

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on February 6, 2007 in Room 241-N of the Capitol.

All members were present.

Committee staff present:

Mary Galligan, Kansas Legislative Research
Dennis Hodgins, Kansas Legislative Research
Mary Torrence, Revisor's Office
Jason Long, Revisor's Office
Rena Hansen, Committee Assistant

Conferees appearing before the committee:

Larry Berg, Midwest Energy
Paul Morrison, Kansas Attorney General
Steve Rerrick, CURB
Anthony Brown, State Representative
Tom Hawk, State Representative
Ed Wallace, General Motors
Whitney Damron, Kansas Automobile Dealers Association
Tony Reinhart, Ford Motor Company
Tom Thompson, Sierra Club
Richard Cram, Department of Revenue

Others attending:

Twenty-Eight including the attached list.

Hearing on:

HB 2278: Consumer protection; exemption for certain public utility transactions.

Proponents:

Larry Berg, Midwest Energy gave testimony in favor of **HB 2278**, (Attachment 1), noting the way this bill would work, and offered some language to amend the bill that would perhaps make it more amicable to the opposition.

Opponents:

Paul Morrison, Kansas Attorney General offered testimony in opposition of **HB 2278**, (Attachment 2), noting that the original form of the bill is highly objectionable.

Steve Rerrick, CURB gave testimony against **HB 2278**, (Attachment 3), because CURB believes that consumers should not be without the protection of the Kansas Consumer Protection Act.

Questions were asked and comments made by Representative: Tom Sloan, Peggy Mast, Annie Kuether, and Carl Holmes.

Hearing closed on **HB 2278**.

Chairman Holmes appointed a subcommittee to consider some alternative options for **HB 2278** consisting of Representatives: Bill Light, Chairman, Dan Johnson, Tom Sloan, Josh Svaty, and Terry McLachlan.

Testimony from KEPCO was handed out concerning the report heard yesterday on Rural Development

CONTINUATION SHEET

MINUTES OF THE House Energy and Utilities Committee at 9:00 A.M. on February 6, 2007 in Room 241-N of the Capitol.

Projects, (Attachment 4).

Hearing on:

HB 2222: **Income tax credit for certain hybrid motor vehicles.**

Proponents:

Anthony Brown, State Representative presented testimony in support of **HB 2222**, (Attachment 5), noting that this bill has been drafted since August outside of the definition for "hybrid", which was finalized recently.

Questions were asked by Representatives: Tom Hawk, and Peggy Mast.

Tom Hawk, State Representative, offered testimony in favor of **HB 2222**, (Attachment 6), noting his personal experience with hybrid vehicles and offering information on Colorado's (Attachment 7) current tax incentive program.

Ed Wallace, General Motors gave testimony in support of **HB 2222**, (Attachment 8).

Whitney Damron, Kansas Automobile Dealers Association, offered comments in support of **HB 2222**, (Attachment 9).

Tony Reinhart, Ford Motor Company, gave testimony in support of **HB 2222**, (Attachment 10), noting what Ford's current car production is and mileage they are able to attain.

Tom Thompson, Sierra Club, offered testimony in favor of **HB 2222**, (Attachment 11), because it would encourage the use of Hybrid vehicles which would help reduce green house gasses and their effects on the ecosystem.

Peter Bock, MD, Eudora, offered testimony in support of **HB 2222**, (Attachment 12).

Written Proponent:

Vern Swanson, State Legislator, offered written testimony in support of **HB 2222**, (Attachment 13).

Opponents:

Richard Cram, Department of Revenue, raised concerns with **HB 2222**, (Attachment 14), noting that the \$2,500 per vehicle rebate is about 10% of the cost of the average vehicle. He also noted that it would cost about \$200,000 per year for the administrative expense of this program.

Questions were asked and comments made by Representatives: Cindy Neighbor, Carl Holmes, Don Myers, Tom Sloan, Judy Morrison, Oletha Faust-Goudeau, Forrest Knox, Josh Svaty, Vaughn Flora, Bill Light, and Tom Moxley.

Hearing closed on **HB 2222**.

Chairman Holmes made the committee aware that we would work the bills we had hearings on this week on Thursday, and on Friday we will have a hearing on a new bill.

The next meeting is scheduled for February 7, 2007.

Meeting adjourned.

Testimony of Larry Berg
HB 2278
February 6, 2007
Committee on Energy and Utilities

Chairman Holmes and members of the committee, my name is Larry Berg and I'm Vice President of Corporate Relations for Midwest Energy, a customer-owned electric and natural gas utility headquartered in Hays, Kansas. I stand before you in support of HB 2278.

The newly revived Kansas Energy Council (KEC) is charged with the development of a comprehensive State Energy Plan. In the 2007 Kansas Energy Plan, the KEC encourages utility implementation of a Pay As You Save (PAYS) program, and Midwest Energy has volunteered to step up to the plate to implement such a plan. Just last week Midwest Energy requested Kansas Corporation Commission approval of a pilot PAYS program.

The PAYS program would provide money for energy efficiency improvements to customers who would repay the funds through energy savings on their monthly bill. Under the plan, participating customers will see a lower net bill, including the repayment. If the tenant moves or if a property owner changes, the repayment obligation follows the benefit of energy savings to the next customer. We believe the PAYS concept lowers barriers to efficiency investments that now exist, especially in low income and rental markets.

We believe that because the details of a PAYS plan will be set forth in a tariff, and that the tariff will require approval of the Kansas Corporation Commission, KCC-regulated electric and/or natural gas utilities offering such a plan should be exempt from oversight by multiple state agencies with respect to the transactions covered by the tariff. Note that banks, trust companies and lending institutions already have an exemption in the Consumer Protection Act.

Mr. Chairman, we understand there is opposition to the original language we proposed as an amendment to KSA 50-624, the Unfair Trade and Consumer Protection Act. In its place, we offer the following:

"Supplier does not include any electric and/or natural gas public utility engaging in transactions to finance energy efficiency or renewable energy projects under public utility tariffs if a subdivision or agency of this state regulates the charges for the services provided."

This language differs from the original in three important areas: (1) It only applies to regulated electric and natural gas utilities, (2) It only applies to utility transactions related to financing of energy efficiency or renewable energy projects, and (3) It does not provide an exemption for utilities if the existing regulation occurs at the federal level.

We will be happy to work with any and all opposing parties to HB 2278 to come to an amiable resolution.

Mr. Chairman, I will stand for questions at the appropriate time.

ENERGY AND HOUSE UTILITIES

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ATTACHMENT 1



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OFFICE OF THE ATTORNEY GENERAL

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House Energy and Utilities Committee
HB 2278

Attorney General Paul Morrison
February 6, 2007

Mr. Chairman and members of the committee, thank you for allowing me to testify today.

I am here to testify in opposition to House Bill 2278. HB 2278 exempts all public utilities, including telecommunications companies, from the Kansas Consumer Protection Act (KCPA). Passage of HB 2278 would create a chilling effect on consumer protection efforts in this state because it would allow these companies to circumvent the Attorney General's power to investigate deceptive and unconscionable acts.

Currently, all public utilities, including telecommunications companies are subject to the KCPA because they fall within the definition of a "supplier." Under the KCPA, a "supplier" means a manufacturer, distributor, dealer, seller, lessor, assignor, or other person who, in the ordinary course of business, solicits, engages in or enforces consumer transactions whether or not dealing directly with the consumer. If HB 2278 becomes law, public utilities, including telecommunications companies will no longer be bound by this definition.

As written, oversight and regulation of telecommunication companies would fall to the Kansas Corporation Commission (KCC). However, the KCC is only responsible for setting the tariff for telecommunication companies; which is to say that the KCC decides what price can be charged for telecommunication services. The KCC does not have the authority to investigate deceptive or unconscionable acts. That obligation is left to the Attorney General's Office through its statutory mandate of the KCPA.

Furthermore, HB 2278 will have a direct effect on specific KCPA statutes that prohibit the unauthorized billing and switching of long distance services. K.S.A 50-6103 provides that:

(c) No *supplier* shall:

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- (1) Engage in any activity, conduct or representation that has the capacity to mislead, deceive or confuse the consumer, while soliciting or verifying a change in a consumer's telecommunications carrier or local exchange carrier to another carrier;
- (2) employ a box or container used to collect entries for sweepstakes, contests or drawings to gather letters of agency or other documents that constitute authorizations by consumers to change the consumers' telecommunications carrier or local exchange carrier to another carrier or to change or add to the consumers' accounts any supplemental telecommunications services;
- (3) use any methods not approved by statute, regulations of the federal communications commission or federal trade commission (as in effect on the effective date of this act) or state corporation commission rules and regulations to change a consumer's telecommunications carrier or local exchange carrier to another carrier; or
- (4) employ a check, draft or other negotiable instrument that constitutes authorization to change or add to the consumer's accounts any supplemental telecommunications services.

This statute, commonly referred to as the “cramming and slamming” statute, forces telecommunications companies to follow a specific set of procedures before a consumer’s long distance carrier can be switched. In addition, this statute protects consumers from having unauthorized charges being placed on their local phone bill. The penalty for violating this statute is a minimum of \$5,000.00 with a maximum of \$20,000.00.

By removing the “supplier” tag from telecommunications companies we will lose local oversight of potential violations and be forced to rely on a federal agency to investigate these matters.

Thank you for your time and I look forward to answering any questions.

Citizens' Utility Ratepayer Board

Board Members:

Gene Merry, Chair
A.W. Dirks, Vice-Chair
Carol I. Faucher, Member
Laura L. McClure, Member
Randy Brown, Member



State of Kansas

Kathleen Sebelius, Governor

David Springe, Consumer Counsel
1500 S.W. Arrowhead Road
Topeka, Kansas 66604-4027
Phone: (785) 271-3200
Fax: (785) 271-3116
<http://curb.kcc.state.ks.us>

Testimony on Behalf of the Citizens' Utility Ratepayer Board
By Steve Rarrick, Staff Attorney
Before the House Utility Committee
Re: House Bill 2278
February 6, 2007

Chairman Holmes and Members of the Committee:

Thank you for the opportunity to appear before you this morning on behalf of the Citizens' Utility Ratepayer Board (CURB). My name is Steve Rarrick and I am an attorney with CURB.

CURB understands House Bill 2278 has been proposed by Midwest Energy, a gas and electric utility that intends to implement a Pay As You Save ("PAYS") program. PAYS programs are designed to assist and motivate ratepayers to buy cost effective, resource efficient products such as high efficiency heating and air conditioning units. The cost of the products are repaid over time, and the obligation to repay is tied to the meter rather than the homeowner or tenant. As a result, when an owner sells or a tenant moves, the PAYS obligation passes to the next owner or tenant paying for the utility. CURB generally supports the concept of PAYS programs and appreciates the efforts of Midwest Energy to implement a PAYS program. CURB has some concerns about whether a PAYS program provides sufficient notification to subsequent home owners or tenants about the ongoing obligation to pay, but believes those concerns will be addressed in the tariff docket before the Kansas Corporation Commission.

CURB is opposed to House Bill 2278 because CURB is not convinced there is a need to remove existing Kansas Consumer Protection Act ("KCPA") protections to Kansans who purchase products and services from public utilities. As members of this Committee may recall, several specific KCPA statutes were passed to apply to business transactions conducted by public utilities (slamming, cramming, no-call). CURB understands from conversations with representatives of Midwest Energy that they did not intend the bill to have the broad application the existing language provides. However, CURB will remain opposed to more narrowly tailored language (i.e., gas and electric utilities engaging in energy efficiency or renewable energy programs), because we simply do not see a need for the elimination of the important consumer protections provided by the KCPA. CURB has been working with representatives of Midwest Energy, but to date has been unable to determine exactly why the company thinks the requested exemption is necessary other than a desire to avoid the jurisdiction of the KCPA for these transactions.

