



March 15, 2021

The Honorable Dianne Feinstein, Chairman, Senate Energy & Water Development Subcommittee
The Honorable John Kennedy, Ranking Member, Senate Energy & Water Development Subcommittee
The Honorable Marcy Kaptur, Chairman, House Energy & Water Appropriations Subcommittee
The Honorable Mike Simpson, Ranking Member, House Energy & Water Appropriations Subcommittee

Re: Maintaining FY 2022 Funding for DOE Deployment of Alternative Fuels and Vehicles

Dear Chairman Feinstein, Ranking Member Kennedy, Chairman Kaptur, and Ranking Member Simpson:

On behalf of the nation's 80 *Clean Cities* coalitions and their 16,000 stakeholders in the clean transportation industry, Transportation Energy Partners (TEP) thanks you for your ongoing support of the Department of Energy's (DOE) Clean Cities alternative fuels deployment program. By advancing markets for alternative fuels and vehicles, the Clean Cities program is helping to stabilize gasoline prices, decrease our reliance on foreign oil, and create American jobs.

As your respective subcommittees begin consideration of the FY 2022 Energy and Water Appropriations bill, we ask you to include the following report language in the Vehicle Technologies section of the Energy Efficiency and Renewable Energy Account:

The Committee directs the Department to continue to support the Clean Cities alternative fuels deployment program focused on vehicles powered by biofuels, electricity, hydrogen, natural gas, renewable natural gas, and propane. Within available funds, the recommendation provides \$60,000,000 for deployment through the Clean Cities program, including \$40,000,000 for competitive grants to support alternative fuel, infrastructure, and vehicle deployment activities. When issuing competitive grants in support of these activities, the Department is encouraged to focus on awards that range from \$500,000 to \$1,000,000 each and include at least one Clean Cities coalition partner. The Committee encourages the Department to ensure balance in the award of funds to achieve varied aims in fostering broader adoption of clean vehicles and installation of supporting infrastructure.

As you know, gas prices in America remain extremely volatile and we continue to send more than \$200 billion a year to OPEC and other foreign countries for oil. Meanwhile, China and other nations threaten to beat out the United States for leadership of the global alternative fuels market. More than 70 percent of the oil we import is used as our primary transportation fuel – as gasoline for our national fleet of 270 million vehicles.

The DOE Clean Cities Program is the agency's only initiative focused on the deployment of alternative fuels, vehicles, and infrastructure. Federal funding through the DOE has leveraged billions in private investment and unleashed American ingenuity and innovation to enable vehicles using electricity, natural gas, propane, biodiesel, ethanol, and hydrogen to take hold in the marketplace. Since 1993, the nation's Clean Cities coalitions and their 16,000 stakeholders have played a leading role in implementing local deployment programs and projects that have reduced petroleum consumption by more than 12.5 billion gallons.

According to DOE annual reports from 2006 through 2018, the Clean Cities program has leveraged \$298 million in program funding into another \$2.57 billion in public and private investment in alternative fuels deployment projects – that is nearly \$9.00 for every federal dollar invested. These funds were used to deploy a diverse array of petroleum reducing fuels, vehicles and refueling stations that were based on specific state

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and local transportation needs. According to the U.S. Department of Energy, there are now more than 1.8 million alternative fuel vehicles on the road in the United States and more than 87,000 alternative fueling stations.

In addition to enhancing our energy security, the clean transportation industry is also critical to our economic growth and global competitiveness.

- There are now 1.4 million plug-in electric vehicles on the road in the U.S. The global market for lithium-ion batteries will grow from \$25 billion in 2017 to \$47 billion in 2023 and annual revenue from the infrastructure charging sector is projected to grow to \$5.8 billion by 2022.
- The ethanol industry contributes \$46 billion a year to the U.S. economy, including over 365,000 American jobs.
- Biodiesel has grown into a 2.8 billion gallon per year industry with 125 plants across the U.S. supporting more than 64,000 jobs and providing \$17 billion in economic activity.
- There are more than 200,000 propane-powered vehicles on America's roads, including a fleet of about 20,000 propane-powered school buses that transport 1.2 million children to school each day.
- The U.S. is the number one producer of natural gas in the world, and the industry provides 4.1 million American jobs. About 175,000 natural gas vehicles operate on America's roads today. These vehicles are supported by nearly 1,740 fueling stations that are connected by 2.5 million miles of natural gas pipelines.
- Over the last five years, Renewable Natural Gas (RNG) use as a transportation fuel has increased 577%. There are now 99 RNG facilities operating in the U.S. that have created more than 17,000 direct and indirect jobs. Another 90 new plants are under development and they will create an additional 15,500 new direct and indirect jobs.

Again, we urge you to include the above report language in the FY 2022 Energy and Water Appropriations bill, which will ensure adequate funding for the deployment of alternative fuels and vehicles through the DOE Clean Cities program. Now is the time for Congress to maintain critical investment in the deployment of clean, domestically produced fuels and vehicles.

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

Sincerely,



Alleyn Harned
President

Transportation Energy Partners (TEP) is a national, non-profit policy and education organization that brings *Clean Cities* coalition leaders together with the clean transportation industry to advance policies that will reduce American dependence on petroleum-based fuels. Since 1993, the more than 80 *Clean Cities* coalitions and their 16,000 stakeholders have played a leading role in implementing local programs and projects to deploy alternative fuels, vehicles, and infrastructure that has reduced petroleum consumption by more than 11.5 billion gallons.

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