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October 25, 2013

Washington Utilities and Transportation Commission 1300 S. Evergreen Park Dr. SW Olympia, WA 98504-7250

Dear WUTC Staff,

I am writing in support of Docket No. UG-131589, a voluntary filing by Puget Sound Energy intending to streamline the company's ability to provide Compressed Natural Gas (CNG) for transportation purposes.

The Northwest Gas Association (NWGA) is a trade organization of the natural gas industry in the Pacific Northwest. It seeks to advance the safe, dependable and responsible use of natural gas as integral to the region's environmental, energy and economic future. The NWGA's members include all six natural gas utilities serving Idaho, Oregon, Washington and British Columbia, and four transmission pipelines that transport natural gas from production areas to and through the region.

Puget Sound Energy has offered CNG for more than a decade under its Schedule 50 and that its current tariff allows the company to offer high-pressure gas service under Rule 18. This filing allows for standardized agreements that will help PSE and WUTC more efficiently file and review new requests for CNG service.

A regulated option for CNG fueling provides customers in Puget Sound Energy's service territory with additional choice while giving consumers the confidence to invest in new vehicles and the knowledge that they will enjoy safe and reliable CNG service for the life of their fleet. Utility involvement also provides the transparency and WUTC oversight enjoyed by traditional natural gas consumers.

Nationally, CNG's greatest success stories have occurred in states where utilities participate in providing fueling including Utah and California. In British Columbia FortisBC has been a leader in fostering CNG adoption, in part due to their ability to provide fueling opportunities along with other incentives for natural gas transportation.

Transitioning to CNG as a vehicle fuel represents an important step in Washington's movement toward reducing greenhouse gas emissions. When compared with gasoline or diesel CNG produces 20 to 30 percent less CO<sub>2</sub> upon combustion and significant reductions in particulate matter, sulfur oxides and nitrogen oxides.

In addition to the environmental benefits, CNG is an affordable fueling option, historically enjoying a 30 to 50 percent price advantage when compared with gasoline and diesel while employing readily available engine technology.

Please don't hesitate to contact me if I may be of additional assistance during this process at <u>dkirschner@nwga.org</u> or 503-344-6637.

Sincerely,

Dan S. Kirschner, Executive Director