



Final Report on the Execution of Executive Order S-14-09 – Vehicle and Home Storage Permit Reduction

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Executive Summary

On July 17, 2009, Governor Schwarzenegger issued Executive Order S-14-09, ordering all State agencies and departments (agencies) to reduce their motor vehicle fleets by 15 percent and reduce take home vehicle storage permits by 20 percent.

In executing the Executive Order, the Department of General Services (DGS) coordinated the efforts of 124 agencies. Achieving this coordination required extensive communication and plan development, establishing baselines, and then coordinating reductions.

Seventy-two (72) vehicle-owning agencies¹ are under the direct authority of the Governor. These agencies owned approximately 29,690 light duty vehicles as of the issuance of the Executive Order. Twenty-two exemptions were granted for 12,135 vehicles to preserve public health and safety or maintain essential services – leaving a net reducible fleet of 17,555 vehicles. Approved reduction plans called for the elimination of 2,997 vehicles – a 17 percent reduction.

Seventy-one agencies reported 9,413 home storage permits as of the effective date of the Executive Order. Exemptions were granted for 2,796 permits to support public health and safety missions or maintain essential services – leaving the net reducible permits at 6,617. Approved reduction plans called for the elimination of 1,651 permits – a 25 percent reduction.

Vehicle reduction was a logistical undertaking requiring intake, tracking, triage and reuse, and sales. The home storage permit reduction required agencies to assess the need for specific permits, reduce permits to meet Executive Order requirements, and then sign certifications attesting to reductions.

The reductions have been highly successful. Agencies subject to the Executive Order have eliminated 3,977 vehicles. This is a 22.7 percent reduction from the net fleet and exceeds the original plan by nearly 1,000 vehicles. Agencies have eliminated 2,121² permits – reducing overall permits from 9,413 to 7,292. This is a 22.5 percent reduction from total permits and a 32.1 percent reduction from net permits (total permits – exemptions). This reduction exceeds the original plan by 470 permits. These vehicle and permit reductions will have the following impact:

- Produce \$6.4 million in sales revenue³
- Reduce Greenhouse Gases (GHG) by 3,744 to 20,577 tons per year
- Reduce fuel consumption by 385 thousand to 2.1 million gallons and costs by \$1.15 to \$6.35 million per year
- Reduce maintenance costs by \$2.4 to \$4.15 million annually
- Reduce insurance costs by \$727 thousand to \$1.24 million per year
- Eliminate the need for replacing 25 to 93 new vehicles and avoiding costs of \$380 thousand to \$1.4 million each year

¹ The 52 District Agricultural Associations report within the Department of Food and Agriculture.

² Pending certification from Department of Health Care Services.

³ This is a gross sales figure that does not reflect transport, transaction, and staff costs.

Executive Order S-14-09 Overview

On July 17, 2009, Governor Schwarzenegger issued Executive Order S-14-09, ordering all State agencies and departments (agencies) to reduce their motor vehicle fleets by 15 percent and reduce take home vehicle storage permits by 20 percent. This order was issued to help address California's ongoing budget deficit by lowering the operating costs of the State fleet. The Governor also prohibited agencies from purchasing any new vehicles for non-emergency use without going through a rigorous exemption process aimed at further reducing State fleet costs. The Department of General Services (DGS) was tasked with overseeing the fleet and home storage permit reductions to meet the Executive Order's targeted goals.

Executing the Executive Order required the coordination and cooperation of multiple agencies. Achieving this coordination required extensive communication and plan development, establishing baselines, and then coordinating reductions.

Communication and Plan Development

The communications plan for the Executive Order required multiple contacts and information sources for departments. The DGS issued instructional letters, instructional e-mails, website postings, and conducted a series of follow-up communications over a period of months.

Instructional Letter

On August 5, 2009, DGS communicated the directives of Executive Order S-14-09 to agency secretaries and department directors in an instructional letter. The letter provided a detailed overview of the Executive Order's major requirements, instructions for implementing the Executive Order, information on exempting vehicles, and reduction plan expectations – including the following major milestones:

- August 10, 2009: Departments must survey their respective fleets to identify vehicles available for immediate sale at the "Great California Garage Sale" held August 28th and 29th.
- October 1, 2009: Departments must submit vehicle reduction plans to DGS. The plans must include a timeline for implementing the plan by April 1, 2010.
- April 1, 2010: Departments must complete their vehicle reduction and home storage permit reduction plans by this date.
- July 1, 2010: The Director of DGS is to make public the progress of meeting the 15 percent fleet reduction.