CURB understands that utilities are already exempt from the requirements of the Kansas Consumer Credit Code. The KCPA does not have specific detailed requirements applicable to

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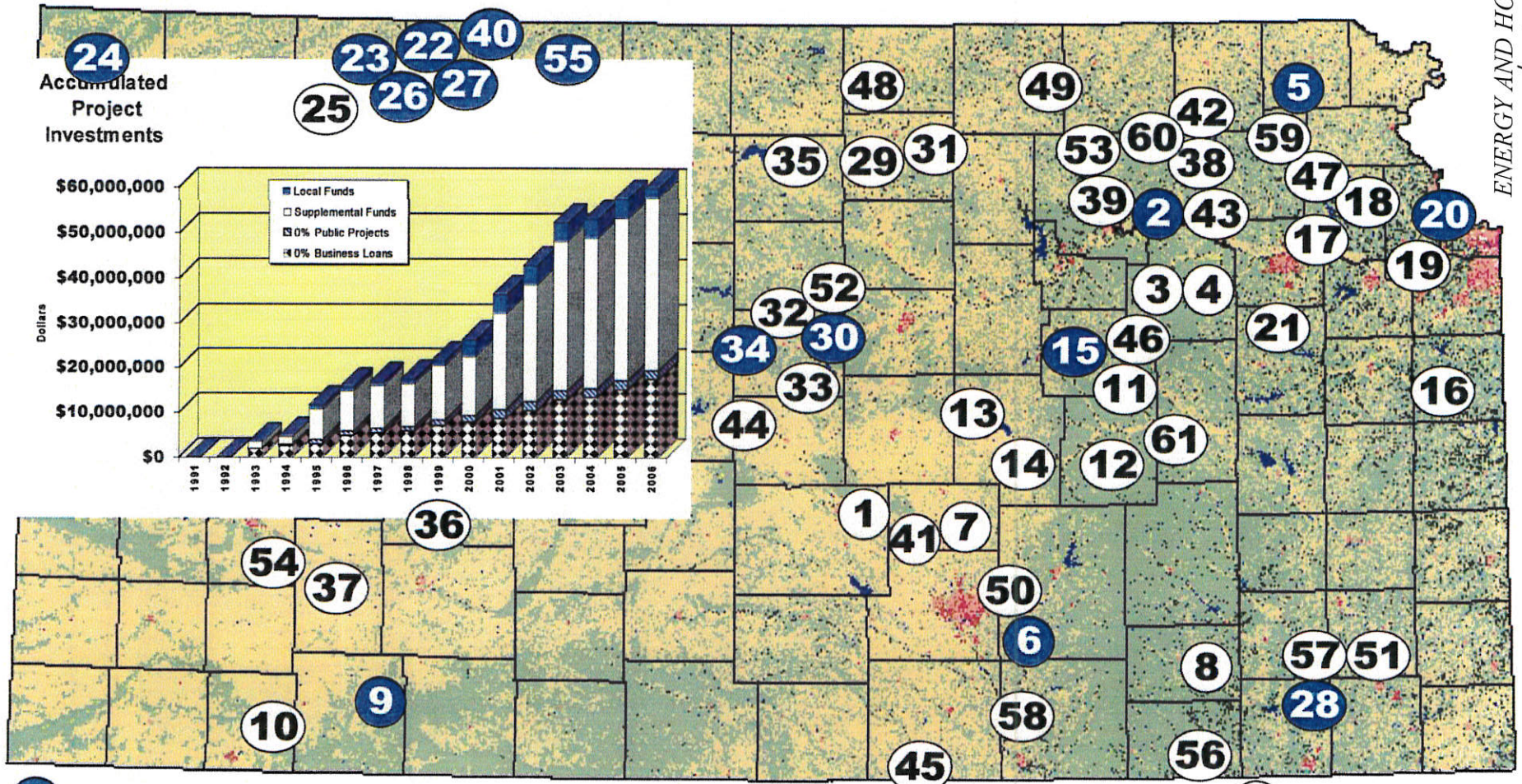
ATTACHMENT

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gas and electric utilities, but instead generally prohibits deceptive and unconscionable business practices. CURB doesn't expect the marketing materials sent to utility customers about a PAYS program would include deceptive misrepresentations leading to consumer complaints. However, in the event a utility did commit deceptive practices in marketing an energy efficiency program, it does not seem reasonable that consumers impacted by that deception should be left without the same consumer protections they would have in other transactions. Since the KCPA does not require a laundry list of specific requirements applicable to public utilities, it is difficult to see why consumers dealing with public utilities (or gas and electric utilities engaging in energy efficiency or renewable energy programs) should be denied the general consumer protections provided under the KCPA.

On behalf of CURB, I urge the Committee to vote against passage of House Bill 2278, and would stand for questions at the appropriate time.

Rural Development Projects Sponsored by KEPCo Members



0 = Public Purpose Project

Accumulated Total Valuation = \$61.5M

0 = For-Profit Project

Accumulated USDA Funds = \$18.4M Jobs Created = 916

For additional information contact Loren Medley - Topeka - 785/271-4846

Rural Development Projects Sponsored by KEPCo Members

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Map No.	Approved Projects	Sponsoring Electric Cooperative	Purpose	Total Project Cost	USDA Funds	Leveraged Investment	Jobs Created
1	KK Farms	Ark Valley	Construction of buildings for swine production	1,000,000	400,000	600,000	16
44	Miller Furniture of Claflin	Ark Valley	Building, furnishings and equipment purchase	408,246	326,000	82,246	4
2	City of Wamego	Bluestem	Expansion of the City hospital, purchase of furnishings & equipment	3,011,750	200,000	2,811,750	20
3	Grandma Hoerner's	Bluestem	Renovation of an existing building to manufacture specialty food items	565,000	450,000	115,000	14
4	Kansas Cowboy	Bluestem	Site preparation and building construction	370,531	275,000	95,531	23
38	Kaw Valley Equipment	Bluestem	Site preparation, building construction and equipment purchase	1,200,000	450,000	750,000	10
39	Uncopiers	Bluestem	Construction of a building & equipment to start-up their company	1,469,000	450,000	1,019,000	25
42	Houlthaus Electric Motor	Bluestem	Building and equipment purchase including some working capital	250,000	200,000	50,000	5
43	St. Marys Farmers Union Coop	Bluestem	Building and equipment purchase	720,500	450,000	270,500	6
49	Our Daily Bread	Bluestem	Renovation of an existing building to bake and serve specialty food items	87,500	70,000	17,500	7
53	Liberty, Inc.	Bluestem	Building construction and equipment purchase for metal fabricator	589,000	450,000	139,000	45
60	Bissen Concrete	Bluestem	Building construction and equipment purchase	250,000	200,000	50,000	22
5	Hiawatha Hospital	Brown-Atchison	Building renovation, mechanical equipment and energy conservation	1,027,790	450,000	577,790	10
59	Muddy Creek Medical Clinic	Brown-Atchison	Site preparation, building construction and equipment purchase	300,000	260,000	40,000	5
6	Butler Community College	Butler	Construction of additional classrooms at the Rose Hill High School	625,000	400,000	225,000	40
7	MidWest Electric Transformer	Butler	Construction of building for re-manufacture of electric transformers	180,000	100,000	80,000	5
50	Rose Hill	Butler	City infrastructure to support a new business/industrial park	830,177	252,000	578,177	0
8	Bellar Farms	Caney Valley	Construction of nursery building for swine production	320,000	120,000	200,000	4
56	Shade Tree Car Wash	Caney Valley	Building and equipment purchase	80,000	64,000	16,000	1
9	Fowler Senior Center	CMS	Construction of a Senior/Community Center	148,254	118,000	30,254	0
10	Prairie Pig Feeders	CMS	Construction of finishing floors for swine production	434,316	347,000	87,316	10
11	Custom Manufacturing	Flint Hills	Equipment purchase for production of custom equipment	1,189,000	325,000	864,000	23
12	FAI	Flint Hills	Construction of manufacturing building	525,000	420,000	105,000	30
13	Klassen Dairy	Flint Hills	Construction of buildings and infrastructure for a dairy expansion	542,500	400,000	142,500	15
14	Marion Manufacturing	Flint Hills	Building construction and equipment purchase for metal fabricator	452,000	318,000	134,000	4
15	Morris County Hospital	Flint Hills	Hospital expansion and mechanical equipment	2,300,000	450,000	1,850,000	9
46	Lexinet	Flint Hills	Construction of an expansion building to their company	142,688	114,000	28,688	3
16	Debrick Truck Line	Heartland	Construction of an office building and equipment	725,000	400,000	325,000	30
51	Styles, Inc.	Heartland	Building construction, equipment and start-up costs	158,195	126,000	32,195	2
57	Westhoff Interiors	Heartland	Building construction and equipment purchase	823,000	458,000	365,000	27
17	Ernest & Spencer Metals	Leavenworth-Jefferson	Site preparation, building construction, and equipment purchase for metal fabricator	1,541,012	400,000	1,141,012	22
18	Precast Engineering & Mfg.	Leavenworth-Jefferson	Equipment purchase for a specialty precast concrete company	891,535	225,000	666,535	20
19	Rightway Pharmacy	Leavenworth-Jefferson	Equipment purchase for a pharmaceutical company	2,561,597	450,000	2,111,597	51
20	Stranger Twp. Fire Department	Leavenworth-Jefferson	Purchase of fire truck	200,000	160,000	40,000	0
47	Mackison Foods	Leavenworth-Jefferson	Equipment purchase and installation of equipment	350,000	234,000	116,000	8
21	Forbes Medical	Lyon-Coffey	Expansion of existing building and equipment	1,000,000	400,000	600,000	50
61	Deer Trail Implement	Lyon-Coffey	Building construction and equipment purchase	2,372,102	740,000	1,632,102	10
22	City of Aimea	Prairie Land	Purchase of fire truck	200,860	30,000	170,860	0
23	City of Oberlin	Prairie Land	Purchase of fire truck	190,000	152,000	38,000	0
24	Cheyenne County	Prairie Land	Fairground Grandstand	135,000	92,000	43,000	0
25	Creative Dimensions	Prairie Land	Manufacturing Equipment	235,000	185,000	50,000	10
26	Decatur County Hospital	Prairie Land	CT Scan Machine	350,000	200,000	150,000	2
27	Norton County Hospital	Prairie Land	Diagnostic Imaging	250,000	200,000	50,000	0
40	Norton County Hospital	Prairie Land	The county will expand and renovate the existing facility	4,520,000	450,000	4,070,000	5
55	Phillips County Medical Clinic	Prairie Land	Building renovation and equipment purchase	1,075,000	300,000	775,000	4
28	City of Cherryvale	Radiant	Fire fighting equipment purchase	254,888	203,000	51,888	0
29	Ag Mark	Rolling Hills	Purchase rolling stock, fixtures, and equipment for grain unit train loader	8,910,000	450,000	8,460,000	8
30	City of Ellsworth	Rolling Hills	Building construction and lease to a manufacturing company	1,141,000	400,000	741,000	100
31	Gerard Tank & Steel	Rolling Hills	Construction of building and purchase of equipment for expansion	251,385	200,000	51,385	10
32	Kansas Originals	Rolling Hills	Building and equipment purchase for retail	76,651	41,000	35,651	20
33	Moly Manufacturing	Rolling Hills	Building and equipment purchase for equipment manufacturer	227,444	181,000	46,444	10
34	Wilson Hotel	Rolling Hills	Renovation of an existing historic hotel	1,975,588	450,000	1,525,588	13
35	Winkel Manufacturing, Inc.	Rolling Hills	Construction of an expansion building to their company	135,000	108,000	27,000	5
48	NutriShield	Rolling Hills	Equipment purchase, building expansion and remodeling	236,274	136,000	100,274	9
52	Gene's IGA	Rolling Hills	Building construction, equipment and inventory	1,900,000	450,000	1,450,000	10
41	Chisholm Trail Country Store	Sedgwick County	Signage, equipment and inventory	1,774,984	360,000	1,414,984	15
45	Caldwell Bottling Company	Sumner-Cowley	Building renovation, mechanical equipment and some working capital	775,000	450,000	325,000	21
58	Southern Kansas Cotton Growers	Sumner-Cowley	Land, building construction and equipment	698,000	558,000	140,000	8
36	Bonzal Products	Victory	Purchase of building and equipment for metal fabricator	338,550	271,000	67,550	8
37	Cimarron Dairy	Victory	Site preparation, building construction and equipment purchase for a new dairy	5,565,000	400,000	5,165,000	80
54	Plymell Dairy	Victory	Dairy production	630,000	450,000	180,000	2
Totals				\$61,486,317	\$18,369,000	\$43,117,317	916

For additional information contact Loren Medley, Topeka - 785/271-4246 or Clare Gustin, Hays 785/623-3321

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TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS

TAXATION
FEDERAL AND STATE AFFAIRS
FINANCIAL INSTITUTIONS
ECONOMIC DEVELOPMENT

February 6, 2007

Testimony for HB 2222

I. Introduction

- A. Brief explanation
- B. Benefits of Hybrids
- C. Bright Future

II. Explanation

- A. Refundable Income Tax Credit
 1. Different types of income tax credits
 2. Refundable income tax credits
- B. Monetary limit of \$2,500,000
- C. Two year "sunset provision"
- D. Definition of Hybrid Vehicle
 1. "...combines two or more onboard sources of power that can directly or indirectly provide propulsion power."
 2. Defined by revisors, auto industry, Kansas Department of Revenue, Energy and Utilities Committee Chairman

III. Benefits of Hybrids

- A. Increased gas mileage
 1. Additional information bar graphs
 - a. passenger cars
 - b. SUV's
 - c. trucks
 2. Raw data
 - a. passenger cars
 - b. SUV's
 - c. trucks
- B. Direct benefit to Kansas tax rolls
 1. New plant in Kansas City, Kansas
 - a. more employees
 - b. additional taxes to state income, residential property tax, sales tax

