UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

LOGISTICS AND COMMUNICATIONS DIVISION

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The Honorable Arthur F. Sampson Acting Administrator General Services Administration

Dear Mr. Sampson:

The General Accounting Office has reviewed the Dual Fuel program administered by the Federal Supply Service of the General Services Administration (GSA). Since there are no plans for expanding this program, we do not have any specific recommendations. In our review, however, we found weaknesses in the management and control of the program which lessened its effectiveness. We believe a summary of our observations could be helpful to you in planning future programs.

The <u>Dual Fuel</u> program is an experimental program designed to demonstrate the feasibility of reducing engine emissions by converting vehicles to use natural gas in addition to gaso-line. Initially, 12 vehicles were converted to use compressed natural gas. Tests showed that, under certain conditions, exhaust emissions and operating costs could be reduced. On the basis of these test results, GSA expanded the Dual Fuel program to demonstrate fleet usage of vehicles using natural gas. Over \$2 million was authorized to convert and test about 1,400 additional vehicles.

We learned that GSA had converted over 1,000 vehicles. Only limited data, however, has been gathered and analyzed on these vehicles. For example, operating cost data is available for only 165 vehicles from November 1970 through December 1971 and for 47 vehicles for January 1972. In addition, GSA did not analyze maintenance data for any of the converted vehicles in the expanded fleet nor make substantial exhaust emission tests. Thus, the data received from the initial emission tests on the 12 vehicles was not updated, and, despite the costs to convert the additional fleet, no data was accumulated to augment the original test results.

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The data was not accumulated primarily because GSA did not insure that the converted vehicles would be operated on natural gas. In fact, most operators of the converted vehicles continued to operate them with gasoline, rather than with natural gas. Even the limited number of operators who reported test data used natural gas less than one-third of the time.

We believe that, in planning for this expanded test, GSA did not adequately consider the control needed over vehicles being tested. Most of the converted vehicles were assigned to other agencies, which limited GSA's control over their use of natural gas. Undoubtedly the limited availability of fueling facilities inconvenienced operators and also discouraged them from using natural gas.

We believe that a smaller, more closely controlled fleet operating under more realistic fuel-servicing conditions could have produced more useful data than GSA obtained from the expanded fleet. Alternatively, an interagency task force approach, with specific responsibilities and commonly understood operating criteria and test objectives, could have produced more useful data for evaluating the use of natural gas under actual operating conditions in the various agencies.

Copies of this letter are being sent to the House and > 20000 Senate Committees on Appropriations and Government Operations.

We shall be happy to discuss the matters in this letter with you or your staff.

Sincerely yours,

J. K. Fasick