Instructional E-mail

On August 13, 2009, DGS sent an instructional e-mail to State agency fleet coordinators containing all the details and attachments included in the instructional letter. Each department received a *Vehicle Reduction Plan*

Template pre-populated with line-item detail of owned and leased vehicles attributed to the department in DGS' Fleet Asset Management System. Fleet coordinators were asked to validate this information to ensure an accurate accounting of the vehicle inventory.

Website Postings

DGS posted the instructional letter and related attachments on its website. The DGS also developed responses to frequently asked questions (FAQ) to provide additional clarification on implementing the Executive Order.

Follow-up Communications

DGS staff was in constant communication with department fleet coordinators to assist them in their efforts to provide accurate fleet reduction data and meet the October 1, 2009, reduction plan deadline.

Plan Development

DGS created a uniform format for agencies to identify specific vehicles for reduction. These plans noted date and location for drop-off, vehicle identification numbers, license numbers, make, model, year, and running condition. These plans were uploaded into the Vehicle Reduction Plan database.

Establishing Baselines

In the fall of 2009, DGS analyzed reduction plans to establish the vehicle and home storage permit baselines and to develop recommendations for reduction targets.

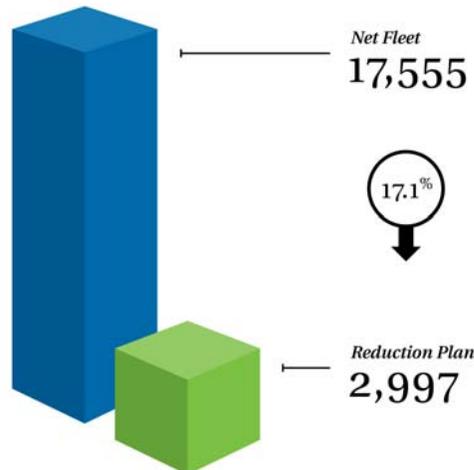
Establishing the Vehicle Baseline

Seventy-two (72) vehicle-owning agencies⁴ are under the direct authority of the Governor. These agencies owned approximately 29,690 light duty vehicles as of the issuance of the Executive Order. This is substantially less than the approximately 40,000 passenger vehicles and trucks in the State fleet previously reported elsewhere by DGS (cf. SB 552 Report). These numbers differ because other DGS reports include vehicles from agencies outside the executive authority of the Governor and vehicles that exceed the 8,500 gross vehicle weight rating – both categories are exempt from the Executive Order.

Exemptions

Twenty-two exemptions were granted for 12,135 vehicles to preserve public health and safety or maintain essential services – leaving a net reducible fleet of 17,555 vehicles. Approved reduction plans called for the elimination of 2,997 vehicles – a 17 percent reduction. The graph below illustrates the overall reduction plan.

VEHICLE REDUCTION PLAN DEPARTMENT OF GENERAL SERVICES



⁴ The 52 District Agricultural Associations are reported within the California Department of Food and Agriculture.

Establishing the Home Storage Permit Baseline

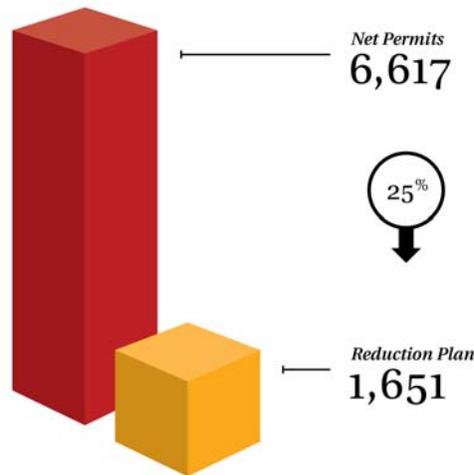
California Code of Regulations (CCR) Section 599.802 defines the permissible reasons that a State-owned vehicle can be taken to an employee's home:

- The employee departs or returns regularly from official trips away from the employee's headquarters under circumstances that make it impractical to use other means of transportation.
- The employee's home is reasonably enroute to or from the employee's headquarters or work site.
- The employee uses the vehicle to conduct State business on the same day or before working hours on the succeeding workday.
- The employee responds to urgent or emergency calls outside scheduled working hours.
- State, other government entity, or commercial parking is not available.
- The employee's duties require the employee to work unplanned overtime on a regular basis and results in no other practical means for the employee to get home.

CCR Section 599.808 requires an employee to have an approved home storage permit when a vehicle will be taken home more than 72 nights over a 12-month period or more than 36 nights over any three-month period.

Seventy-one agencies reported 9,413 home storage permits as of the effective date of the Executive Order. Exemptions were granted for 2,796 permits to support public health and safety missions or maintain essential services – leaving the net reducible permits at 6,617. Approved reduction plans called for the elimination of 1,651 permits – a 25 percent reduction as noted in this graph.