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IV. New technologies

A. PHEV's

1. Better MPG
2. Cheap energy
3. Home emergency generator

B. Hydrogen cars, Natural Gas

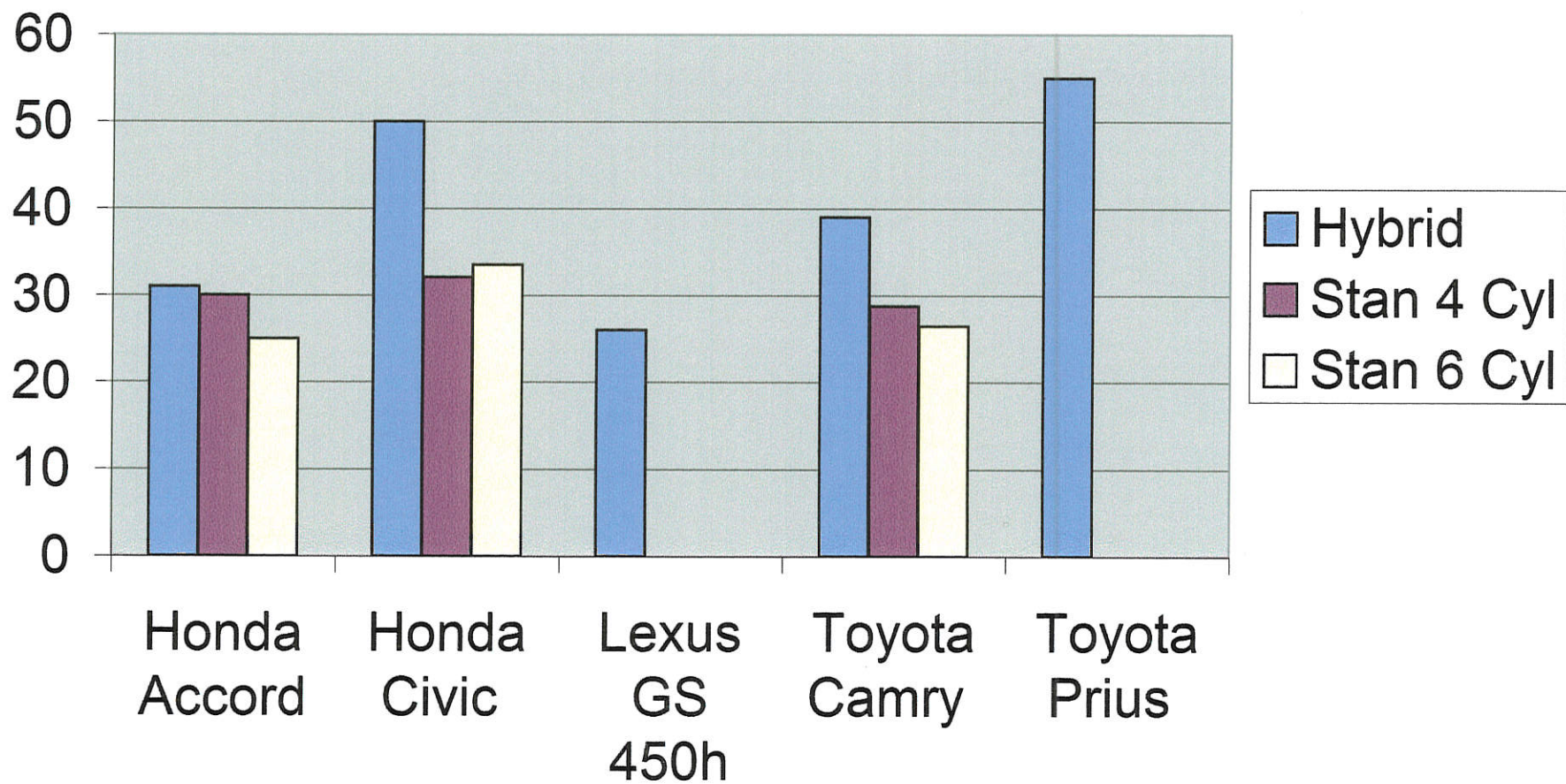
V. Conclusion

A. Overview of HB 2222

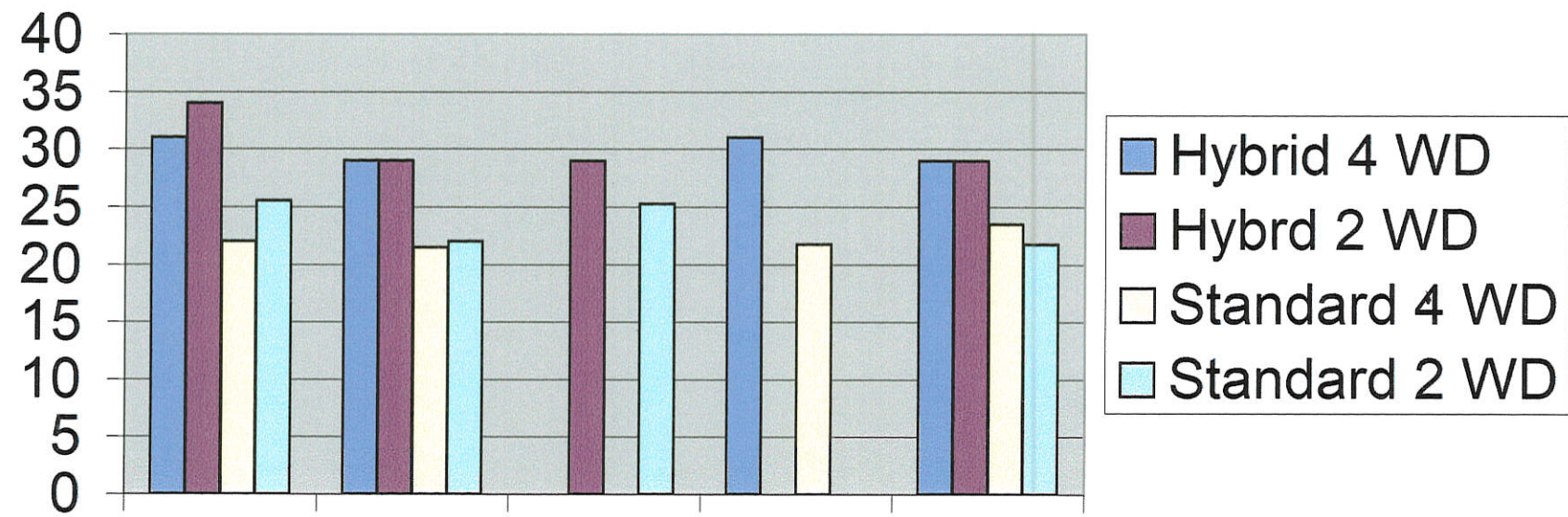
B. Benefits of Hybrids

C. New Technology

Passenger Car Mileage (www.fueleconomy.gov)

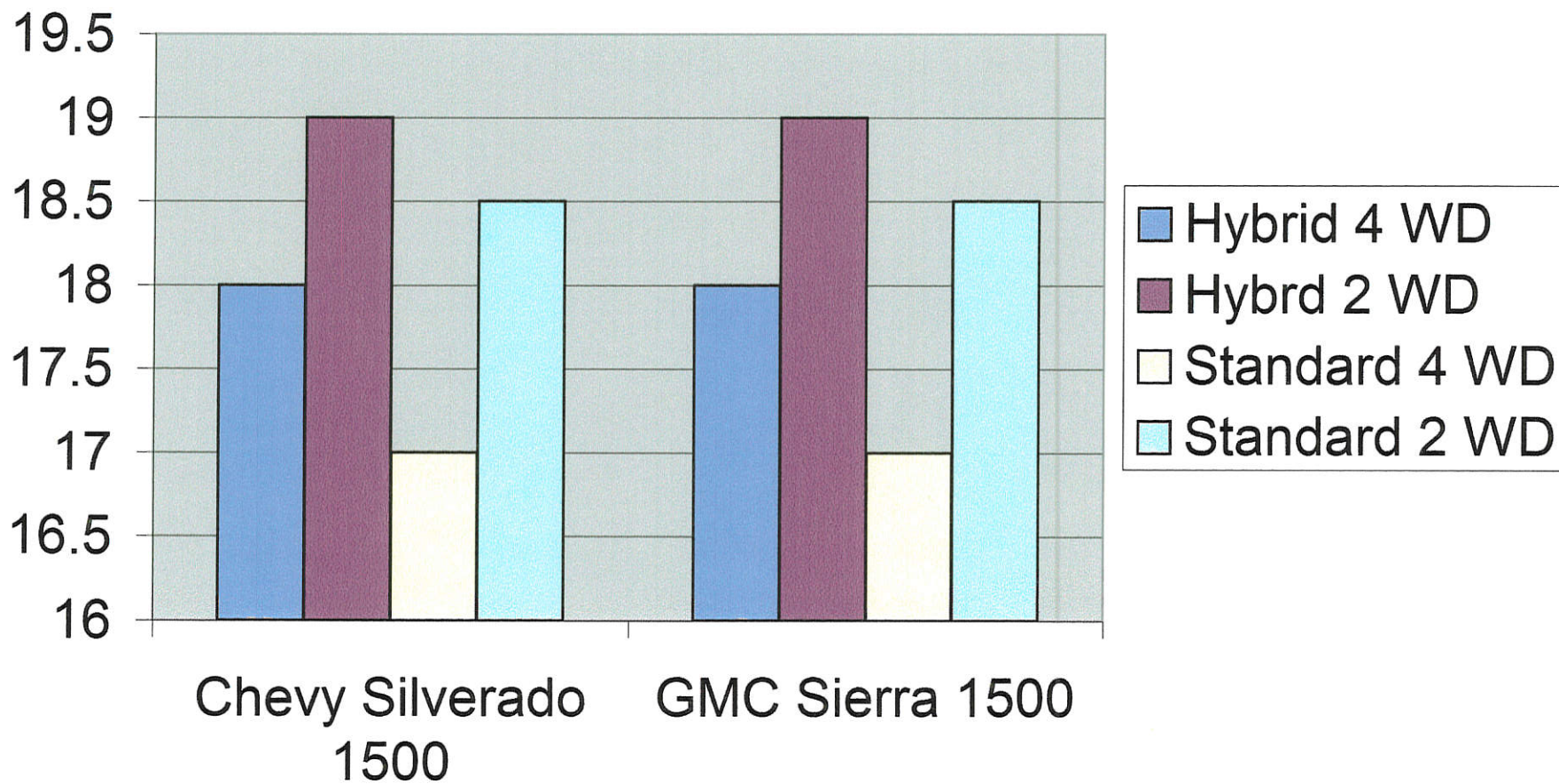


SUV Mileage (www.fueleconomy.gov)



Ford Escape
Lexus RX
Saturn Vue
Mercury Mariner
Toyota Highlander

Full Size Trucks Mileage (www.fueleconomy.gov)



HYBRID-ELECTRIC VEHICLES

It's no accident the most fuel-efficient vehicles in some classes for the 2007 model year are hybrid-electric vehicles (HEVs). Hybrids combine the best features of the internal combustion engine with an electric motor and can significantly improve fuel economy without sacrificing performance or driving range. HEVs may also be configured to provide increased performance or provide electrical power to auxiliary loads such as power tools.

HEVs are primarily propelled by an internal combustion engine, just like conventional vehicles. However, they also convert energy normally wasted during coasting and braking into electricity, which is stored in a battery until needed by the electric motor. The electric motor assists the engine when accelerating or hill climbing and at low speeds where internal combustion engines are least

efficient. Unlike all-electric vehicles, HEVs now being offered do not need to be plugged into an external source of electricity to be recharged; conventional gasoline and regenerative braking provide all the energy the vehicle needs.

Potential buyers should also be aware that the federal government is currently offering tax incentives for HEVs. Some states also offer incentives. Additional information on HEVs, including tax incentives, can be found at www.fueleconomy.gov.

Annual fuel cost is estimated assuming 15,000 miles of travel each year (55% city and 45% highway) and a gasoline fuel cost of \$2.65 per gallon (regular unleaded).

	Trans Type / Speeds	Eng Size / Cylinders	MPG City / Hwy	Annual Fuel Cost	Battery Size / Type
COMPACT CARS					
HONDA					
Civic Hybrid	AV	1.3/4	49/51	\$795	158 V, Ni-MH
LEXUS					
GS 450h	A-S6	3.5/6	25/28	\$1,646	288 V, Ni-MH
MIDSIZE CARS					
HONDA					
Accord Hybrid	A-5	3.0/6	28/35	\$1,284	144 V, Ni-MH
NISSAN					
Altima Hybrid	AV	2.5/4	NA	NA	245 V, Ni-MH
SATURN					
Aura Hybrid	A-4	2.4/4	NA	NA	42 V, Lead-Acid
TOYOTA					
Camry Hybrid	AV	2.4/4	40/38	\$1,018	245 V, Ni-MH
Prius	AV	1.5/4	60/51	\$723	202 V, Ni-MH
STANDARD PICKUP TRUCKS 2WD					
CHEVROLET					
C15 Silverado Classic Hybrid 2WD	A-4	5.3/8	18/21	\$2,091	42 V, Lead-Acid
GMC					
C15 Sierra Classic Hybrid 2WD	A-4	5.3/8	18/21	\$2,091	42 V, Lead-Acid

	Trans Type / Speeds	Eng Size / Cylinders	MPG City / Hwy	Annual Fuel Cost	Battery Size / Type
STANDARD PICKUP TRUCKS 4WD					
CHEVROLET					
K15 Silverado Classic Hybrid 4WD	A-4	5.3/8	17/19	\$2,210	42 V, Lead-Acid
GMC					
K15 Sierra Classic Hybrid 4WD	A-4	5.3/8	17/19	\$2,210	42 V, Lead-Acid
SPORT UTILITY VEHICLES 2WD					
FORD					
Escape Hybrid FWD	AV	2.3/4	36/31	\$1,169	330 V, Ni-MH
LEXUS					
RX 400h 2WD	AV	3.3/6	32/27	\$1,475	288 V, Ni-MH
SATURN					
Vue Hybrid	A-4	2.4/4	27/32	\$1,371	36 V, Ni-MH
TOYOTA					
Highlander Hybrid 2WD	AV	3.3/6	32/27	\$1,371	288 V, Ni-MH
SPORT UTILITY VEHICLES 4WD					
FORD					
Escape Hybrid 4WD	AV	2.3/4	32/29	\$1,284	330 V, Ni-MH
LEXUS					
RX 400h 4WD	AV	3.3/6	31/27	\$1,475	288 V, Ni-MH
MERCURY					
Mariner Hybrid 4WD	AV	2.3/4	32/29	\$1,284	330 V, Ni-MH
TOYOTA					
Highlander Hybrid 4WD	AV	3.3/6	31/27	\$1,371	288 V, Ni-MH

ABBREVIATIONS:		
2WD	Two-Wheel Drive	CNG
4WD	Four-Wheel Drive	Compressed Natural Gas
A	Automatic Transmission	E85
A-S	Automatic Transmission-Select Shift	85% Ethanol/15% Gasoline
AV	Continuously Variable Transmission	Eng Size
City	MPG on City Test Procedure	Engine Volume in Liters
		FWD
		Front-Wheel Drive
		FFV
		Flexible Fuel Vehicle
		Hwy
		MPG on Highway Test Procedure
		M
		Manual Transmission
		NA
		Not Available at Press Time
		Ni-MH
		Nickel-Metal Hydride
		T
		Turbocharger
		Trans
		Transmission
		V
		Volts

