled vehicles, particularly if a larger share of US petroleum imports is supplied by oil produced from Canadian tar sands for example.

It is worth noting that the US Department of Energy this week is taking comments on a similar effort to incorporate full-fuel-cycle energy inputs and environmental benefits into its labels for appliances. That rulemaking was prompted by a National Academy of Sciences report that recommended that upstream energy inputs and emission information be included on appliance labels, and goes even further to recommend that such factors be considered when setting appliance efficiency standards. Only when consumers are presented with the full picture regarding their choice of different appliances can they make truly informed decisions about which appliances really are the most energy efficient and environmentally friendly. The same is true with respect to motor vehicles.

This concludes my remarks for this hearing. Thank you for the opportunity to provide this statement.

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