HOME STORAGE PERMIT REDUCTION PLAN DEPARTMENT OF GENERAL SERVICES



Reduction Execution

Executing the vehicle and home storage permit reductions took different paths. Vehicle reduction was a logistical undertaking requiring intake, tracking, triage and reuse, and sales. The home storage permit reduction required agencies to assess the need for specific permits, reduce permits to meet Executive Order requirements, and then sign certifications attesting to the reduction.

Vehicle Reduction

Intake

Agencies surrendered vehicles at the regional State garages in San Diego, Los Angeles, Fresno, and Oakland as well as at the Davis and Natomas auction facilities. DGS staff decommissioned vehicles, recorded information and took photos for tracking, triage and reuse, and sales.

Vehicle Reduction Plan (VRP) Database

Executing the Executive Order required the tracking of multiple factors for each vehicle:

- Agency reduction targets
- Projected and actual delivery location
- Projected and actual delivery date
- Make, model, year
- Mileage
- Running condition
- Sale date
- Sale amount

DGS developed the *Vehicle Reduction Plan (VRP) Database* to use the vehicle identification number or VIN to merge the data associated with each vehicle from multiple data sources.

Triage and Reuse

Most vehicles exceeding the duty standard of 120,000 miles or pre-2000 models were sold. All other vehicles were evaluated for potential reuse. The DGS is a leasing operation that provides vehicles to State agencies for set rates. Many agencies met their reductions by returning DGS-owned vehicles to DGS. This circumstance enabled DGS to serve as a central point of reutilization. One hundred twenty-one lower mileage vehicles have been reused through this reduction.

Sales

The DGS conducted vehicle sales through three channels – on-site auctions at the Davis and Natomas auction facilities, online auctions, and through field sales at prisons and developmental disability facilities. Caltrans and the California Highway Patrol also sold vehicles through auctions and sealed bid sales.

Vehicle Home Storage Permit Reduction

The home storage permit reduction was executed via agency certifications. Each agency was directed to file a form with DGS making the following four certifications:

- The number of active home storage permits
- The terms of the Executive Order have been met
- Take-home vehicles meet the take-home criteria set in regulation, and;
- All employees that meet the criteria for home storage permits have active permits.

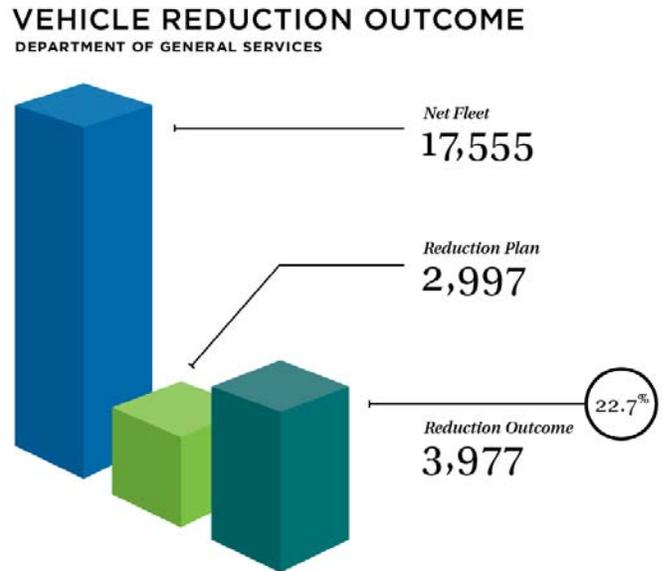
Starting next year, each department will also be required to certify annually its total number of active home storage permits. This will be in addition to the annual Vehicle Home Storage Permit (Std. 377) summary report that departments are already required to file with DGS in June of each year.

Results and Findings

Both reductions have been successful. All but one agency under the executive authority of the Governor have fully complied with the vehicle and home storage permit reductions.⁵ Attachments II and III provide detailed results.

