

# Fill 'er up!

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## Landfill contracts to build Nat-Gas fill station

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By JIM RUNKLE , The Express

McELHATTAN - The Clinton County Solid Waste Authority plans to build the first public-access, natural gas filling station for vehicles in the county.

The authority, which operates the Wayne Township Landfill, is working to become the leader in the promotion of natural gas utilization in this region by awarding a \$1.8 million contract to O-Ring CNG Inc. of Punxsutawney to build a compressed natural gas filling station at the landfill along Route 220.

The concept has been on the table for just over a year, as landfill officials compared the costs of regular vehicle fuel like diesel, compared it to natural gas and determined the latter is much cheaper.

"The facility will be both slow-fill and fast-fill," Landfill Manager Jay Alexander explained. "The fast fill will be open to the public and the slow fill system will be inside the fence, to be used for our authority-owned vehicles."

What are the differences?

- Fast-fill stations are generally best suited for retail situations where light-duty vehicles, such as vans, pickups, and sedans, arrive randomly and need to fill up quickly.
- Slow-fill stations are used primarily by fleets. This type of setup works best for vehicles with large tanks that refuel at a central location every night.

Clearly, the transition from diesel to CNG or some combination hinges on whether or not it's financially feasible. In this case, landfill officials believe that, over time, the authority will recoup in fuel savings the cost of converting its vehicles. The currently estimate is that about \$40,000 to \$45,000 per vehicle - minus half if the authority's request for grant funds from the state is approved - will be recovered over time. Landfill Manager Jay Alexander told The Express he believes the conversion will pay for itself within three years.

In most cases, CNG costs 15 to 40 percent less than the regular gasoline. However, the cost of CNG-powered vehicles are discovered to be about \$3,500 more than the gasoline-powered ones due to the high price of CNG fuel cylinders.

On the good side, since CNG-powered vehicles are increasing in popularity, prices are expected to become lower in the future. In terms of miles per gallon, a regular gasoline-powered car averages thirty two miles per gallon while a CNG-powered car averages forty three miles per gallon. The federal Environmental Protection Agency estimates that CNG reduces carbon monoxide by 90 percent, reduces ground level ozone emissions by 75 percent and greenhouse gas by 25 percent.

This system offers a relatively simple technology for private industries and municipalities to fuel their vehicles at a fraction of the cost of gasoline or diesel and get similar or better engine performance. The idea is to use the fuel to supply the landfill's own fleet, and sell any excess to municipal or business fleets, while allowing public access to a natural gas filling station.

Alexander said the system will be built at O-Ring's facility and shipped to McElhattan, after the landfill creates a sufficient number of pads and utility infrastructure for installation. The station should be up and running by Aug. 1, Alexander said.

"I think this is going to put Clinton County on the top of the list," Authority Chairman James Maguire said. "Stop and think about it - fuel at half price, home grown ... That's pretty good. We have a tremendous opportunity here." "I've ordered my own vehicle with CNG from MacIntyre Chevrolet and it should be delivered in about four weeks," Maguire said. "So I guess you could say I'm putting my money where my mouth is."

Alexander said O-Ring was the lowest of two bidders for the project, with the second operation, George Ritz and Sons of Clearfield, submitting a proposal just \$100,000 over the winning offer.

Compressed natural gas, or CNG, is an increasingly popular form of vehicle fuel in the United States, especially with the advent and growth of the Marcellus Shale natural gas drilling industry. "The creation of this infrastructure offers a perfect catalyst as an anchor business to get the ball rolling," added county Commissioner Pete Smeltz, who heads up the county Natural Gas Task Force.

"It's fortunate that the Wayne Township Landfill has the resources to start this process," added Commissioner Jeff Snyder, the county's liaison to the Solid Waste Authority. "In the long run, it's expected to save them money as they proceed with the conversion of equipment, but the added benefit is that they can provide a service to the community at large."

Clinton County is also part of a group of counties represented by SEDA-COG in seeking a grant for a feasibility study on government, agency and other uses for CNG, with the emphasis on municipal fleet conversions.

But according to Commissioner Joel Long, the county's representative to SEDA-COG, that effort remains in its early stages.

The SWA effort, Long said, is a "tremendous first step in moving ahead in the interest we all have in the utilization of natural gas in the local communities."

"We've often talked about how this is a chicken-and-egg situation, in which CNG vehicles won't be used until filling stations arrive, and filling stations won't arrive because of the lack of CNG vehicles," Long said. "This proposal is the egg."

The surge in the available supply of natural gas has made it an attractive option, especially for government and private industries with larger fleets. The current drawbacks to vehicle conversion are the cost and the availability of local filling stations, but CNG is generally considered cleaner, safer and less expensive than many fossil fuels.

"Internally, our goal is to cut our fuel bill of 2012 in half within three years," Alexander said.

Alexander said the initial efforts also include the conversion of seven of the landfill's truck to "dual fuel" (diesel and CNG) this summer. "In 2014, we'll probably convert five or six more at a minimum," he said. "We're also working with some heavy equipment manufacturers to look into the conversion of some of our off-road equipment, although nothing has been finalized there.

The authority is also seeking an Act 13 grant from the Department of Environmental Protection for the cost of conversion of fleet vehicles. Alexander said a successful application could reduce the conversion cost for each vehicle to half, with the state kicking in the other half.

Act 13, through the impact fee, creates a new three-year Natural Gas Energy Development Program, to be administered by the Department of Environmental Protection. Over the next three years, this program will make \$20 million in grant funds available on a competitive basis to purchase or convert eligible vehicles to natural gas.

At present, the "partners" for that conversion effort including Wayne Township municipal government, Ultra Pipeline Inc., and the Lock Haven University, which expects to convert one of its Trolley buses to CNG.

As for the filling station, Alexander said it's going to be "build, move and plug in" sort of process and after it's in place, the system will hook into one of UGI's transmission lines, which already exist on landfill property.

Alexander said it's hope that the landfill might be able to eventually negotiate to a wholesale rate for the fuel, depending on the volume used.

The grant application for the fleet conversions is in its final stages and is expected to be submitted to DEP by the end of the month, Alexander said. "Several others have expressed an interest in the program, but are taking a wait-and-see attitude," Alexander said.

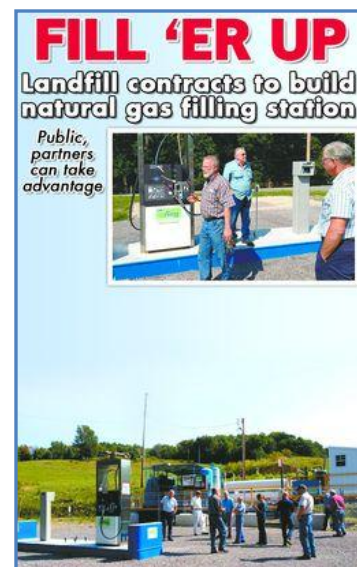


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Bob Beatty, left, of O-Ring CNG Inc., Punxsutawney, talks with local officials, including Clinton County Solid Waste Authority member Jim Maguire, center, and Clinton County Commissioner Pete Smeltz, right, during their visit to one of O-Ring's natural gas filling stations in operation. A group of nine local officials, below, made the trip to learn more about the project.