



NEWS

February 19, 1999

CONTACT: ED SCANNELL/MARC LITTMAN
MTA MEDIA RELATIONS
(213) 922-2703/922-2700
FOR IMMEDIATE RELEASE

MOVE IMPROVES RELIABILITY OF METRO BUS SERVICE

**STATE AUDITOR SUPPORTS MTA'S DECISION TO CONVERT ITS
ETHANOL/METHANOL BUSES TO DIESEL**

In a report released this week, California State Auditor Kurt R. Sjoberg said the MTA's decision to convert its remaining 324 poorly performing alcohol-fueled buses to diesel is the most cost-effective option that also meets environmental standards.

"The re-powering of these buses, combined with the purchase of nearly 2,100 buses through Fiscal Year 2004, will greatly improve the reliability of Metro Bus service and reduce overcrowding," said MTA CEO Julian Burke. "We are pleased that the audit recognizes MTA's commitment to service and the best use of public funds."

The report detailed the factors upon which the MTA based its decision:

- Despite following maintenance requirements in the bus purchase agreements, the alcohol-fueled buses failed at inordinate rates.
- By 1996, engine warranties covered at least \$16 million in repair costs, yet problems remained.
- Converting the buses to diesel, rather than continuing to use ethanol fuel, will save more than \$71 million.

The MTA purchased 333 alcohol-fueled buses between 1989 and 1992, but by February 1998 the MTA had pulled from service 127 of the buses whose engines had failed and whose warranties had expired.

More...

Faced with the extraordinary cost of keeping its alcohol-fueled engines in service, the MTA Board of Directors that month approved a recommendation to convert all of the engines to diesel as they experienced catastrophic failure and their warranties expired.

Currently, 61 alcohol-fueled buses have been converted to diesel, 221 are non-operational, and 42 are still in service.

The audit states that while "diesel fuel is not the most environmentally sensitive option available to the MTA, the converted engines will meet both State and federal emissions standards for urban bus engine conversions."

The report also acknowledges that it would cost MTA \$85.7 million to convert all 324 buses to compressed natural gas, "a considerably higher amount than the \$57.1 million it would cost to convert the buses to diesel."

#