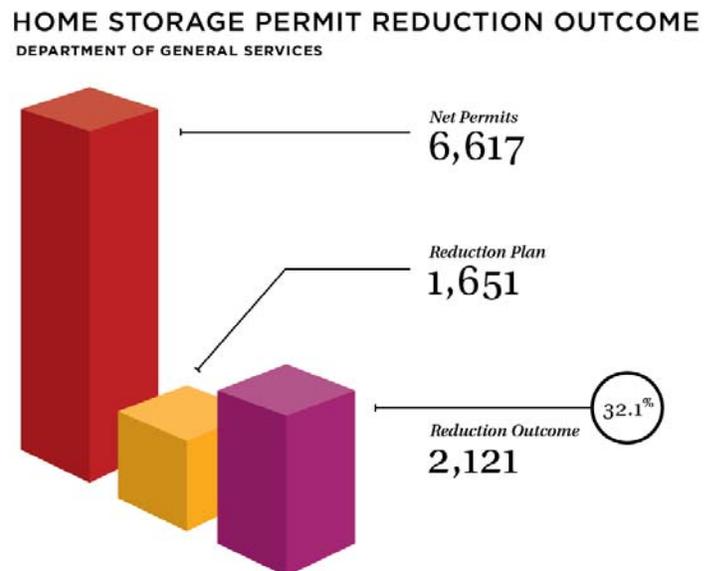
Vehicle Reduction Outcome

The vehicle reduction has been highly successful. Agencies subject to the Executive Order have sold 3,603 vehicles with another 374 vehicles pending sale.⁶ This is a 22.7 percent reduction from the net fleet and exceeds the original plan by nearly 1,000 vehicles. Agencies exempt from the Executive Order have contributed as well by selling 174 vehicles – with eight vehicles pending sale. Collectively, 4,159 vehicles have been eliminated from the State’s vehicle fleet since the issuance of the Executive Order.



Home Storage Permit Reduction Outcome

The home storage permit reduction has been highly successful as well. Agencies have eliminated 2,121 permits⁷ – reducing overall permits from 9,413 to 7,292. This is a 22.5 percent reduction from the total universe of permits and a 32.1 percent reduction from net permits (total permits – exemptions). This reduction exceeds the original plan by 470 permits.



⁵ The California Lottery Commission has failed to comply with the Executive Order.

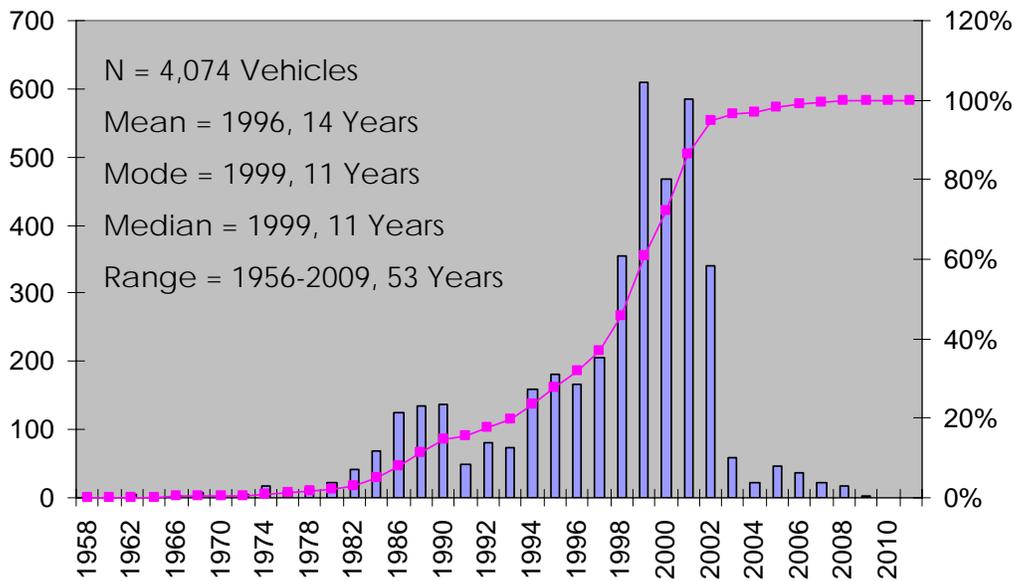
⁶ This number includes vehicles sold but awaiting sales price data.

⁷ Pending certification from Department of Health Care Services.

Vehicle Age – Model Year

Of the 4,159 vehicles surrendered in the reduction, 4,077 have model year information. The mean model year is 1996 – 14 year-old vehicles. The most common model year vehicle eliminated is from 1999. The age range of vehicles is 53 years. The oldest vehicles are from the 1956 model year – a Ford F600 and a Chevrolet two-ton flatbed. Three 2009 vehicles – two Toyota Priuses and a Chevrolet van – have also been returned to DGS (these vehicles have been reutilized).

