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MEDIA RELEASE

Advocating the increasing use of NGVs where they benefit most.
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Targeted Government Policies Can Accelerate Use of Natural Gas Vehicles

WASHINGTON, D.C., May 5, 2011 – With the proper government policies, the United States could replace 10 billion gallons of gasoline per year with domestically produced natural gas within 15 years, the president of NGV America told the U.S. House Energy and Power Subcommittee today.

Richard Kolodziej testified during the committee's hearing titled, "The American Energy Initiative: Challenges and Opportunities for Alternative Transportation Fuels and Vehicles." Kolodziej told members that the New Alternative to Give Americans Solutions (NAT GAS) Act of 2011 (H.R. 1380), which was introduced April 6 by U.S. Rep John Sullivan, R-OK, would jump start the use of natural gas vehicles (NGVs) in the United States. These vehicles would be powered by domestically produced natural gas rather than gasoline or diesel.

Kolodziej's testimony comes just one week after the Potential Gas Committee, one of the most well regarded organizations in estimating resources, issued its highest resource evaluation in its 46-year history, reaffirming its conviction that natural gas resources are abundant in the United States.

"We estimate that NGVs used about 43 billion cubic feet of natural gas in the U.S. last year," said Kolodziej. "That's the equivalent of 320 million gallons of gasoline we did not have to import. However, with proper government policies, that number could reasonably grow to 1.25 trillion cubic feet, or the equivalent of about 10 billion gallons of gasoline within 15 years.

H.R. 1380 would provide federal incentives for the production, purchase and use of natural gas vehicles and for the expansion of the NGV fueling infrastructure. While the bill would provide these incentives for only five years, it would make NGVs the economic choice for many more fleets, Kolodziej said.

"This would accelerate NGV use, which, in turn would bring more NGV manufacturers into the market, increase competition and drive down the first-cost premium (of buying a natural gas vehicle)," Kolodziej told the committee.

Natural gas is the only alternative fuel that can be used in all classes of vehicles, but the focus in the United States has been on fleets, particularly heavy duty fleets that use diesel.

“While there are many options to displace gasoline in light-duty vehicles, there are very few options to displace diesel in trucks, buses and other heavier vehicles,” he told the committee. “Of those options, natural gas can make the biggest impact the fastest.

“This is important since trucks are the economic lifeblood of America. Everything we buy moves by truck. If we reduce the cost of trucking, we reduce the cost of everything.”

Kolodziej pointed out that scaling up the demand for natural gas vehicles is possible. In 2003, for example there were only 2.8 millions NGVs globally. Today there are over 13.2 million NGVs in operation worldwide.

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NGVAmerica is a national organization dedicated to the development of a growing, sustainable and profitable market for vehicles powered by natural gas or biomethane. NGVAmerica represents more than 120 companies interested in the promotion and use of natural gas and biomethane as transportation fuels, including: engine, vehicle and equipment manufacturers; fleet operators and service providers; natural gas companies; and environmental groups and government organizations. For more information about NGVAmerica, visit our website at www.ngvamerica.org