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Find and Compare Cars | Gas Mileage Tips | Gasoline Prices | Your MPG Will Vary | Why is Fuel Economy Important? | Your MPG | **Hybrids, Diesels, Alt Fuels, Etc.** | Tax Incentives

U.S. Department of Energy | [Print the Fuel Economy Guide](#) | U.S. Environmental Protection Agency

Hybrid SUVs

Hybrid Trucks

Hybrid Cars

Hybrid Vehicles

[Compare Side-by-Side](#)

[How Hybrids Work](#)

[News & Info](#)

[Tax Incentives](#)

[Hybrid Links](#)

Side-by-Side

Diesel Vehicles & Fuels

Flex-Fuel Vehicles

Alternative Fuels

Energy Requirements

Energy Efficient Technologies

Electric Vehicles

Fuel Cell Vehicles

Fuel Type
Transmission
MPG (city)
MPG (hwy)
MPG (comb)

Cost to Drive 25 Miles
Fuel to Drive 25 Miles
Cost of a Fill-up
Miles on a Tank
Tank Size
Annual Fuel cost*

Annual Greenhouse Gas Emissions*

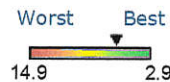
National Highway Traffic Safety Administration
EPA Size Class
Engine Size (liters)
Cylinders
Drive
Gas Guzzler
Turbocharger
Supercharger
Passenger Volume
Luggage Volume

2007 Honda Accord Hybrid



Regular Gasoline Auto (5 speed)
28
35
31

\$1.80
0.81 gal
\$34.32
477 miles
17.1 gal
\$1080



5.9 tons

[Crash Test Results](#)

Midsize Cars
3
6
Front-wheel drive
no
no
no
103ft³ (4D)
11ft³ (4D)

2007 Honda Civic Hybrid



Regular Gasoline Auto (CVT)
49
51
50

\$1.12
0.50 gal
\$24.69
554 miles
12.3 gal
\$669



3.7 tons

[Crash Test Results](#)

Compact Cars
1.3
4
Front-wheel drive
no
no
no
91ft³ (4D)
10ft³ (4D)

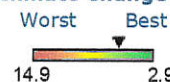
2007 Lexus GS 450h



EPA Fuel Economy
Premium Gasoline Auto (S6)
25
28
26

Fuel Economics
\$2.36
0.96 gal
\$37.93
402 miles
17.2 gal
\$1415

Climate Change?



7.0 tons
Safety

-

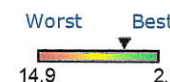
Compact Cars
3.5
6
Rear-wheel drive
no
no
no
98 ft³ (4D)
8 ft³ (4D)

2007 Toyota Camry Hybrid



Regular Gasoline Auto (CVT)
40
38
39

\$1.43
0.64 gal
\$34.52
604 miles
17.2 gal
\$856



4.8 tons

[Crash Test Results](#)

Midsize Cars
2.4
4
Front-wheel drive
no
no
no
101ft³ (4D)
11ft³ (4D)

2007 Toyota Prius



Regular Gasoline Auto (CVT)
60
51
55

\$1.01
0.45 gal
\$23.88
589 miles
11.9 gal
\$609



3.4 tons

[Crash Test Results](#)

Midsize Cars
1.5
4
Front-wheel drive
no
no
no
96 ft³ (HB)
16 ft³ (HB)

5-8

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- [Gas Mileage Tips](#)
- [Gasoline Prices](#)
- [Your MPG Will Vary](#)
- [Why is Fuel Economy Important?](#)
- [Your MPG](#)
- [Hybrids, Diesels, Alt Fuels, Etc.](#)
- [Tax Incentives](#)

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Find a Car

Compare Side-by-Side

Search by Class

Search by Make

Search by MPG

Cars that don't need gasoline

Best and Worst MPG





2007 Honda Accord

Sorted by MPG (city), Click on column headings to resort

Select up to 4 models to compare

Compare!



Model	MPG city	MPG hwy	Annual Fuel Cost	Greenhouse Gas Emissions (tons/yr)	Air Pollution Score
<input type="checkbox"/> compare > 	26	34	\$1154	6.4 tons	6
<input type="checkbox"/> compare > 	24	34	\$1194	6.6 tons	9
<input type="checkbox"/> compare > 	21	30	\$1395	7.7 tons	6
<input type="checkbox"/> compare > 	20	29	\$1455	7.8 tons	6

Customize....

- [Use your gas prices and Annual Miles](#)
- [Switch to Metric units](#)
- [Show Air Pollution Scores for CA and Northeast States](#)

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- [Find and Compare Cars](#)
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- [Gasoline Prices](#)
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Find a Car

2007 Honda Civic

Sorted by MPG (city), Click on column headings to resort

Compare Side-by-Side

Search by Class

Search by Make

Search by MPG

Cars that don't need gasoline

Best and Worst MPG

Select up to 4 models to compare



[compare](#)

[compare](#)

[compare](#)

[compare](#)

Model	MPG city	MPG hwy	Annual Fuel Cost	Greenhouse Gas Emissions (tons/yr)	Air Pollution Score
Honda Civic 4 cyl, 1.8 L, Auto(5), Regular	30	40	\$1014	5.5 tons	6
Honda Civic 4 cyl, 1.8 L, Man(5), Regular	30	38	\$1014	5.5 tons	6
Honda Civic 4 cyl, 1.8 L, Auto(5), RNG=200, Natural Gas	28	39	\$681	4.7 tons	9
Honda Civic 4 cyl, 2 L, Man(6), Premium	23	32	\$1415	7.0 tons	6

Compare!

Customize....

- [Use your gas prices and Annual Miles](#)
- [Switch to Metric units](#)
- [Show Air Pollution Scores for CA and Northeast States](#)

* Based on 45% highway driving, 55% city driving, 15000 annual miles and the [price of fuel](#) used by the vehicle. You may [customize](#) these values to reflect the

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- [Find and Compare Cars](#)
- [Gas Mileage Tips](#)
- [Gasoline Prices](#)
- [Your MPG Will Vary](#)
- [Why is Fuel Economy Important?](#)
- [Your MPG](#)
- [Hybrids, Diesels, Alt Fuels, Etc.](#)
- [Tax Incentives](#)

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Find a Car

Compare Side-by-Side

Search by Class

Search by Make

Search by MPG

Cars that don't need gasoline

Best and Worst MPG




2007 Toyota Camry

Sorted by MPG (city), Click on column headings to resort

Select up to 4 models to compare

Compare!



Model	MPG city	MPG hwy	Annual Fuel Cost	Greenhouse Gas Emissions (tons/yr)	Air Pollution Score
<input type="checkbox"/> compare > 	24	34	\$1194	6.6 tons	6
<input type="checkbox"/> compare > 	24	33	\$1238	6.7 tons	6
<input type="checkbox"/> compare > 	22	31	\$1338	7.2 tons	6

Customize....

- [Use your gas prices and Annual Miles](#)
- [Switch to Metric units](#)
- [Show Air Pollution Scores for CA and Northeast States](#)

* Based on 45% highway driving, 55% city driving, 15000 annual miles and the [price of fuel](#) used by the vehicle. You may [customize](#) these values to reflect the price of fuel in your area and your own driving patterns.

[Greenhouse gas emissions](#) expressed in CO₂ equivalents. Estimates include the full fuel cycle and exclude vehicle manufacture. (U.S. Department of Energy, GREET Model, Argonne National Laboratory)

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Hybrid Cars

Hybrid Trucks

Hybrid Sport Utility Vehicles

- Hybrid Vehicles
- Compare Side-by-Side
- How Hybrids Work
- News & Info
- Tax Incentives
- Hybrid Links

Side-by-Side

- Diesel Vehicles & Fuels
- Flex-Fuel Vehicles
- Alternative Fuels
- Energy Requirements
- Energy Efficient Technologies
- Electric Vehicles
- Fuel Cell Vehicles

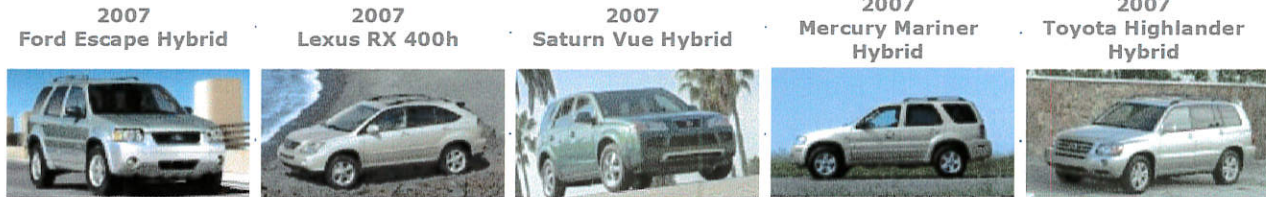
- Fuel Type
- Drive
- MPG (city)
- MPG (hwy)
- MPG (comb)

- Cost to Drive 25 Miles
- Fuel to Drive 25 Miles
- Cost of a Fill-up
- Miles on a Tank
- Tank Size
- Annual Fuel cost*

- Annual Greenhouse Gas Emissions*

- National Highway Traffic Safety Administration

- EPA Size Class
- Transmission
- Engine Size (liters)
- Cylinders
- Gas Guzzler
- Turbocharger
- Supercharger
- Engine Characteristics



	2007 Ford Escape Hybrid		2007 Lexus RX 400h		2007 Saturn Vue Hybrid		2007 Mercury Mariner Hybrid		2007 Toyota Highlander Hybrid	
EPA Fuel Economy	Regular		Premium		Regular		Regular		Regular	
	FWD	4WD	2WD	4WD	2WD	4WD	4WD	4WD	2WD	4WD
	36	32	32	31	27	31	32	29	32	31
	31	29	27	27	32	29	31	29	27	27
	34	31	29	29	29	31	31	31	29	29
Fuel Economics	Regular		Regular		Regular		Regular		Regular	
	0.74 gal	0.81 gal	0.86 gal	0.86 gal	0.86 gal	0.81 gal	0.81 gal	0.86 gal	0.86 gal	0.86 gal
	\$30.10	\$30.10	\$37.93	\$37.93	\$32.11	\$30.10	\$30.10	\$34.52	\$34.52	\$34.52
	459 miles	419 miles	449 miles	449 miles	418 miles	419 miles	419 miles	449 miles	449 miles	449 miles
	15.0 gal	15.0 gal	17.2 gal	17.2 gal	16.0 gal	15.0 gal	15.0 gal	17.2 gal	17.2 gal	17.2 gal
	\$983	\$1080	\$1268	\$1268	\$1154	\$1080	\$1080	\$1154	\$1154	\$1154
Climate Change	Worst Best		Worst Best		Worst Best		Worst Best		Worst Best	
	14.9	2.9	14.9	2.9	14.9	2.9	14.9	2.9	14.9	2.9
	5.4 tons	6.0 tons	6.3 tons	6.4 tons	6.4 tons	6.0 tons	6.0 tons	6.3 tons	6.4 tons	6.4 tons
Safety	Crash Test Results		Crash Test Results		Crash Test Results		Crash Test Results		Crash Test Results	
	Sport Utility Vehicles Automatic (CVT)		Sport Utility Vehicles Automatic (CVT)		Sport Utility Vehicles Automatic (4 speed)		Sport Utility Vehicles Automatic (CVT)		Sport Utility Vehicles Automatic (CVT)	
	2.3		3.3		2.4		2.3		3.3	
	4		6		4		4		6	
	no		no		no		no		no	
	no		no		no		no		no	
	no		no		no		no		no	
	-		HEV		-		-		HEV	

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- [Gasoline Prices](#)
- [Your MPG Will Vary](#)
- [Why is Fuel Economy Important?](#)
- [Your MPG](#)
- [Hybrids, Diesels, Alt Fuels, Etc.](#)
- [Tax Incentives](#)

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Find a Car

2007 Ford Escape FWD

Sorted by MPG (city), Click on column headings to resort

Compare Side-by-Side

Select up to 4 models to compare

Compare!

Search by Class




Search by Make

Search by MPG

Cars that don't need gasoline

Best and Worst MPG



Model	MPG city	MPG hwy	Annual Fuel Cost	Greenhouse Gas Emissions (tons/yr)	Air Pollution Score
<input type="checkbox"/> compare >  Ford Escape FWD 4 cyl, 2.3 L, Man(5), Regular Worst Best 14.9 2.9 7.1 tons	24	29	\$1288		6
<input type="checkbox"/> compare >  Ford Escape FWD 4 cyl, 2.3 L, Auto(4), Regular Worst Best 14.9 2.9 7.7 tons	23	26	\$1395		6
<input type="checkbox"/> compare >  Ford Escape FWD 6 cyl, 3 L, Auto(4), Regular Worst Best 14.9 2.9 8.5 tons	20	24	\$1522		6

Customize...

- [Use your gas prices and Annual Miles](#)
- [Switch to Metric units](#)
- [Show Air Pollution Scores for CA and Northeast States](#)

* Based on 45% highway driving, 55% city driving, 15000 annual miles and the [price of fuel](#) used by the vehicle. You may [customize](#) these values to reflect the price of fuel in your area and your own driving patterns.

[Greenhouse gas emissions](#) expressed in CO₂ equivalents. Estimates include the full fuel cycle and exclude vehicle manufacture. (U.S. Department of Energy, GREET Model, Argonne National Laboratory)

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- [Find and Compare Cars](#)
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- [Your MPG Will Vary](#)
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- [Your MPG](#)
- [Hybrids, Diesels, Alt Fuels, Etc.](#)
- [Tax Incentives](#)

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Find a Car

2007 Ford Escape 4WD

Sorted by MPG (city), Click on column headings to resort

Compare Side-by-Side

Select up to 4 models to compare

Compare!

