National Defense Authorization Act

Issue Summary: The National Propane Gas Association (NPGA) urges Congress to include propane-specific provisions in the Fiscal Year 2024 National Defense Authorization Act (NDAA). Specifically, NPGA is requesting DOD utilize propane-powered generators to increase the resiliency and mobility of critical infrastructure on domestic bases and conduct a pilot program to conduct a cost-benefit analysis of propane-powered vehicles.

Background: The NDAA provides authorization of appropriations for the Department of Defense (DOD), nuclear weapons programs of the Department of Energy, and other defense-related activities. The NDAA has continued to pass Congress with bipartisan support every year for the past 62 years.

NPGA is requesting a DOD pilot program to determine the operational viability of propanepowered generators for primary- and backup-power generation at domestic DOD facilities. Additionally, as DOD looks to decarbonize its transportation fleet, NPGA recommends DOD implement a pilot program at three domestic facilities to analyze the benefits of alternative fuels for medium- and heavy-duty vehicles. The cost-benefit analysis should factor in the cost of the vehicles, fueling infrastructure, fuel, and availability of replacement parts, and an evaluation of life-cycle and well-to-wheel emissions.

Domestic military installations are often expansive in remote areas and must be able to adapt to evolving missions, challenges, and threats. In addition, critical infrastructure requires redundant power generation to maintain operational viability and increase capabilities. Investing in mobile generation and microgrids reduce electricity transmission and distribution (T&D) and can increase resilience by providing partial or total independence from the electrical grid. Unlike diesel or gasoline, propane is non-toxic, highly transportable, and unsusceptible to degradation, making propane an ideal fuel for power generation in all environments.

Transitioning DOD from diesel and gasoline to alternative fuels, including propane, can produce long-term financial and maintenance savings for both vehicles and generators. As the Department of Energy notes, while the initial cost, between 5-15% of the investment, is higher for some propane applications, propane is typically cheaper, "so the return on investment can be quick.¹" DOE additionally notes that propane's lower maintenance costs are "one reason behind propane's popularity for use" in light-, medium-, and heavy-duty vehicles. Propane-powered engines require less oil by volume than diesel engines, resulting in maintenance savings every service interval over the vehicle's life. Additionally, propane vehicles do not require costly diesel emissions fluids (DEF) and diesel particulate filters to run clean. As a result, propane's low carbon and low oil contamination characteristics may result in longer engine life.

For nearly a decade, the United States has been a net exporter of propane. In fact, since 2010, propane exports have grown almost 170%, and the trade surplus of propane has increased by nearly 200%. Propane is a domestically produced fuel that supports 136,000 jobs nationwide and provides \$47 annually to the U.S. economy. Ensuring our military forces and installations have a diversified fuel source independent of foreign actors who may have alternative goals than the United States is critical to our country's national security.



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202-466-7200 www.npga.org <u>The Ask</u>: NPGA urges Congress to support the use of propane-powered generators at DOD to increase the number of propane-powered vehicles at domestic DOD facilities.

¹ https://afdc.energy.gov/fuels/propane_benefits.html