Model Year

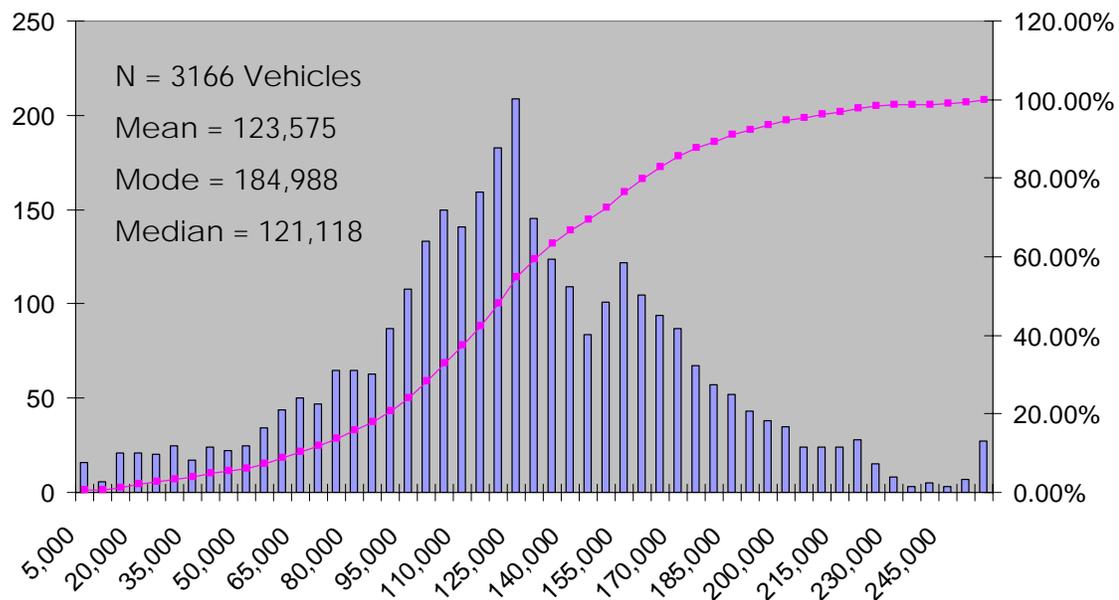


Mileage

The State of California has a multitude of vehicles in a variety of assignments. Some vehicles are in high-use or high-stress applications while others are in low-use, low stress applications.

This histogram notes the mileage characteristics of the surrendered vehicles. The mean mileage, at 123,575, exceeds the State's duty cycle of 120,000.

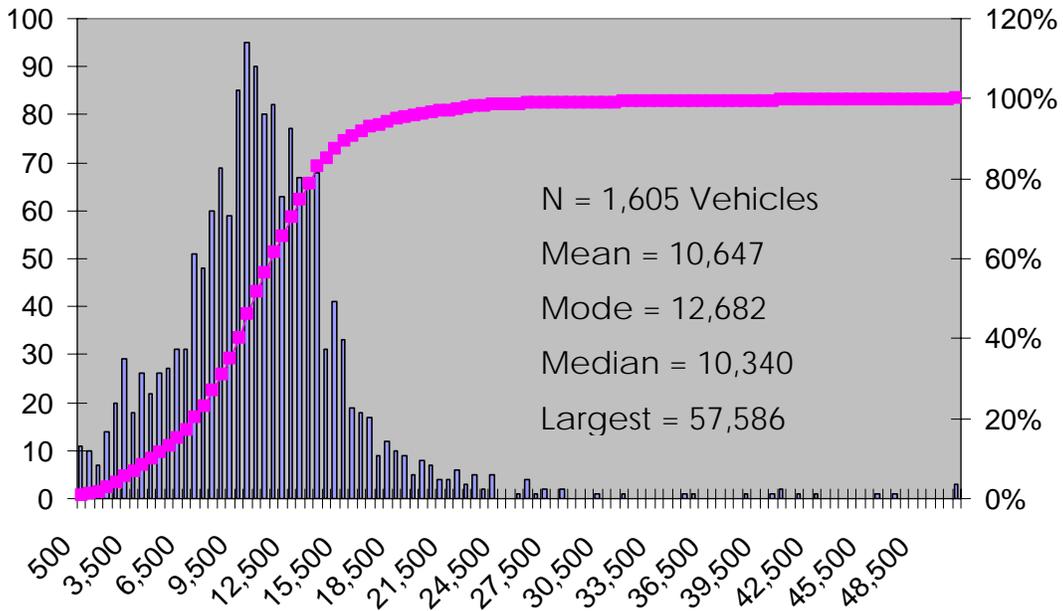
Mileage



Miles Per Year

The vehicles eliminated through the executive order had run up nearly 474 million miles. The average miles per year per vehicle for vehicles in operable condition is 10,647 – just short of the State’s duty standard of 12,000 miles per year.

Miles Per Year



Sales Data

The DGS conducted vehicle sales through three channels – on-site auctions at the Davis and Natomas auction facilities, online auctions, and field sales at prisons and developmental disability facilities. Caltrans and the California Highway Patrol (CHP) also sold vehicles through auctions and sealed bid sales. The table below reflects reconciled vehicle sales as of June 15, 2010.