Search by Class




Search by Make

Search by MPG

Cars that don't need gasoline

Best and Worst MPG



Model	MPG city	MPG hwy	Annual Fuel Cost	Greenhouse Gas Emissions (tons/yr)	Air Pollution Score
<input type="checkbox"/> compare > Ford Escape 4WD 4 cyl, 2.3 L, Man(5), Regular 	22	27	\$1395	7.6 tons	6
<input type="checkbox"/> compare > Ford Escape 4WD 4 cyl, 2.3 L, Auto(4), Regular 	21	24	\$1522	8.2 tons	6
<input type="checkbox"/> compare > Ford Escape 4WD 6 cyl, 3 L, Auto(4), Regular 	19	23	\$1592	8.9 tons	6

Customize...

- [Use your gas prices and Annual Miles](#)
- [Switch to Metric units](#)
- [Show Air Pollution Scores for CA and Northeast States](#)

* Based on 45% highway driving, 55% city driving, 15000 annual miles and the [price of fuel](#) used by the vehicle. You may [customize](#) these values to reflect the price of fuel in your area and your own driving patterns.

[Greenhouse gas emissions](#) expressed in CO₂ equivalents. Estimates include the full fuel cycle and exclude vehicle manufacture. (U.S. Department of Energy, CREET Model, Argonne National Laboratory)

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Find a Car

2007 Lexus RX 350 4WD

Sorted by MPG (city), Click on column headings to resort

Compare Side-by-Side

Select up to 4 models to compare

Compare!

[Search by Class](#)

[Search by Make](#)

[Search by MPG](#)

[Cars that don't need gasoline](#)

[Best and Worst MPG](#)



[compare >](#)



MPG
city hwy

19 24

Annual Fuel Cost

\$1749

Greenhouse Gas Emissions
(tons/yr)

Worst Best

14.9 2.9

8.7 tons

Air Pollution Score
All states except CA and NE states



[compare >](#)



19 24

\$1749

Worst Best

14.9 2.9

8.7 tons



* Based on 45% highway driving, 55% city driving, 15000 annual miles and the [price of fuel](#) used by the vehicle. You may [customize](#) these values to reflect the price of fuel in your area and your own driving patterns.

[Greenhouse gas emissions](#) expressed in CO₂ equivalents. Estimates include the full fuel cycle and exclude vehicle manufacture. (U.S. Department of Energy, GREET Model, Argonne National Laboratory)

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- [Find and Compare Cars](#)
- [Gas Mileage Tips](#)
- [Gasoline Prices](#)
- [Your MPG Will Vary](#)
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- [Your MPG](#)
- [Hybrids, Diesels, Alt Fuels, Etc.](#)
- [Tax Incentives](#)

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Find a Car

2007 Saturn Vue FWD

Sorted by MPG (city), Click on column headings to resort

Compare Side-by-Side

Select up to 4 models to compare

Compare!

Search by Class




Search by Make

Search by MPG

Cars that don't need gasoline

Best and Worst MPG



Model	MPG city	MPG hwy	Annual Fuel Cost	Greenhouse Gas Emissions (tons/yr)	Air Pollution Score
<input type="checkbox"/> compare 	23	29	\$1338	7.1 tons	6
<input type="checkbox"/> compare 	22	27	\$1395	7.2 tons	6
<input type="checkbox"/> compare 	20	28	\$1455	8.1 tons	6

Customize...

- [Use your gas prices and Annual Miles](#)
- [Switch to Metric units](#)
- [Show Air Pollution Scores for CA and Northeast States](#)

* Based on 45% highway driving, 55% city driving, 15000 annual miles and the [price of fuel](#) used by the vehicle. You may [customize](#) these values to reflect the price of fuel in your area and your own driving patterns.

[Greenhouse gas emissions](#) expressed in CO₂ equivalents. Estimates include the full fuel cycle and exclude vehicle manufacture. (U.S. Department of Energy, GREET Model, Argonne National Laboratory)

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- [Find and Compare Cars](#)
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- [Gasoline Prices](#)
- [Your MPG Will Vary](#)
- [Why is Fuel Economy Important?](#)
- [Your MPG](#)
- [Hybrids, Diesels, Alt Fuels, Etc.](#)
- [Tax Incentives](#)

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Find a Car

2007 Mercury Mariner 4WD

Sorted by MPG (city), Click on column headings to resort

Compare Side-by-Side

Select up to 4 models to compare

Compare!

[Search by Class](#)

[Search by Make](#)

[Search by MPG](#)

[Cars that don't need gasoline](#)

[Best and Worst MPG](#)



[compare >](#)



Mercury Mariner 4WD 4 cyl, 2.3 L, Auto(4), Regular

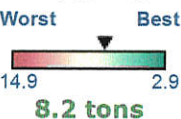
MPG
city hwy

21 24

Annual Fuel Cost

\$1522

Greenhouse Gas Emissions
(tons/yr)



Air Pollution Score
All states except CA and NE states



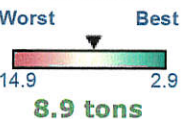
[compare >](#)



Mercury Mariner 4WD 6 cyl, 3 L, Auto(4), Regular

19 23

\$1592



* Based on 45% highway driving, 55% city driving, 15000 annual miles and the [price of fuel](#) used by the vehicle. You may [customize](#) these values to reflect the price of fuel in your area and your own driving patterns.

[Greenhouse gas emissions](#) expressed in CO₂ equivalents. Estimates include the full fuel cycle and exclude vehicle manufacture. (U.S. Department of Energy, GREET Model, Argonne National Laboratory)

Customize....

- [Use your gas prices and Annual Miles](#)
- [Switch to Metric units](#)
- [Show Air Pollution Scores for CA and Northeast States](#)

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- [Find and Compare Cars](#)
- [Gas Mileage Tips](#)
- [Gasoline Prices](#)
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- [Hybrids, Diesels, Alt Fuels, Etc.](#)
- [Tax Incentives](#)

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Find a Car

2007 Toyota Highlander 2WD

Sorted by MPG (city), Click on column headings to resort

Compare Side-by-Side

Select up to 4 models to compare

Compare!

[Search by Class](#)

[Search by Make](#)

[Search by MPG](#)

[Cars that don't need gasoline](#)

[Best and Worst MPG](#)



[compare >](#)



Toyota Highlander 2WD 4 cyl, 2.4 L, Auto(4), Regular

MPG
city hwy

22 28

Annual Fuel Cost

\$1395

Greenhouse Gas Emissions
(tons/yr)

Worst Best



7.6 tons

Air Pollution Score
All states except CA and NE states



[compare >](#)

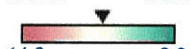


Toyota Highlander 2WD 6 cyl, 3.3 L, Auto(5), Regular

19 25

\$1592

Worst Best



8.6 tons



* Based on 45% highway driving, 55% city driving, 15000 annual miles and the [price of fuel](#) used by the vehicle. You may [customize](#) these values to reflect the price of fuel in your area and your own driving patterns.

[Greenhouse gas emissions](#) expressed in CO₂ equivalents. Estimates include the full fuel cycle and exclude vehicle manufacture. (U.S. Department of Energy, GREET Model, Argonne National Laboratory)

Customize....

- [Use your gas prices and Annual Miles](#)
- [Switch to Metric units](#)
- [Show Air Pollution Scores for CA and Northeast States](#)

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- [Find and Compare Cars](#)
- [Gas Mileage Tips](#)
- [Gasoline Prices](#)
- [Your MPG Will Vary](#)
- [Why is Fuel Economy Important?](#)
- [Your MPG](#)
- [Hybrids, Diesels, Alt Fuels, Etc.](#)
- [Tax Incentives](#)

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Find a Car

2007 Toyota Highlander 4WD

Sorted by MPG (city), Click on column headings to resort

Compare Side-by-Side

Select up to 4 models to compare

Compare!

[Search by Class](#)

[Search by Make](#)

[Search by MPG](#)

[Cars that don't need gasoline](#)

[Best and Worst MPG](#)



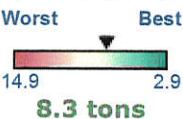
[compare >](#)



MPG
city hwy
Annual Fuel Cost

20 25 \$1522

Greenhouse Gas Emissions
(tons/yr) ⓘ



Air Pollution Score ⓘ
All states except CA and NE states

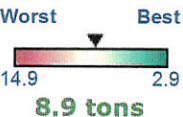


[compare >](#)



MPG
city hwy
Annual Fuel Cost

18 24 \$1592



* Based on 45% highway driving, 55% city driving, 15000 annual miles and the [price of fuel](#) used by the vehicle. You may [customize](#) these values to reflect the price of fuel in your area and your own driving patterns.

[Greenhouse gas emissions](#) expressed in CO₂ equivalents. Estimates include the full fuel cycle and exclude vehicle manufacture. (U.S. Department of Energy, GREET Model, Argonne National Laboratory)

Customize....

- [Use your gas prices and Annual Miles](#)
- [Switch to Metric units](#)
- [Show Air Pollution Scores for CA and Northeast States](#)

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www.fueleconomy.gov



[Find and Compare Cars](#) | [Gas Mileage Tips](#) | [Gasoline Prices](#) | [Your MPG Will Vary](#) | [Why is Fuel Economy Important?](#) | [Your MPG](#) | [Hybrids, Diesels, Alt Fuels, Etc.](#) | [Tax Incentives](#)

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[Hybrid SUVs](#)

Hybrid Vehicles

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- [How Hybrids Work](#)
- [News & Info](#)
- [Tax Incentives](#)
- [Hybrid Links](#)

Side-by-Side

Hybrid Trucks

2007
Chevy Silverado
Classic 15 Hybrid



2007
GMC Sierra
Classic 15 Hybrid



Diesel Vehicles & Fuels

Flex-Fuel Vehicles

Alternative Fuels

Energy Requirements

Energy Efficient Technologies

Electric Vehicles

Fuel Cell Vehicles

Fuel Type Drive

MPG (city)

MPG (hwy)

MPG (comb)

Cost to Drive 25 Miles
Fuel to Drive 25 Miles

Cost of a Fill-up

Miles on a Tank

Tank Size

Annual Fuel cost*

Annual

Greenhouse

Gas Emissions*

National

Highway Traffic

EPA Fuel Economy

Regular Gasoline

2WD

4WD

18

17

21

19

19

18

Regular Gasoline

2WD

4WD

18

17

21

19

19

18

Fuel Economics

\$2.93

\$3.10

\$2.93

\$3.10

1.32 gal

1.39 gal

1.32 gal

1.39 gal

\$52.18-\$68.24

445-581 miles

26.0-34.0 gal

\$1759

\$1860

\$52.18-\$68.24

421-551 miles

26.0-34.0 gal

\$1759

\$1860

Climate Change

Worst

Best



14.9 2.9

9.6 tons

10.3 tons

Worst

Best



14.9 2.9

9.6 tons

10.3 tons

Safety

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 [Gasoline Prices](#) |
 [Your MPG Will Vary](#) |
 [Why is Fuel Economy Important?](#) |
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 [Hybrids, Diesels, Alt Fuels, Etc.](#) |
 [Tax Incentives](#)

[U.S. Department of Energy](#) |
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Find a Car

2007 Chevrolet Silverado Classic 1500 2WD

Sorted by MPG (city), Click on column headings to resort

Compare Side-by-Side

Select up to 4 models to compare

Compare

Search by Class

Search by Make

Search by MPG

Cars that don't need gasoline

Best and Worst MPG



Model	MPG city	MPG hwy	Annual Fuel Cost	Greenhouse Gas Emissions (tons/yr)	Air Pollution Score
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 2WD 6 cyl, 4.3 L, Man(5), Regu	16	23	\$1759	9.8 tons	5
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 2WD 6 cyl, 4.3 L, Auto(4), Regu	16	21	\$1860	9.9 tons	5
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 2WD 8 cyl, 4.8 L, Auto(4), Regu	16	21	\$1860	10.1 tons	3
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 2WD 8 cyl, 5.3 L, Auto(4), Regu	16	21	\$1860	10.2 tons	3
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 2WD 8 cyl, 5.3 L, Auto(4), 440-Gasoline or E85	Gas 16	21	\$1967	10.5 tons	3
	E85 12	16	\$2434	8.4 tons	6
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 2WD 8 cyl, 6 L, Auto(4), Premiu	14	19	\$2297	11.4 tons	3

* Based on 45% highway driving, 55% city driving, 15000 annual miles and the

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 [Hybrids, Diesels, Alt Fuels, Etc.](#) |
 [Tax Incentives](#)

U.S. Department of Energy

[Print the Fuel Economy Guide](#)

U.S. Environmental Protection Agency

Find a Car

2007 Chevrolet Silverado Classic 1500 4WD

Sorted by MPG (city), Click on column headings to resort

Compare Side-by-Side

Select up to 4 models to compare

Compar

Search by Class

Search by Make

Search by MPG

Cars that don't need gasoline

Best and Worst MPG



Model	MPG city	MPG hwy	Annual Fuel Cost	Greenhouse Gas Emissions (tons/yr)	Air Pollution Score
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 4WD 6 cyl, 4.3 L, Man(5), Regu	15	20	\$1967	10.7 tons	6
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 4WD 8 cyl, 4.8 L, Auto(4), Regu	15	19	\$1967	10.8 tons	3
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 4WD 8 cyl, 5.3 L, Auto(4), Regu	15	19	\$2091	11.1 tons	3
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 4WD 8 cyl, 5.3 L, Auto(4), 420-Gasoline or E85	Gas 15	19	\$2091	11.4 tons	3
	E85 11	14	\$2636	9.1 tons	6
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 4WD 6 cyl, 4.3 L, Auto(4), Regu	15	18	\$2091	10.7 tons	6
<input type="checkbox"/> compare Chevrolet Silverado Classic 1500 4WD 8 cyl, 6 L, Auto(4), Premiu	14	17	\$2451	12.1 tons	3

* Based on 45% highway driving, 55% city driving, 15000 annual miles and the

2007 GMC Sierra Classic 1500 2WD







Sorted by MPG (city), Click on column headings to resort

Customize....

