

Tennessee Valley Authority Fleet Management Strategy

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Executive Summary

The Tennessee Valley Authority, a corporation owned by the U.S. government, provides electricity for business customers and distribution utilities that serve 9 million people in parts of seven southeastern states at prices below the national average. TVA, which receives no taxpayer money and makes no profits, also provides flood control, navigation and land management for the Tennessee River system and assists utilities and state and local governments with economic development.

TVA has a long history of demonstrating stewardship toward energy reduction and fuel efficiency and will continue to work toward meeting fuel reduction and vehicle efficiency. TVA intends to comply with applicable statutes and, in accord with its mission, all applicable Executive Orders.

TVA will continue to use alternative fueled vehicles (AFVs), including electric vehicles, whenever possible. TVA recognizes the value of hybrid electric vehicle technology in reducing fuel consumption, increasing versatility and promoting electric propulsion.

TVA Fleet Management is responsible for managing light and medium duty assigned sedans, vans, SUVs, and trucks needed to carry out the agency's mission.

I-1. TVA Fleet Characteristics and AFVs

TVA vehicles are spread across its seven-state service area. The TVA service area covers all of Tennessee and portions of six other states; therefore, employees are widely dispersed and often travel significant distances to perform maintenance and system upgrades at remote sites, repair storm damage, and attend training classes, meetings and presentations.

TVA vehicles are used primarily outside of metropolitan statistical areas as described in EPAAct92/05. Also, significantly for purposes of EPAAct92/05, alternative fueled vehicle requirements, TVA has no central fueling facilities in metropolitan statistical areas. Further, as coordinated with DOE and OMB, TVA medium and heavy duty vehicles used in maintaining the reliable operation of the power system are within the intent of exemptions in EPAAct92/05, such as emergency or off-road vehicles. Based on these facts, EPAAct92/05 has significant application only to TVA's purchase of light duty fleet vehicles.

TVA intends to continue to add to its current fleet of AFVs. Annual fleet characteristics for light duty vehicles will be reported in FAST as well as the "TVA Energy Management Annual Report".

To increase AFV use, Fleet Management:

- Plans to purchase and introduce electric vehicles into its fleet where feasible and appropriate. Because TVA facilities are geographically dispersed, a current obstacle to electric vehicle use includes the extended trip radius that most TVA employees travel.
- Plans to focus on replacing older vehicles with AFVs. These vehicles will be strategically placed in areas around the Tennessee Valley where E85 fueling stations are available. In areas that E85 is not easily accessible, Fleet Management will place low GHG emissions vehicles or hybrid vehicles in those areas.
- Plans to purchase additional hybrid electric vehicles including where cost effective plug-in hybrid electric vehicles and incorporate them into its fleet where feasible and appropriate. Because TVA facilities are geographically dispersed, a current obstacle to effective

hybrid/plug-in hybrid electric vehicle use is the extended highway mileage that most TVA employees travel to get to remote sites. Since the benefits of driving hybrid electric/plug-in hybrid electric vehicles are realized in urban settings, TVA will identify employees whose driving fit this pattern.

I-2. TVA Fleet Strategy to Reduce Fuel Use and Increase Efficiency

Annual petroleum use for vehicles covered under E.O. 13423 and E.O. 13514 will continue to be reported in FAST as well as the “TVA Energy Management Annual Report.”

To reduce fuel use and increase efficiency, Fleet Management:

- Plans to annually review and revise its specifications for light duty vehicles (including the vehicle equipment) to improve standardized vehicle specifications for each function that carries out TVA’s mission. The intent is to purchase the most economically efficient and fuel efficient vehicle that will still achieve the requirements for the vehicle’s intended function and carry out the mission of Fleet Management. All future replacement vehicles must be procured in accordance with the revised specifications.
- Plans to operate and expand a shared vehicle program in metropolitan areas where employees can check-out non-work vehicles for occasional or infrequent travel. This is in contrast to an employee having an assigned vehicle that is only infrequently or occasionally used. The intent is to have greater use of fewer vehicles and to encourage pooling. In the previous year, Fleet Management implemented the WeCar program from Enterprise Rent-A-Car at four TVA locations. The program has been extensively promoted and future expansion to other metropolitan areas is anticipated in the upcoming year.
- Plans to purchase additional AFVs as detailed in I-1 TVA Fleet Characteristics and AFVs. During the current reporting period, Fleet Management has added AFVs as detailed in I-1 to its inventory.
- Plans to continue to use various transportation options to increase efficiency, including use of personal vehicles, short term rental cars and assigned vehicles. The optimal method of transportation is determined by trip duration and miles driven.
- Plans to analyze under-used or high-cost assigned vehicles in TVA’s fleet to achieve optimal balance between WeCar rentals and TVA assigned vehicles. The strategy will help manage rightsizing the fleet as well as reduce petroleum consumption and increase efficiency.
- Plans to establish assigned vehicle eligibility criteria to optimize fleet size and ensure all assigned vehicles are properly suited to perform the requirements of their intended function. This, in conjunction with standardized vehicle specifications, will serve as guidance to achieving the most efficient fleet. Less-used vehicles and vehicles not meeting the requirements of the Fleet Management mission will be considered for elimination. For sedans, Fleet Management plans to develop business justification criteria and evaluate the fleet for new vehicle assignments or retaining sedans currently in operation.
- Plans to evaluate the GSA vehicle leasing program to determine if leasing vehicles from GSA can be incorporated into the Fleet Management strategy.
- Plans to educate employees on the benefits of making more efficient use of TVA’s vehicle fleet and where possible promoting the option of video/teleconferencing meetings, presentations and training as opposed to travel.