

**COMMENTS BY ENERGY VISION
ON
THE NEW ALTERNATIVE TRANSPORTATION TO GIVE
AMERICANS SOLUTIONS ACT
(NAT GAS Act, H.R. 1380)**

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At a time when creating more jobs and strengthening the economy are foremost on the minds of Americans, a piece of legislation perks along in Congress that would mean progress on both fronts, while also addressing some of this country's most critical national security, environmental, and global warming challenges. It mustn't get lost in the political tumult in Washington D.C. and on Wall Street these days because it can achieve quick and substantial results.

This strategy involves shifting America's 10 million medium- and heavy-duty trucks and buses from foreign petroleum-based diesel fuel to cleaner domestic natural gas – not just to conventional natural gas but to renewable natural gas (RNG), which is made from organic wastes generated in every rural and urban part of the country. It requires no drilling, is clean, and is recognized as the lowest carbon fuel commercially available anywhere.

With incentives helping advance the use of natural gas vehicles, such as those pending in the NAT GAS Act (H.R. 1380), this country can virtually *eliminate* the use of diesel vehicle fuel (23% of all on-road fuel). This would ensure a new and job-rich green fuel industry and the more economic operation of a transportation sector on which both municipalities and product manufacturers depend.

Why should buses and trucks, which make up only 4% of our total vehicle population, be a priority for use of alternative fuels? For three reasons discussed below.

1. Diesel is no longer reliable, and there is now a better fuel
2. Natural gas fuel means a stronger economy and hundreds of thousands of new jobs
3. Natural gas fuel ensures healthier air for Americans and reduced greenhouse gases

1. Diesel is no longer reliable, and there is now a better fuel

Trucks and buses, the economic lifeblood of the country, can no longer rely on diesel. These vehicles are essential to every city and community - transporting people, taking children to school, picking up wastes and recyclables, etc. Heavy-duty trucks transport 70% of our GDP by value, but virtually all are powered by diesel fuel made from imported oil, whose cost and availability depend on decisions made by many foreign suppliers whose interests are not allied with our own. Competition is also expanding as China, India and other industrializing countries vie for remaining global oil supplies.

Domestic natural gas is abundant. In the past several years, new data have demonstrated that the U.S. has an abundant supply of readily available, economically-priced natural gas. The U.S. Energy Information Agency, the Potential Gas Committee, and other expert bodies now estimate that the U.S. has more than 100 years supply of natural gas – and that number keeps growing even as more natural gas is produced each year. In 2009, the U.S. became the number one natural gas producer in the world. However, the extent to which many newly discovered shale gas supplies can be tapped will depend on essential federal regulation of “hydrofracking” drilling technology, ensuring that it is only used where it does not put this country’s water resources or public health at risk.

The investments made to use conventional natural gas-powered buses and trucks today pave the way to use of an even better gas fuel - the renewable form of natural gas called “biomethane” or “RNG.” RNG requires no drilling since it can be produced wherever organic wastes exist. These wastes include garbage, yard trimmings, crop residues, and other organic materials that are thrown away day in and day out by our homes, institutions, factories, and farms - a currently squandered fuel resource. RNG fuel is chemically identical to conventional natural gas, so it can be blended with it, transported in the same pipelines and used in all natural gas vehicles.

RNG is in commercial use in Europe today fuels thousands of buses and trucks in Sweden, France, Austria, Norway and Spain, and its production is beginning in the US. The gases created in Waste Management’s Altamont Landfill in California are refined into RNG that is used to fuel almost 400 refuse trucks a day. Commercial technology, “anaerobic digestion,” could displace 16% to 25% of the diesel fuel used in the U.S., and could sell at a price competitive with or lower than diesel. However, with the addition of “thermal gasification” technologies, now on the horizon, that can turn woody wastes also into fuel, RNG could meet more than 50% of U.S. diesel demand. RNG and conventional natural gas together could end this country’s dependence on petroleum-based diesel fuel altogether.

Shifting buses and trucks to cleaner domestic natural gas requires no technological breakthroughs. The technology is commercial and cost-competitive today. More than 15,000 transit buses and refuse trucks use natural gas fuel right now.

2. Natural gas fuel means a stronger economy and hundreds of thousands of new jobs

Powering U.S. buses and trucks with natural gas can stem the flow of more than \$40 billion a year (more than \$110 million a day!) that is sent abroad to buy oil needed for diesel. While buses and trucks make up just 4% of all vehicles, they consume almost a quarter of all highway fuel.

The jobs created in shifting buses and trucks to conventional and renewable natural gas would be permanent jobs in a growing green energy industry and would support stronger communities. The design, construction, and operation of RNG plants to supply about half of U.S. diesel fuel demand would create more than 250,000 jobs. Hundreds of thousands of additional jobs would be needed for the manufacture of vehicles equipped with natural gas engines and the construction of refueling infrastructure to dispense the fuel. These jobs would benefit both urban and rural communities, and they can never be exported.

Further, as RNG production turns a community's discards into a prized resource, its wastes will be diverted from expensive landfills, waste management costs will decrease, and taxpayer dollars will be saved. In addition, after making RNG from decaying organic materials, what remains are economically valuable nutrient-rich fertilizers and soil-enhancing organic materials.

3. Natural gas ensures healthier air for Americans and reduced greenhouse gases

Natural gas virtually eliminates particulate (soot) emissions and reduces nitrogen oxides emissions by 80% -- substances that have been major contributors to air pollution that has left 154 million Americans, according to The American Lung Association's 2010 *State of the Air* report, living in areas that violate standards set to protect public health.

Natural gas use significantly cuts bus and truck greenhouse gas emissions. Conventional natural gas reduces greenhouse gas emissions by approximately 25%, while RNG reduces it by more than 90%. On a life cycle basis, RNG, according to the California Air Resources Board, is the lowest carbon fuel commercially available.

After 20 years of development, natural gas vehicle technology has become fully mature. Key to achieving the economic and environmental gains inherent in the shift of heavy-duty vehicles from diesel to natural gas are the kind of incentives that would be provided by the NAT GAS ACT (H.R. 1380) pending in Congress. These incentives would help communities from coast to coast cover the higher costs of buying new natural gas vehicles for their fleets and have refueling stations built. It would enable more fleets of tractor trailers, port vehicles, and others to convert as well. As more gas-equipped fleets and refueling infrastructure are put in place for the use of conventional natural gas, cities, recognizing that they have the means to distribute a gas fuel, will be encouraged to begin turning their wastes into RNG, launching a new job-intensive industry that can make a secure low cost sustainable fuel from urban, farm, and industrial wastes in every state in the union.

Our country needs economic revitalization and green jobs NOW as well as healthier air and reduced greenhouse gases. The NAT GAS Act incentives mean progress on all these fronts. It is likely that the cost of these incentives will pale by comparison with the hundreds of millions of dollars that will no longer have to be sent abroad to buy oil but instead can be invested in the secure domestic fuels needed for the U.S. in the 21st century. It would be a great shame were we not to seize this opportunity to reinvigorate our economy, put hundreds of thousands of Americans to work, and improve the prospects for the world our children will inherit.

Energy Vision is a New York-based environmental organization that analyzes and promotes strategies that can most effectively move the US toward a sustainable energy and transportation future. For more on EV's work, see www.energy-vision.org.

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