- [Use your gas prices and Annual Miles](#)
- [Switch to Metric units](#)
- [Show Air Pollution Scores for CA and Northeast States](#)

Select up to 4 models to compare

Compare!

Model	MPG		Annual Fuel Cost	Greenhouse Gas Emissions	Air Pollution Score
	city	hwy		(tons/yr) ?	All states except CA and NE states
<input type="checkbox"/> compare >  GMC Sierra Classic 1500 2WD 6 cyl, 4.3 L, Man(5), Regular	16	23	\$1759	9.8 tons	6
<input type="checkbox"/> compare >  GMC Sierra Classic 1500 2WD 6 cyl, 4.3 L, Auto(4), Regular	16	21	\$1860	9.8 tons	6
<input type="checkbox"/> compare >  GMC Sierra Classic 1500 2WD 8 cyl, 4.8 L, Auto(4), Regular	16	21	\$1860	10.1 tons	3
<input type="checkbox"/> compare >  GMC Sierra Classic 1500 2WD 8 cyl, 5.3 L, Auto(4), Regular	16	21	\$1860	10.2 tons	3
<input type="checkbox"/> compare >  GMC Sierra Classic 1500 2WD 8 cyl, 5.3 L, Auto(4), 440-580, Gasoline or E85	Gas 16 E85 12	21 16	\$1967 \$2434	10.5 tons 8.4 tons	3 6
<input type="checkbox"/> compare >  GMC Sierra Classic 1500 2WD 8 cyl, 6 L, Auto(4), Premium	14	19	\$2297	11.4 tons	3

* Based on 45% highway driving, 55% city driving, 15000 annual miles and the [price of fuel](#) used by the vehicle. You may [customize](#) these values to reflect the price of fuel in your area and your own driving patterns.

[Greenhouse gas emissions](#) expressed in CO₂ equivalents. Estimates include the full fuel cycle and exclude vehicle manufacture. (U.S. Department of Energy, GREET Model, Argonne National Laboratory)

5-22

Sierra Classic 1500 4WD







Sorted by MPG (city), Click on column headings to resort

Select up to 4 models to compare

Compare!

Customize....

- [Use your gas prices and Annual Miles](#)
- [Switch to Metric units](#)
- [Show Air Pollution Scores for CA and Northeast States](#)

Model	MPG		Annual Fuel Cost	Greenhouse Gas Emissions	Air Pollution Score
	city	hwy		(tons/yr)	All states except CA and NE states
<input type="checkbox"/> compare  GMC Sierra Classic 1500 4WD 6 cyl, 4.3 L, Man(5), Regular	15	20	\$1967	10.8 tons	6
<input type="checkbox"/> compare  GMC Sierra Classic 1500 4WD 8 cyl, 4.8 L, Auto(4), Regular	15	19	\$1967	10.7 tons	3
<input type="checkbox"/> compare  GMC Sierra Classic 1500 4WD 8 cyl, 5.3 L, Auto(4), Regular	15	19	\$2091	11.2 tons	3
<input type="checkbox"/> compare  GMC Sierra Classic 1500 4WD 8 cyl, 5.3 L, Auto(4), 420-540, Gasoline or E85	Gas 15 E85 11	19 14	\$2091 \$2636	11.4 tons 9.1 tons	3 GAS 3 E85 6 GAS 6 E85
<input type="checkbox"/> compare  GMC Sierra Classic 1500 4WD 6 cyl, 4.3 L, Auto(4), Regular	15	18	\$2091	10.7 tons	3
<input type="checkbox"/> compare  GMC Sierra Classic 1500 4WD 8 cyl, 6 L, Auto(4), Premium	14	17	\$2451	12.1 tons	3

* Based on 45% highway driving, 55% city driving, 15000 annual miles and the [price of fuel](#) used by the vehicle. You may [customize](#) these values to reflect the price of fuel in your area and your own driving patterns.

[Greenhouse gas emissions](#) expressed in CO₂ equivalents. Estimates include the full fuel cycle and exclude vehicle manufacture. (U.S. Department of Energy, GREET Model, Argonne National Laboratory)

2007 GMC Sierra Classic 1500 AWD



[Compare side-by-side](#)



[Switch to Metric Units](#)

[Use Your Gas Prices & Annual Miles](#)

EPA Fuel Economy

Fuel Type	Premium Gasoline
MPG (city)	14
MPG (highway)	17
MPG (combined)	15

Fuel Economy Estimates From Drivers Like You?

User MPG estimates are not yet available for this vehicle. With this new feature you can

- [Calculate or Share Your MPG](#)
- [View User MPG Estimates for Other Vehicles](#)

Fuel Economics ?

Cost to Drive 25 Miles	\$4.08
Fuel to Drive 25 Miles	1.67 gal
Cost of a Fill-up	\$57.33-\$74.97
Miles on a Tank	351-459 miles
Tank Size	26.0-34.0 gal
Annual Fuel Cost*	\$2451

* Based on 15000 annual miles and a fuel price of \$ 2.45 per gallon . [Use Your Gas Prices & Annual Miles](#)

Energy Impact Score ?

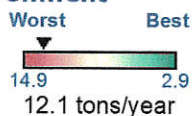
Annual Petroleum Consumption
(1 barrel=42 gallons)



22.8 barrels/year

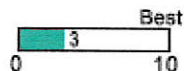
Environment

Greenhouse Gas Emissions* ?



12.1 tons/year

Air Pollution Score ?



[Show Scores for California and Northeast States](#)

[Show Detailed Air Pollution Information](#)

More about emissions....

- [What's the difference between air pollution and greenhouse gas emissions?](#)
- [Want more info? See EPA's Green Vehicle Guide](#)

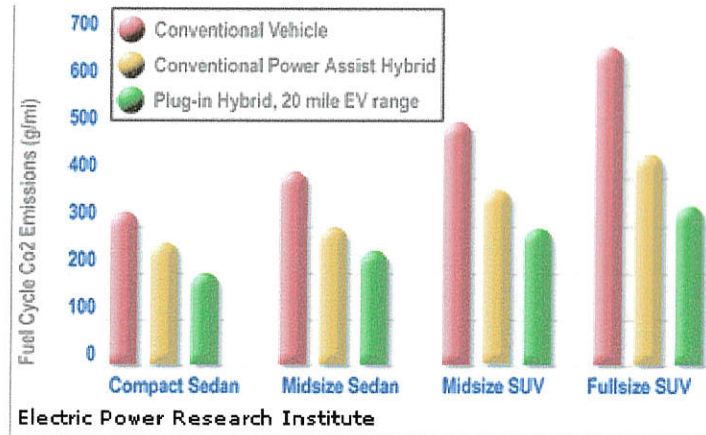
Safety

Size Class
Engine Size (liters)
Cylinders
Transmission
Drive
Gas Guzzler
Turbocharger
Supercharger
Passenger Volume
Luggage Volume

Crash Test Results

Standard Pickup Trucks 4WD
6
8
Automatic (4 speed)
4WD or AWD
no
no
no
NA
NA

525



TOM HAWK
 REPRESENTATIVE, 67TH DISTRICT
 3115 HARAHEY RIDGE
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 tom@tomhawk.com

STATE CAPITOL
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 ROOM 322-S
 TOPEKA, KANSAS 66612
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 hawk@house.state.ks.us



TOPEKA

HOUSE OF
 REPRESENTATIVES

COMMITTEE ASSIGNMENTS

FEDERAL AND STATE AFFAIRS
 ENERGY AND UTILITIES
 SOCIAL SERVICE BUDGET

Testimony HB2222: Hybrid Tax Credits **Proponent**

Chairman Holmes, Energy and Utilities Committee, Representative Brown.

I offer personal testimony in support of HB2222 to further encourage the citizens of Kansas to purchase and drive a hybrid vehicle. During the Joint House Senate Energy Committee of 2005, chaired by Representative Sloan, we were able to consider many alternatives for the energy future of Kansas.

One of the presenters to our committee was our own chairman, Carl Holmes. In the excellent power point presentation he made to the committee about a variety of energy issues, he stressed that one of our state's government's goals should be to "reduce transportation fuels usage by using hybrid electric rental cars". He further pointed out the ultimate need for plug-in Hybrids and battery improvements with most driving being a short distance for cars that would allow that. The cost of residential electricity is about 40% of the cost of gasoline per mile.

It is my own belief that one of the most effective ways for us to reduce the use of petroleum is to improve mileage. A hybrid vehicle tends to reduce the size and improve mileage. The hybrid vehicles, while not now available for plug in, do offer significant improvement in mileage rates. I have observed the decreased size of automobiles in Europe where my son is attending school and believe that a tax credit is a proven way to encourage our citizens to seriously consider making a move toward hybrid technology giving significantly better mileage.

During the House Transportation Committee's tour of the GM plant, I was told that they were preparing to produce a hybrid vehicle in their Fairfax Plant. These credits would certainly add an additional incentive to Kansans to buy one of our own hybrids and support our regional automobile manufacturers.

Several states listed at the end of this testimony have hybrid vehicle incentives, but Kansas does not. I believe that supporting Representative Brown's bill and providing additional incentives could be a significant step in improving our state overall efforts at energy efficiency and conservation.

ENERGY AND HOUSE UTILITIES

DATE: 7/6/2007

ATTACHMENT 6-1

Federal Tax Credit:

There is a new and improved tax incentive for hybrid cars started from January 01, 2006, which are much better than previous tax incentives. The new law allows a \$400 to \$3400 tax credit depending on model. This is better because it a tax credit directly reduces taxes owed, as opposed to simply reducing taxable income (before January 1, 2006 the incentives was deduction).

The IRS has not announced how the new tax credit will going to work. So there are confusions. But the American Council for an Energy Efficient Economy (ACEEE) has provided the following estimates which will give you a general idea

<http://www.whybuyhybrid.com/hybrid-buying-incentives.htm#federal>

**ACEEE Estimates of Light-Duty Vehicle Tax Credits
Updated February 2006**

Current Models

Make	Model	Fuel Type	Vehicle Class	Adjusted City MPG	Fuel Saved (gal)	Emissions Pass/Fail	Total Credit
Chevrolet/GMC	Silverado/Sierra (2wd) ^a	Hybrid	Pickup	18	1,393	Pass	\$ 250
Chevrolet/GMC	Silverado/Sierra (4wd) ^a	Hybrid	Pickup	17	1,622	Pass	\$ 650
Ford	Escape Hybrid (2wd)	Hybrid	SUV	36	3,156	Pass	\$ 2,600
Ford	Escape Hybrid (4wd)	Hybrid	SUV	33	2,907	Pass	\$ 1,950
Honda	Accord Hybrid	Hybrid	Car	25	1,697	Pass	\$ 650
Honda	Civic GX ^b	CNG	Car	30	N/A	Pass	\$ 4,000
Honda	Civic Hybrid	Hybrid	Car	49	2,348	Pass	\$ 2,100
Honda	Insight (auto)	Hybrid	Car	57	1,498	Pass	\$ 1,450
Honda	Insight (man)	Hybrid	Car	60	1,239	Fail	\$ -
Jeep	Liberty	Diesel	SUV	22	1,219	Fail	\$ -
Lexus	RX 400h (2wd)	Hybrid	SUV	33	3,557	Pass	\$ 2,800
Lexus	RX 400h (4wd)	Hybrid	SUV	31	3,316	Pass	\$ 2,200
Mercedes-Benz	E320 CDI	Diesel	Car	27	1,524	Fail	\$ -
Mercury	Mariner Hybrid	Hybrid	SUV	33	2,907	Pass	\$ 1,950
Toyota	Highlander Hybrid (2wd)	Hybrid	SUV	33	3,557	Pass	\$ 2,800
Toyota	Highlander Hybrid (4wd)	Hybrid	SUV	31	3,316	Pass	\$ 2,200
Toyota	Prius	Hybrid	Car	60	2,744	Pass	\$ 3,150
VW	Golf (auto)	Diesel	Car	33	1,643	Fail	\$ -
VW	Golf (man)	Diesel	Car	37	1,267	Fail	\$ -
VW	Jetta (auto)	Diesel	Car	35	1,847	Fail	\$ -
VW	Jetta (man)	Diesel	Car	36	1,939	Fail	\$ -
VW	New Beetle (auto)	Diesel	Car	35	1,847	Fail	\$ -
VW	New Beetle (man)	Diesel	Car	37	1,267	Fail	\$ -

Upcoming Models^a

Make	Model	Fuel Type	Vehicle Class	Adjusted City MPG	Fuel Saved (gal)	Emissions Pass/Fail	Total Credit ^b
Chevrolet	Malibu	Hybrid	Car	27	1,372	Pass	\$ 650
Chevrolet/GMC	Silverado/Sierra '08	Hybrid	Pickup	20	2,053	Pass	\$ 900
Chevrolet/GMC	Tahoe/Yukon	Hybrid	SUV	20	3,221	Pass	\$ 1,800
Lexus	GS 450h	Hybrid	Car	28	2,190	Pass	\$ 1,300
Mercedes-Benz	E320 BlueTec	Diesel	Car	31	2,175	Pass	\$ 1,300
Nissan	Altima	Hybrid	Car	32	1,956	Pass	\$ 1,300
Saturn	VUE Green Line	Hybrid	SUV	27	2,186	Pass	\$ 1,300
Toyota	Camry Hybrid	Hybrid	Car	43	2,810	Pass	\$ 2,350

Notes:

Last updated February 23, 2006

- a. Tax credit estimates assume "maximum power" requirements are met
- b. Criteria for alternative fuel vehicle tax credits are different from criteria for hybrid and diesel credits
- c. Specifications and credits for these vehicles are estimated based on currently available information

This table gives you a general idea how much tax credit you will get for particular vehicle. But you should wait for IRS announcement to determine exact hybrid tax credit amounts.

