

US EPA ARCHIVE DOCUMENT

Mr. George A. Boettger  
District Manager  
Customer Service and Sales  
U.S. Postal Service  
1501 Wynkoop Street, Room 417  
Denver, CO 80266-3001

Dear Mr. Boettger:

I am pleased to inform you that EPA has considered your XL proposal dated May 13, 1999, and supplementary materials, and that the Agency is prepared to work with you, the State of Colorado, and appropriate stakeholders to develop a Final Project Agreement (FPA). The FPA will detail the expectations of EPA, USPS, the State of Colorado, and other project partners. If all partners are satisfied and sign the FPA, the signed agreement will constitute acceptance as an XL project.

Project XL was created to test innovative environmental management strategies for the 21st century, and through this process to foster excellence and leadership in environmental protection. EPA is offering you the opportunity to participate in the next phase of XL project development because your proposal shows potential to accomplish these goals.

EPA is interested in this project for a variety of reasons. For example, EPA would like to learn how USPS's flexible fuel vehicles work in practice, including the vehicles' operation on ethanol. This information would be useful to EPA in learning more about the use of alternative fuels. EPA also sees this project as an opportunity to develop public infrastructure for dispensing ethanol. The development of this infrastructure could make ethanol-fueled vehicles practical for other fleets, as well as for individuals. EPA also anticipates that this project will provide it with information on how to develop a public infrastructure for alternative fuels. EPA believes that this project has the potential to provide it with this information.

To ensure a complete understanding of the work that remains, this letter lists some of the items EPA has identified that will be the subject of FPA negotiations. Please note that this list is not intended to be comprehensive, but rather serves as a starting point for FPA negotiations.

Some of the items that need to be discussed further in the context of FPA negotiations are as follows:

(1) A USPS Analysis of Success - EPA is very interested in evaluating all XL projects to determine whether they can be transferred to other areas. As mentioned above, EPA hopes that this project will help it to increase its information base regarding alternative fuels and infrastructure development. To that end, we would like to discuss the expansion of USPS's proposed reporting to include further analysis, including approaches that USPS found successful and cost savings from the project.

(2) Fleet Purchase Credits - EPA understands that USPS would like to receive credits for the new vehicles towards compliance with Colorado's state fleet program. In light of the scrapping of the old, high-emission vehicles, EPA is not opposed to providing some emission credit for the new vehicles. However, EPA would like more details on how the credits would be used. In addition, EPA would like to enter into discussions with USPS and the State regarding the appropriate ratio of new vehicles to credits.

(3) Vehicle Certification - As you know, all vehicles are required to be certified to EPA standards. The level of certification of the new vehicles is unclear in your proposal. Thus, the details of the level of vehicle certification for the vehicles needs to be fleshed out during FPA negotiations.

EPA has assembled a staff team to work with USPS, the State of Colorado, and stakeholders on development of the project. That team will be led by Mary Byrne of Region 8 (303-312-6491) and Nancy Birnbaum of the Office of Reinvention (202-260-2601). They will be contacting you shortly to commence work.

Sincerely,

William P. Yellowtail  
Regional Administrator

cc: Ms. Jane Norton, Executive Director, Colorado Department of Public Health and Environment  
Mr. Pat Teegarden, Director of Office of Public and Private Initiatives, Colorado Department of Public Health and Environment  
Mr. Doug Benevento, Director of Environmental Programs, Colorado Department of Public Health and Environment  
Ms. Tamera Van Horn, Administrator, Environmental Leadership Program, Colorado Department of Public Health and Environment

bcc: Richard Farrell, Associate Administrator, Office of Reinvention  
Lisa Lund, Deputy Associate Administrator for Reinvention Programs, Office of Reinvention  
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