Online auctions and field sales have been used to avoid shipping vehicles at a cost of \$200-\$250 each. Online auctions account for 427 sales, more than \$730,000 in revenue, and \$85,000 to \$108,000 in avoided shipping costs. Vehicle sales have generated more than \$6.4 million through June 15, 2010.

The condition and age of vehicles contributes directly to sales price. As noted in this table, the difference in average sales price for vehicles in running condition versus non-running condition is \$734 per vehicle – a loss of 36 percent of value.

Vehicle Condition	Confirmed Sales ⁸	Average Sale	Total Sales
Runners	1,444	\$2,042	\$2,926,641
Non-Runners	1,551	\$1,308	\$2,026,228
Unknown	782	\$1,870	\$1,456,578
Totals	3,777	\$1,705	\$6,409,447

Table 1 -- Condition and Sales

Clearly, the State of California improves its financial condition by disposing of operable vehicles.

Auctions – Live:⁹

- Ten auctions held between August 28, 2009 and June 9, 2010
- Executive Order Agencies: 2,966 vehicles sold for \$5,137,890
- Exempt Agencies: 164 vehicles sold for \$ 383,017

Auctions – Online:

- Fifteen auctions held between December 23, 2009 and June 13, 2010
- Executive Order Agencies: 417 vehicles sold for \$714,247
- Exempt Agencies: 10 vehicles sold for \$18,990
- A twenty vehicle auction closed June 13th with sales figures pending

Field Sales:

- Field sales were held between February 25, 2010 and May 28, 2010
- Executive Order Agencies: 123 vehicles sold for \$33,680
- Exempt Agencies: 0 vehicles sold for \$0.00
- Sealed bids for 95 vehicles are awaiting sales price data.

⁸ A confirmed sale notes a sale date and a dollar value. Net proceeds are returned to agencies.

⁹ Not all vehicle records note disposal method.

Green House Gas Reductions, Fuel Reductions Costs Savings

In complying with Executive Order S-14-09, the State of California will reduce Greenhouse Gas (GHG) emissions, reduce fuel consumption, and reduce fuel costs. The magnitude of these reductions is illustrated through two scenarios representing the best and worst cases. Scenario 1 assumes that the annual vehicle miles traveled (VMT) by eliminated vehicles are also eliminated. Scenario 2 assumes that the miles traveled remain and transfer to a smaller, newer, more fuel efficient fleet.

Both scenarios incorporate best and worst-case mileage and fuel savings estimates associated with eliminating Home Storage Permits. The estimated fuel savings is then converted into avoided GHG emissions by using the California Environmental Protection Agency standard of 8.81Kg of GHG per gallon of gasoline. Lastly, the kilogram result was converted into U.S. tons.

In Scenario 1, the State will avoid an estimated 20,577 tons of GHG emissions, reduce fuel consumption by 2.11 million gallons, and save approximately \$6.35 million annually.

In Scenario 2, the State will avoid an estimated 7,396 tons of GHG emissions, reduce fuel consumption by 385.5 thousand gallons, and save approximately \$1.15 million annually.

Fuel Savings from Fleet Reduction

Scenario 1

This scenario assumes that all of the annual mileage accrued by vehicles eliminated from the fleet will also be eliminated. Under this assumption, reducing the size of the State fleet will result in an estimated annual fuel consumption savings of 1.6 million gallons and approximately \$4.8 million. These figures are derived by taking the following steps:

Calculating the average MPG rating between the three most common vehicles that were part of the fleet reduction. These three vehicles, the Chevrolet Cavalier, Ford Taurus and Dodge Ram 1500 pickup, from various model years, constitute 21 percent (878) of all vehicles in the fleet reduction. The average MPG rating between the three vehicles is 18.3 as indicated in the table below.

Projecting a vehicle's annual fuel consumption based upon the 18.3 MPG average and the State's utilization standard of 12,000 vehicle miles traveled (VMT) per year. The resulting fuel consumption is 656 gallons per year per vehicle. ($12,000 \div 18.3 = 656$.)

Applying annual fuel consumption of 656 gallons per vehicle to 2,441 vehicles¹⁰ results in an estimated annual fuel reduction of 1,601,296 gallons ($656 \times 2,441 = 1,601,296$).

The following table quantifies the impact to petroleum consumption if both the vehicles and miles driven on those vehicles are eliminated.

¹⁰ 4,159 vehicles less 1,718 non-running vehicles. A "Non-Runner" is a vehicle that is non-compliant with the Vehicle Code. Defects range from minor to severe.

