



American Public Gas Association

**Comments of the American Public Gas Association re:
“Proposed Amendments to the Alternative Fuel Rule, (16 CFR part 309)
(Matter No. R311002)”
August 17, 2012**

The American Public Gas Association (APGA) appreciates the opportunity to submit comments in response to the Federal Trade Commission’s (FTC) “Proposed Amendments to the Alternative Fuel Rule, (16 CFR part 309), (Matter No. R311002)”. APGA is generally supportive of the proposed changes to consolidate the FTC labeling requirements with those labeling requirements from the Environmental Protection Agency (EPA) and National Highway Traffic Safety Administration (NHTSA). However, APGA respectfully submits that further alteration to the consolidated label is required to ensure that natural gas vehicles (NGVs) are treated equitably by the rule.

APGA is the national association for publicly-owned natural gas distribution systems. There are approximately 1,000 public gas systems in 36 states and over 700 of these systems are APGA members. Publicly-owned gas systems are not-for-profit, retail distribution entities owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that have natural gas distribution facilities.

APGA generally supports the proposed changes to consolidate the FTC labeling requirements with those of the EPA and NHTSA. Requiring companies to implement multiple labeling requirements from two separate agencies is inefficient, costly, and duplicative. Therefore, APGA strongly supports the consolidation of the FTC, EPA, and NHTSA requirements into one label.

APGA also supports the proposed FTC exception for flexible and bi-fuel or dual fuel vehicles. This exception allows specific information to be provided on the vehicle’s performance while operating on the alternative fuel. This specific information is in stark contrast to the EPA and NHTSA labels which allow flexible fuel manufacturers to limit label content to information on gasoline, or the conventional fuel.

Though we are supportive of the above-discussed changes, APGA remains concerned that the proposed amendments to the Alternative Fuel Rule would treat NGVs inequitably. As currently constructed, the consolidated label focuses only on the tailpipe emissions of Alternative Fuel

Vehicles (AFVs). This exclusive focus on tailpipe emissions gives consumers inaccurate and misleading information about Electric Vehicles (EVs) to the detriment of NGVs and all other AFVs.

More specifically, consumers examining the proposed consolidated label may be given the impression that EVs produce no emissions whatsoever. In reality, a majority of electric generation in the U.S. is fossil-fuel generated¹ meaning that it is highly likely that EVs will have upstream emissions.

The EPA and NHTSA attempt to address this issue by providing links to websites which document the upstream emissions of EVs. This assumes that customers will actually check the provided websites. However, many customers undoubtedly will not check the website and will therefore make a decision based upon incomplete if not inaccurate information. APGA respectfully requests that label include upstream emissions to give consumers the necessary information to make fair emissions comparisons between the various AFV technologies.

APGA is also concerned about a related issue under the FTC's purview: the marketing practices of companies which manufacture "zero emission vehicles." The zero emission label is highly misleading given the reality of upstream emissions. The FTC has opened previous inquiries regarding "green" marketing practices, and has regulatory authority over such claims. Therefore, we respectfully request that the FTC work with the EPA and NHTSA to restrain manufacturers from making inaccurate and misleading marketing claims.

Respectfully submitted,

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¹ http://www.eia.gov/forecasts/steo/pdf/steo_full.pdf p. 21