



Natural Gas Vehicles for America

400 North Capitol Street, N.W.
Washington, D.C. 20001
ngvamerica.org

Jeffrey Clarke

Director of Regulatory
Affairs and General Counsel
jclarke@ngvamerica.org
202.824.7364 office
202.824.7087 fax

Federal Trade Commission
Office of the Secretary
Room H-113 (Annex N)
600 Pennsylvania Avenue, NW
Washington, DC 20580

**RE: Proposed Amendments to the Alternative Fuel Rule, (16 CFR part 309)
(Matter No. R311002)**

Introduction

NGVAmerica respectfully submits the following comments with regard to the above captioned matter. NGVAmerica is a national organization dedicated to the development of a growing and sustainable market for vehicles powered by natural gas and biomethane. NGVAmerica represents more than 150 companies, including vehicle manufacturers; natural gas vehicle 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.

The Federal Trade Commission (FTC) has proposed amending its regulations for labeling alternative fuels and alternative fueled vehicles. The proposed changes are outlined in a June 19, 2012 *Federal Register* notice (77 FR 36423). To summarize, the FTC has proposed consolidating its alternative fuel labeling provisions with labeling requirements recently finalized by the U.S. EPA and National Highway Traffic Safety Administration. FTC also has proposed eliminating its labeling requirements for used alternative fueled vehicles and retaining, without modification, the current rules for alternative fuel dispensers.

Comments

NGVAmerica generally supports the proposed rule changes. It does not make sense to have two different federal regulatory agencies implementing overlapping and duplicative requirements. Therefore, we support the effort to consolidate the labels and allow compliance with the EPA and NHTSA label. However, we do

have some reservations, as described in further detail below. We also support the proposed FTC exception regarding the treatment of flexible and bi-fuel or dual fuel vehicles. That exception calls for specific information to be provided on the vehicle's performance while operating on the alternative fuel. The EPA and NHTSA labels allow flexible fuel manufacturers to limit label content to information on gasoline, or the conventional fuel.

The primary concern we have with regard to FTC proposal and its decision to defer responsibility to EPA and NHTSA involves the information currently provided on the EPA and NHTSA labels. As we argued in the rulemaking to finalize those labels, our primary concern is that environmental information on the labels is based only on the tailpipe emissions of vehicles and, therefore, gives the wrong and misleading impression that operating some vehicles leads to zero emissions. The environmental information does not provide consumers who are reading the labels with information on upstream or full-fuel-cycle emissions. EPA and NHTSA address this issue by providing links to web-based information that at last check does in fact provide upstream emissions information with regard to greenhouse gases and criteria pollutants. Many consumers can and will probably take advantage of these information resources but it is questionable whether referring to other sources of available information is as effective as presenting the information on the label. Moreover, some consumers unquestionably will not look at these other sources of information so they won't be fully informed.

Even assuming that referring to other sources of information on the label is adequate to educate consumers, we are concerned about whether this information will be updated and will continue to be made available to consumers in the future. Thus, it should be incumbent on the FTC to review these other sources of information frequently to ensure that they are up to date and still accessible. We also have concerns about the marketing practices of companies who manufacture so-called zero emission vehicles. The labels actually bolster such misleading claims. The notion that purchasing and operating such vehicles creates zero emissions is misleading and something that should be of concern to the FTC, which has itself opened previous inquiries regarding "green" marketing practices, and has apparent regulatory authority over such claims. We would urge the FTC to work with the EPA and NHTSA to restrain manufacturers from making such marketing claims.

Conclusion

We support the proposed changes but have some reservations regarding the information provided on the EPA and NHTSA labels, and urge the FTC to work with those agencies to make sure that consumers are fully educated on all of the benefits and attributes of operating alternative fuel and petroleum vehicles.