Typical Vehicles Eliminated ¹¹	MPG Rating ¹²	Average MPG ¹³	Annual VMT ¹⁴	Annual Fuel Use ¹⁵	Potential Annual Fuel Reduction ¹⁶	Potential Annual Savings ¹⁷
1999 Chevrolet Cavalier	22 MPG	18.3 MPG	12,000	656 Gallons	1,601,296	\$4,803,888
1998 Ford Taurus	19 MPG					
1999 Dodge Ram 1500 Pickup	14 MPG					

Table 2 -- Scenario 1 Fuel Savings

Scenario 2

This scenario assumes that all of the annual mileage accrued by vehicles eliminated from the fleet will be redirected to newer vehicles. Under this assumption, reducing the size of the State fleet will result in an estimated annual fuel consumption savings of 244,100 gallons and approximately \$732,300. That figure is derived by taking the following steps:

Calculating the average MPG rating between the three most common vehicles that were part of the fleet reduction. These three vehicles, the Chevrolet Cavalier, Ford Taurus and Dodge Ram 1500 pickup, from various model years constitute 21 percent (878) of all vehicles in the fleet reduction. The average MPG rating between the three vehicles is 18.3 as indicated in the table below.

Projecting a vehicle's annual fuel consumption based upon the 18.3 MPG average and the State's utilization standard of 12,000 vehicle miles traveled (VMT) per year. The resulting fuel consumption is 656 gallons per year per vehicle. (12,000 ÷ 18.3 = 656.)

Calculating the average MPG rating between the three most common vehicles remaining in the State fleet. These three vehicles, the Ford Focus, Chevrolet Impala and Chevrolet Silverado average 21.6 MPG as a group as indicated in the table below.

¹¹ Older vehicles currently in the State fleet and identified for reduction

¹² EPA combined city/highway ratings (55% city/45% highway)

¹³ 22 + 19 + 14 = 55/3 = 18.3

¹⁴ State Minimum Utilization Policy is 6,000 miles or used at least 80 percent of available work days in a six month period (12,000 miles annually)

http://www.documents.dgs.ca.gov/osp/sam/memos/MM06_06.pdf

¹⁵ 12,000 miles/18.3 MPG (combined average MPG) = 656 gallons annually

¹⁶ Gallons of fuel based on 2,441 vehicles.

¹⁷ Assumes Fuel at \$3 per gallon.

Typical Remaining Vehicles Types ¹⁸	MPG Rating ¹⁹	Average MPG ²⁰
2007 Ford Focus	26	21.6
2008 Chevrolet Impala	22	
2007 Chevrolet Silverado	17	

Table 3 -- Average MPG Newer Vehicles

Based upon the 21.6 MPG average and 12,000 VMT, the resulting fuel consumption is 556 gallons per year per vehicle ($12,000 \div 21.6 = 556$).

The difference in projected annual fuel consumption between the vehicles eliminated in the fleet reduction (656 gallons) and the vehicles remaining in the fleet (556 gallons) is 100 gallons per vehicle per year ($656 - 556 = 100$).

The fuel savings from transferring the VMTs to newer, more fuel efficient vehicles results in an estimated annual fuel reduction of 244,100 gallons ($100 \times 2,441 = 244,100$).

Fuel Savings from Reducing Home Storage Permits

Eliminating 2,121 Home Storage Permits will save the State 141,400 to 517,524 gallons of gasoline and approximately \$424,200 to \$1.55 million per year – simply by eliminating non-mission critical vehicle miles traveled (VMT). This savings was derived by taking the following steps:

Calculating the average MPG rating between the three most common vehicles assigned to holders of Home Storage Permits. These three vehicles, the Ford Focus, Chevrolet Impala and Chevrolet Silverado average 21.6 MPG as a group as indicated in the table below.

Estimating the annual vehicle miles traveled per vehicle for commuting from home to the permit holder's workplace. This calculation assumes a 20-mile round trip commute for the following ranges

- 72 days over 12 months (the minimum usage requiring a Home Storage Permit) ; or,
- 22 workdays per month for 12 months

This produces 1,440 miles per year for the first case or 5,280 miles annually ($20 \times 22 \times 12$) for the second case.

Determining the annual fuel consumed per vehicle commuting to the office by dividing 1,440 or 5,280 miles by the average MPG of 21.6. The results are 66.6 or 244 gallons annually per vehicle ($1,440 \div 21.6 = 66.66$ or $5,280 \div 21.6 = 244$)

Multiplying 66.6 or 244 gallons by the 2,121 eliminated Home Storage Permits equals 141,400 or 517,524 gallons. The results are noted in the table below.