There are some basics you should be ware of about tax incentives:

- Vehicle must be Purchase and get delivered on or after Jan. 1, 2006.
 - Must be a new vehicle
- Purchase the vehicle with the intention of using it, not re-selling it.

The tax credit is set to expire in 2009 and will **Phase-Out** set by step. It s depend on number of vehicles an automaker has sold. Once an automaker has sold 60,000 hybrid vehicles the tax credit for that automakers' hybrids is slowly reduced over the next five consecutive quarters.

Here is the **Phase-Out steps** detail:

- Beginning January 1, 2006 and up through the quarter that the automaker sells 60,000 hybrid vehicles, 100% of the credit is allowed.
- 100% of the hybrid car tax credit continues for the next consecutive quarter.
- The next two quarters after that, the tax credit is reduced to 50% of the original hybrid car tax credit.
- Then, for the next two quarters after that, the tax credit is reduced to 25% of the original hybrid car tax credit.
- Finally, the hybrid car tax credit for that automakers' hybrids drops to zero.

Tax incentives before January 01, 2006:

Energy Policy Act of 2005 which allow superior tax incentives, certain hybrid cars were eligible for the **Clean-Burning Fuel Tax Deduction for tax years 2004 and 2005.**

Hybrid cars eligible are:

- 2005 -2006 Ford Escape Hybrid
 - 2000-2006 Honda Insight
- 2003-2006 Honda Civic Hybrid
- 2005-2006 Honda Accord Hybrid
 - 2001-2005-2006 Toyota Prius
- 2006 Toyota Highlander Hybrid
 - 2006 Lexus RX 400h
- 2006 Mercury Mariner Hybrid

The clean-buring fuel deduction is a federal tax deduction up to \$2,000 for taxpayers for hybrid vehicles first put into service in 2004 and 2005. The deduction decreases to \$500 for hybrid cars placed into service in 2006 and there is no deduction for subsequent years.

Some relevant details:

- This is a one time deduction and must be taken in the year that the hybrid car is originally used.
 - The deduction only applies to the original owner.
- The taxpayer must use form 1040, although itemizing is not necessary
 - The deduction was a one-time deal.

State Incentives:

- Arkansas Hybrid vehicle purchase Tax Incentives

- Arizona Hybrid vehicle purchase Tax Incentives
- California Hybrid vehicle purchase Tax Incentives
- Colorado Hybrid vehicle purchase Tax Incentives
- Connecticut Hybrid vehicle purchase Tax Incentives
- DC - Washington DC Hybrid vehicle purchase Tax Incentives
 - Florida Hybrid vehicle purchase Tax Incentives
 - Georgia Hybrid vehicle purchase Tax Incentives
 - Iowa Hybrid vehicle purchase Tax Incentives
 - Illinois Hybrid vehicle purchase Tax Incentives
 - Louisiana Hybrid vehicle purchase Tax Incentives
- Massachusetts Hybrid vehicle purchase Tax Incentives
 - Maryland Hybrid vehicle purchase Tax Incentives
 - Maine Hybrid vehicle purchase Tax Incentives
 - Michigan Hybrid vehicle purchase Tax Incentives
 - Minnesota Hybrid vehicle purchase Tax Incentives
 - Missouri Hybrid vehicle purchase Tax Incentives
 - Mississippi Hybrid vehicle purchase Tax Incentives
- North Carolina Hybrid vehicle purchase Tax Incentives
- North Dakota Hybrid vehicle purchase Tax Incentives
- New Jersey Hybrid vehicle purchase Tax Incentives
- New Mexico Hybrid vehicle purchase Tax Incentives
- New York Hybrid vehicle purchase Tax Incentives
 - Ohio Hybrid vehicle purchase Tax Incentives
- Oklahoma Hybrid vehicle purchase Tax Incentives
 - Oregon Hybrid vehicle purchase Tax Incentives
- Pennsylvania Hybrid vehicle purchase Tax Incentives
- Rhode Island Hybrid vehicle purchase Tax Incentives
- South Carolina Hybrid vehicle purchase Tax Incentives
 - Tennessee Hybrid vehicle purchase Tax Incentives
 - Texas Hybrid vehicle purchase Tax Incentives
 - Utah Hybrid vehicle purchase Tax Incentives
 - Virginia Hybrid vehicle purchase Tax Incentives
 - Vermont Hybrid vehicle purchase Tax Incentives
- Washington Hybrid vehicle purchase Tax Incentives
- Wisconsin Hybrid vehicle purchase Tax Incentives
- West Virginia Hybrid vehicle purchase Tax Incentives
- Wyoming Hybrid vehicle purchase Tax Incentives

<http://www.whybuyhybrid.com/hybrid-buying-incentives.htm#federal>

The GM Chevy Malibu sedan was planned to roll out during 2007 but now it won't be available until 2008. Malibu Hybrid will be categorized as mild hybrid which is using an integrated starter-generator that shut the gasoline engine off at stoplights, a 10 percent increase in fuel economy and uses smaller electric motor. EPA estimate of mileage for Malibu hybrid 35 mpg highway and 24 mpg city. The Malibu Hybrid is expected to have an automatic transmission with 4 cylinder, 2.4-liter engine with front-wheel drive and achieve 12-15 percent greater fuel economy than the non-hybrid version.

According to GM the Malibu Hybrid will be built at their Kansas City facility.

Colorado Hybrid vehicle purchase Tax Incentives

Statewide Hybrid Tax Credit: Prior to July 1, 2011, an income tax credit is available from the Colorado Department of Revenue for the incremental cost of purchasing an AFV or for the conversion of a vehicle to operate using an alternative fuel. HEVs also qualify for this incentive. More information is available at <http://www.revenue.state.co.us/fyi/html/income09.html>.

State Hybrid HOV: Colorado has passed legislation that would allow the hybrids to use the HOV lanes with single occupants, providing that the law did not violate any Federal regulations or prevent Colorado from receiving Federal funds. Update 8/18: While a federal waiver has been passed, a representative from the Colorado Department of Transportation has informed UCS that, "Pursuant to passage of the new federal transportation reauthorization bill, CDOT is analyzing that bill and our state law to make sure what we have in place in state law is compatible. We don't expect to make any changes right away-the EPA has up to 180 days to give the states guidelines for which vehicles would be allowed into HOV lanes pursuant to the new federal law, and we don't want to start issuing stickers to folks and then "take them away" again ."

Aspen hybrid tax credit & free parking: Hybrid vehicles registered in the city of Aspen are eligible for a \$100.00 rebate on license registration is allowed to park with impunity in the city's residential and carpool zones. Owners must register the vehicle with the Parking Department. The program was started in 2003. As of November 2005, there was some discussion among Aspen's mayor Helen Klanderud and City Council members of terminating the program, but no action has been taken.

ENERGY AND HOUSE UTILITIES

DATE: 2/6/2007

ATTACHMENT 7

Edward B.
Wallace/US/GM/GMC
02/05/2007 02:33 PM

To ebwmohome@hotmail.com
cc
bcc ebwmohome@aol.com
Subject Hybrid Testimony

Good Morning, I'm Ed Wallace Regional Director of Government Relations for General Motors and I'm here to testify in support of House Bill 2222.

General Motors has been producing Hybrid vehicles since 2001 when we introduced the GM/Allison Hybrid Bus. Other hybrid models include the Chevy Silverado and GMC Sierra pick up trucks and the Saturn Vue Mid Size SUV.

In two months a Hybrid edition of the Saturn Aura, made exclusively at the GM Fairfax Plant in Kansas City Kansas, will be available. Incidentally the Aura was recently named Motor Trend Car of the year for 2007.

In September the new 2008 Chevy Malibu, also to be made exclusively at Fairfax, will have a hybrid model.

Hybrids are an important component of GM's alternate fuel vehicle program which also includes flex-fuel E-85, bio diesel, vehicles as well as plug-in electric and hydrogen prototypes.

HB 2222 will be a helpful tool to encourage expanded use of hybrids for two years as market forces will push more demand for these vehicles.

Thank You.

Edward B. Wallace
Regional Director Government Relations
General Motors Corporation
3201 Fairfax Trafficway
Kansas City, KS 66115-1307
913-573-3994-office
913-573-3996-fax
816-506-2493-cell
edward.wallace@gm.com

ENERGY AND HOUSE UTILITIES

DATE: 2/6/2007

ATTACHMENT 8

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919 South Kansas Avenue
Topeka, Kansas 66612-1210
(785) 354-1354 • (785) 354-8092 (Fax)
E-Mail: wbdamron@aol.com

TESTIMONY

**TO: The Honorable Carl Holmes, Chair
And Members of the
House Energy and Utilities Committee**

**FROM: Whitney Damron
On behalf of the
Kansas Automobile Dealers Association**

**RE: HB 2222 – An Act concerning taxation; relating to credits; certain
hybrid motor vehicles.**

DATE: February 6, 2007

Good morning Chairman Holmes and Members of the House Energy and Utilities Committee. I am Whitney Damron and I appear before you today on behalf of the Kansas Automobile Dealers Association in support of HB 2222 that would provide a tax credit to consumers of certain hybrid motor vehicles. KADA represents the franchised new car and truck dealers in Kansas.

Formerly perhaps but a novelty, through expanding technology, hybrid, electric and alternative fueled vehicles are becoming more mainstream as these vehicles become usable and adaptable to the needs of American consumers. Incentive programs such as that created by HB 2222 will encourage consumers to take a closer look at these alternative-fueled vehicles when they are looking for a new vehicle and help reduce our country's reliance on fossil fuels for our transportation needs.

HB 2222 is a narrow piece of legislation that focuses its attention on electric hybrid vehicles. We would encourage the Kansas Legislature to consider other incentive programs, perhaps in a separate piece of legislation, which would provide incentives to alternative fuel vehicles, too, including bio-diesel and E-85 ethanol. We are mindful of the expanded fiscal note such a bill would have, but these alternative fuels will benefit the agriculture industry in our state through an expanded market for their products and all Kansans through cleaner emissions.

Included with my comments are copies of two recent news articles highlighting the automobile manufacturer's efforts in regard to electric automobiles.

On behalf of the Kansas Automobile Dealers Association, I thank you for the opportunity to present these comments in support of HB 2222.

ENERGY AND HOUSE UTILITIES

DATE: 2/6/2007

ATTACHMENT 9-1

CHRYSLER 300C



SRT-8

AutoWeek

Plugged in Electric cars make comeback

By **RICHARD TRUETT - AUTOMOTIVE NEWS**

11:20 am, January 9, 2007

Maybe it's too early to write off the electric car. At the Detroit auto show, General Motors and Ford Motor Co. are unveiling two hybrid-powered vehicles -- the Chevrolet Volt and Ford Airstream -- that can be plugged into a garage's electrical outlets for overnight battery recharging.

Toyota, Honda and Nissan also are researching plug-in hybrids.

Unlike battery-powered cars of the past, these concept vehicles have a decent daily driving range. That's because each has what engineers call a "series hybrid" powertrain.

An electric motor drives the wheels with no assistance from an internal combustion engine. By contrast, a "parallel hybrid" vehicle such as the Toyota Prius uses both the gasoline engine and the electric motor to drive the wheels.

Things get interesting when the batteries in the Volt and Airstream run low. In the Volt, a small gasoline engine runs a generator that recharges the batteries. The Airstream has a hydrogen-fed fuel cell rather than a gasoline engine.

These hybrids don't have the limited range of a "pure" electric car such as the GM EV1. When the EV1's batteries ran down, it was time to pull over for a five-hour recharge.

Neither the Volt nor the Airstream has been approved for production. But if battery suppliers leap some technical hurdles, both vehicles appear practical enough to enter production in modified form.

How many buyers?

The United States has become a healthy market for hybrids, with 251,864 sold in 2006. But no one knows how many drivers would want a plug-in.

So far GM appears to be most serious about production. The Volt is based on GM's next-generation Delta platform, which underpins such cars as the Chevrolet Cobalt and Pontiac G5. The Volt -- unusual for a concept car -- already has a chief engineer and vehicle line director.

At a press conference, GM Vice Chairman Bob Lutz said the Volt is being developed as a "production intent" vehicle.

On the road, the Volt's batteries are recharged by a turbocharged 1.0-liter three-cylinder gasoline engine connected to an electrical generator. Under typical driving conditions the Volt can travel about 40 miles before the gasoline engine recharges the battery.

A better battery?

But the Volt's future depends on the development of a reliable lithium-ion battery. GM has awarded contracts to two suppliers to produce the batteries.

The first supplier is a joint venture formed by Johnson Controls Inc. and French battery maker Saft. The second supplier is Cobasys, a joint venture formed by Energy Conversion

9-2

Devices and Chevron Technology Ventures LLC in Texas.

Lithium-ion batteries store more energy than conventional lead acid batteries or nickel-metal hydride batteries. But they generate considerable heat and sometimes catch fire.

Suppliers are trying to develop durable versions, and GM is betting that lithium-ion batteries should be ready for mass production around 2010. "We are making a calculated gamble on the batteries," Lutz said.

Ford uses hydrogen

The Airstream uses a small hydrogen-fed fuel cell that generates electricity to keep the batteries charged. Fuel cells still are too expensive for volume production, but Ford could easily substitute a conventional gasoline engine.

The Airstream is based on the Ford Edge crossover. Ford engineers have been testing the Airstream's powertrain in an Edge at the company's Dearborn, Mich., test track, Ford spokesman Said Deep said.

The Airstream can go about 25 miles on its electric batteries and 305 miles on its tank of hydrogen. Deep says the fuel cell could easily be replaced with a small gasoline or diesel engine, creating a powertrain similar to the Volt's.