¹⁸ Newer vehicles currently in State fleet and not targeted for fleet reduction

¹⁹ EPA combined city/highway ratings (45 % city/55% highway)

²⁰ $26 + 22 + 17 = 65/3 = 21.6$

Vehicle Types ²¹	MPG Rating ²²	Average MPG ²³	Annual Take Home VMT ²⁴	Annual Fuel Use ²⁵	Potential Annual Fuel Reduction ²⁶	Potential Annual Savings ²⁷
2007 Ford Focus	26 MPG	21.6	1,440 to 5,280	66.6 to 244 Gallons	141,400 to 517,524 gallons	\$424,200 to \$1,552,572
2008 Chevrolet Impala	22 MPG					
2007 Chevrolet Silverado	17 MPG					

Table 4 – Potential Home Storage Fuel Savings

Conversion of Fuel Savings into GHG Emission Reductions

The GHG emission reductions in each scenario were calculated by multiplying the combined gallons of fuel saved from fleet reduction and the elimination of some Home Storage Permits, by 8.81Kg of GHG per gallon. The results of this calculation and the conversion of Kg into tons²⁸ are shown in the tables below.

	Home Storage Permit Savings	Fleet Reduction Savings	Total Fuel Savings (Gallons)	Total Fuel Savings (Dollars)
Scenario 1	517,524	1,601,296	2,118,820	\$6,356,460
Scenario 2	141,400	244,100	385,500	\$1,156,500

Table 5 -- Fuel and Dollar Savings Total

	Total Fuel Savings	GHG kilograms	GHG Tons
Scenario 1	2,118,820	18,666,804	20,577
Scenario 2	385,500	3,396,255	3,744

Table 6 -- GHG Emission Reductions

²¹ Newer vehicles currently in State fleet and not targeted for fleet reduction

²² EPA combined city/highway ratings (45 % city/55% highway)

²³ 26 + 22 + 17 = 65/3 = 21.6

²⁴ Estimated mileage associated with taking State vehicle home: 20 round trip miles per day x 22 working days per month x 12 months = 5,280 miles per vehicle

²⁵ 5,280 miles/21.6 (combined average MPG) = 244 gallons annually

²⁶ Based on 2,066 non-mission critical Home Storage Permits eliminated as of April, 2010

²⁷ Assumes \$3.00 per gallon of gasoline.

²⁸ Using <http://www.metric-conversions.org/weight/kilograms-conversion.htm>

Revenue and Avoided Costs

(All dollars in Millions)	Scenario 1 (Best Case)	Scenario 2 (Worst Case)
Sales Revenue	\$6.4	\$6.4
 Avoided Costs		
Home Storage Reduction (2,121 permits)		
Cost of Commute Fuel		
5,280 x 2,121	\$1.55	
1,440 x 2,121		\$0.424
Vehicle Replacement ²⁹		
93.3 x \$15,000	\$1.4	
25.4 x \$15,000		\$0.382
Fuel Cost Avoidance		
Scenario 1	\$4.8	
Scenario 2		\$0.732
Maintenance Cost Avoidance ³⁰		
\$1,000 x 4,159	\$4.15	
\$1,000 x 2,441		\$2.4
Insurance Cost Avoidance		
\$298 x 4,159	\$1.24	
\$298 x 2,441		\$0.727
Total Annual Cost Avoidance	\$13.14	\$4.665
Total Revenue and Cost Avoidance	\$19.54	\$11.065

²⁹ 5,280 x 2,121 = 11.2 million commute miles/120,000 duty cycle = 93.3 vehicles per year. 1,440 x 2,121 = 3 million commute miles/120,000 duty cycle = 25.4 vehicles per year.

³⁰ Edmunds.com maintenance calculator estimates approximately \$1,000 annual maintenance costs per vehicle on most models.

Conclusion

Executive Order S-14-09 has met each of its objectives. For the first time ever, thousands of vehicles have been eliminated from the vehicle fleet and home storage permits have been reduced by more than two thousand.

These reductions have recovered more than \$6.4 million in sales, and will reduce operating expenses in fuel, insurance, and maintenance. Eliminating older vehicles from the fleet improves the overall fuel economy of the fleet and reduces its green house gas footprint.

The Executive Order has established a fleet baseline for each agency and now presents an opportunity to improve fleet asset management.

Accordingly, DGS will continue to research and develop strategies to reduce the capital expense and operating costs for the State fleet using lessons learned from executing Executive Order S-14-09. It is likely that additional savings and efficiencies can be accomplished through:

- Improved planning and budgeting;
- Streamlining the vehicle purchase approval process;
- Reducing capital expenses; and,
- Reducing operating expenses.

Attachments:

Attachment I –Executive Order S-14-09

Attachment II – Vehicle Reports

by Department Name

by Number of Reductions

by Percentage of Reduction

Attachment III – Vehicle Home Storage Permit Reports

by Department Name

by Number of Reductions

by Percentage of Reduction