At least three other automakers – Toyota Motor Corp., Honda Motor Co. and Nissan Motor Co. Ltd. – also are working on plug-ins. None has publicly committed to develop production versions.

Among the imports, Toyota is thought to be furthest along with a plug-in version of the next-generation Prius car. But plug-ins are a long way off as Toyota wrestles with unsolved technical problems, says Masatami Takimoto, Toyota's executive vice president of r&d.

Last month Nissan confirmed plans to accelerate development of plug-in hybrid technology and develop lithium ion batteries. But company spokesman Fred Standish cautions that Nissan is "years away" from showing off its plug-in technology.

Honda spokesman David Iida says the automaker is looking into plug-in hybrids but has no plans to display one soon.



Chevy's Volt concept was unveiled at NAIAS 2007

⊕ zoom

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GM places bets on alternative fuel vehicles

Automaker names engineer to develop long-lasting, safe batteries for the cars

January 21, 2007

BY KATIE MERX

FREE PRESS BUSINESS WRITER

By showing the Chevrolet Volt plug-in electric concept car this month at the North American International Auto Show, **General Motors Corp.** has staked its reputation — and a large chunk of change — on developing cars and trucks that can be propelled by something other than just gasoline.

To make it happen, GM quietly appointed Denise Gray last fall to be its battery czar.

A Michigan native and career GM engineer and manager, Gray's actual title is director of hybrid energy storage systems.

Her charge is to lead the team that will engineer energy storage systems — you probably call them batteries — that can store enough energy pulled from an electrical plug, fuel cell, a tank of vegetable oil or good old gasoline to run a vehicle that will run beyond a GM warranty and won't overheat.

Her task is a big one.

"It is expensive to do the kinds of stuff we talked about," GM Chairman and CEO Rick Wagoner told the Free Press last week without divulging cost targets. "This costs a lot of money to do."

At both the Los Angeles and Detroit auto shows, Wagoner has called the electrification of vehicles and the development of plug-in hybrid production vehicles "a top priority program for GM, given the huge potential it offers for fuel-economy improvement."

Last week, he told an industry conference that developing advanced propulsion systems is a top priority because it's "highly unlikely" that oil alone will supply all of the world's rapidly growing automotive energy requirements.

GM says the Volt could travel 40 miles on a fully charged lithium-ion battery and more than 600 miles using a three-cylinder gasoline engine that recharges the battery.

GM is aggressively pushing the concept further by pursuing the technology needed to make the Volt's powertrain a reality for a production vehicle, said auto analyst Stephanie Brinley of **AutoPacific Inc.** in Southfield.

But development of the Volt's so-called E-flex propulsion system is dependent on advancements in lithium-ion battery technology. Such an advanced lithium-ion battery does not exist, yet.

Skeptics argue that its development is far off. Manufacturers still are having problems with some smaller lithium-ion batteries already used in personal electronics. Last fall, **Sony Corp.** recalled 9.6 million lithium-ion batteries used in laptop computers after reports of sparks, overheating and fires.

The batteries needed to run vehicles would be larger.

GM Vice Chairman Bob Lutz admits that there is work to do. GM needs a battery that will last longer, will cost less and won't overheat. But, he said, GM is proceeding as if the Volt, or something like it, were a viable product.

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The technology is at a point that GM believes it could have a product ready as soon as 2010.

Earlier this month, GM awarded development contracts to suppliers **Johnson Controls-Saft** and **Cobasys** (with another partner) to create and test lithium-ion batteries that will be installed in prototype vehicles for testing later this year.

But Gray, whose newly assigned team of 30 is responsible for developing and testing the battery systems for all of GM's planned hybrids -- including the two-mode hybrids expected to debut later this year and a Saturn Vue plug-in hybrid announced at the Los Angeles auto show -- said when it comes to production of the Volt: "No dates in my mind have been established."

Contact **KATIE MERX** at 313-222-8762 or kmerx@freepress.com. Staff Writer Joe Guy Collier contributed to this report.

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**Testimony of Tony Reinhart
Ford Motor Company
In Support of HB2222
Before the House Energy and Utilities Committee
February 6, 2007**

My name is Tony Reinhart and I am the Regional Governmental Affairs Director for Ford Motor Company. I appreciate this opportunity to testify in favor of HB 2222 and present Ford Motor Company's views on hybrid technology.

At Ford, we recognize that we have a responsibility to do something to address America's energy security needs, and we are accelerating our efforts to develop innovative solutions. As Bill Ford has said, "Ford Motor Company is absolutely committed to making innovation a central part of everything we do." In our recent product announcements, we committed to continuing our leadership in hybrid vehicles and to doubling our FFV production capabilities per year by 2010 – with the capability of 50% of our fleet being FFV compatible by 2012.

We currently produce the world's cleanest and most fuel-efficient SUVs. The Escape and Mariner Hybrids (Mazda Tribute in the '08 MY) balance the capability of an SUV with the fuel economy of a small car. Both vehicles are "full" hybrids able to run on gasoline engine, 100 percent electric battery power or both together – with a city MPG of 34 mile per gallon (30 MPG Highway).

And we are not stopping there. Last year, we unveiled the Ford Escape Hybrid FFV research vehicle which marries two petroleum-saving technologies – hybrid electric power and E85 flexible-fuel capability. Though there are many technical and cost challenges to address, we believe that if just 5% of the US fleet were powered by E85 HEVs, oil imports could be reduced by about 140 million barrels a year. We have also committed to the production of hybrid sedans based on our Fusion and Milan platforms which are scheduled for production in MY 2009.

But there is a problem. The markets are still in the early stages for these types of vehicles and the cost of the technology still adds cost to the vehicle. The result for us -- the Hybrid version of our Escape is about \$3,000 more expensive for the customer. Public sector assistance in creating the market place – like HB 2222 – will go along way in moving the market place where it needs to be. I would be glad to answer any questions.

ENERGY AND HOUSE UTILITIES

DATE: 2/6/2007

ATTACHMENT 10

**Testimony before the House Energy and Utility Committee
February 6, 2007
Proponent for H.B. 2222**

Chairperson Holmes and Honorable Members of the Committee:

My name is Tom Thompson and I represent the Kansas Chapter of the Sierra Club. I have come today to speak in ~~opposition~~ ^{support} to H.B. 2222.

H.B. 2222 allows for up to a \$2,500 tax credit on the purchase of qualifying new hybrid vehicles.

Certainly by-brid vehicles allow owners to benefit from more efficient operation. As a result owners get more miles per gallon saving them money on fuel. Hybrids also provide an engine that operates cleaner.

Today there are plenty of reports on global warming and the effects of CO2. Automobiles are one of the greatest contributors to this dilemma. The technology of the hybrid goes a long way toward decreasing CO2 emissions. People who need cars will be able to use them without as great of a polluting imprint.

Certainly this is not the only part of the solution to the global warming issue. Other things need to be done to have a real impact. Energy conservation and efficiency and better mass transportation alternatives and clean renewable energy generation also need to be part of this equation. However, it does move Kansas in the right direction.

This bill, if enacted will help encourage people to buy hybrids. If they do, it will help decrease greenhouse gasses and their effect on ecosystems throughout the world. This will help to provide a better quality of life for all Americans.

The Sierra Club supports H.B. 2222 for these reasons.

Thank you for your time

Sincerely

Tom Thompson
Sierra Club

ENERGY AND HOUSE UTILITIES
DATE: 2/6/2007
ATTACHMENT 11

Peter Bock M.D.
Eudora, Ks. 66025
2-6-07

Speaking in favor of House Bill 2222 (tax credits for Hybrid vehicles)

My background in science, mechanics, and construction has led me to a deeper understanding and appreciation of renewable energy, biofuels, and conservation. These are all important parts of the equation to help mitigate the human effects contributing to global warming and to promote energy independence and sustainability. New habits plus new technologies will yield a better outcome than our current trend.

As Americans, we are the largest producers of CO2 from non-renewable sources, mostly from burning fossil fuels. This has global consequences and we have a moral obligation to be leaders in correcting this problem. One way to help reduce emissions from cars is to promote the purchase of cars that use less fuel. Most small hybrid vehicles accomplish this and average about 50 miles per gallon. The technology is fairly new and is still evolving. In some parts of the country, hybrids are much more common than in Kansas. As with any new technology, there is a critical threshold of awareness and recognition that needs to be reached before it is considered mainstream. This bill helps promote the purchase and use of these vehicles. The bill would also help promote a positive image of Kansas on the National scene. A State that is forward thinking and environmentally responsible.

An additional benefit from the increased use of hybrids is an increased awareness of fuel conservation and emission reduction. I have seen this as a result of a 3000 Watt wind generator I put up in my yard. People ask me all the time about how it works, how much power I generate, how much it cost etc. This often leads to a general discussion of ways to save and conserve energy around the house and to the importance of developing renewable energy sources that are carbon neutral. The more issues of energy independence, conservation and reduced emissions are on peoples minds, the sooner alternative technologies will become mainstream. This creates economic growth opportunities, promotes our energy independence and reduces CO2 emissions.

Just imagine the next step in hybrids. One that runs on a home grown fuel like E-85 or on hydrogen generated from a wind turbine. This technology currently exists, it's just a matter of economics, imagination and government incentives to keep the ball rolling. I submit that this bill is a small first step towards attaining these goals. I urge you to support it.

ENERGY AND HOUSE UTILITIES
DATE: 2/6/2007
ATTACHMENT 12

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HOUSE OF REPRESENTATIVES

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VERN SWANSON
64TH DISTRICT

Written Testimony in Support of HB 2222
Before the House Energy and Utilities Committee
February 6, 2007

Thank you Mr. Chairman and members of the Committee.

I am in favor of this bill.

It is in the best interests of my constituents and to all Kansans that ways are provided to encourage less dependence on imported oil.

By these incentives, we become partners in the research and development of these types of vehicles and we encourage our future generations to do the same.

I am neither an engineer nor a car salesman. I am a parent and a grandparent trying to do what is best for the generations to come. If in some small way, this bill provides for that, I think I will have succeeded.

Thank you Mr. Chairman.

ENERGY AND HOUSE UTILITIES
DATE: 2/6/2007
ATTACHMENT 13

Testimony to the House Energy and Utilities Committee

Richard Cram

February 6, 2007

Department Concerns with House Bill 2222

Representative Holmes, Chair, and Members of the Committee:

House Bill 2222 proposes a refundable income tax credit in Tax Years 2007 and 2008 of \$2500 for a taxpayer purchasing a new hybrid motor vehicle. This is a generous tax credit: in the range of 10% of the purchase price. A single taxpayer would need Kansas taxable income exceeding \$46,000 to generate sufficient Kansas income tax liability to exhaust the credit, so most taxpayers participating in the credit would be sent refund checks by the State.

Our fiscal note (attached) provides that passage of this bill would reduce fiscal year 2008 state general fund revenues by \$2.5 million. The credit is capped at \$2.5 million, and we assume this would be on a first-come, first-serve basis, with all credit claims to be denied after that threshold is met. The Department will need to develop a tracking mechanism to accomplish this. The Department assumes that were this incentive to be enacted, well in excess of 1,000 hybrid motor vehicles would be sold in Kansas per year. About 1,500 hybrid vehicles were sold in Kansas in calendar year 2005. Consumers purchasing hybrid vehicles, filing their returns and later learning that their tax credit claims were denied because the cap has been exceeded before their returns were processed will likely complain.

With each new tax credit, the Department incurs significant administrative expense: development of a new credit schedule; reprogram computer systems to accept and process the data from the new schedule; test and retest the system until errors are resolved. Generally, at least three months of programming resources are required. The estimated administrative costs to the Department needed to implement this bill are \$208,825 of programming costs in fiscal year 2008, for a tax credit that will only be effective for 2 tax years.

Are there more efficient uses of \$2.5 million in state funding (and the accompanying administrative expense) to encourage fossil fuel conservation, rather than subsidizing 1000 purchases of new hybrids with \$2500 transfer payments?

2007 House Bill 2222b Fiscal Note

Introduced as a House Bill

Brief of Bill

House Bill 2222, as introduced, would allow refundable income tax credit of \$2,500 for tax years 2007 and 2008, to any taxpayer that makes expenditures for a hybrid motor vehicle. The tax credit shall be allowed only for the first individual to take title to a hybrid motor vehicle.

The total amount of tax credits allowed shall not exceed \$2.5 million for any one fiscal year.

The effective date of this bill is on publication in the statute book.

Fiscal Impact

Passage of this bill would reduce state general fund revenues by \$2.5 million in fiscal year 2008 and 2009.

In calendar year 2005, there were about 1,500 hybrid vehicle sold in Kansas. Assuming this number doubles to 3,000 in 2006 and then increases 50% each year to 4,500 in tax year 2007, and 6,750 in tax year 2008, the total amount of credits claimed for tax year 2007 would be about \$11.25 million (4,500 x \$2,500), and in 2008 the credits claimed would be \$16.875 million (6,750 x \$2,500). However, the bill limits the credit to \$2.5 million in any one fiscal year.

Administrative Impact

The estimated costs necessary to implement this bill are \$208,825 in fiscal year 2008. Those costs include about \$183,200, or 2,290 hours, of contract APA programming time. The estimated user testing resources necessary to implement the bill are \$25,625, or 920 hours, for testing the new programs.

Administrative Problems and Comments

The \$2,500,000 fiscal year cap will only fund 1,000 cars a year. Based on the estimates of the number of hybrid vehicles that may be sold in Kansas, the department may be disallowing many credit applications due to the fiscal cap.

In Section 1 (b), the gross vehicle weight must be less than 8,000 pounds. The last sentence in this section mentions vehicles between 6,000 and 8,500 pounds. Should 8,500 be changed to 8,000?

Taxpayer/Customer Impact

Legal Impact