

# Cheap, Clean, Domestic — Natural Gas Trucks & Buses

Oil is over \$70 per barrel and natural gas prices have not changed. Our stories in this issue focus on the availability of natural gas clean vehicles, the price advantage of CNG, and our new CNG trailer and valving refurbishment services. Plus, we have other updates and insights like our expanded CNG parts supply to help your fleet successfully add clean fuel vehicles.

- Featured Stories -





#### Oil Prices are Back Up, Natural Gas Prices Remain Flat

We have all seen this trend of volatile oil prices over the past thirty years. The price of oil drops and we forget about maximizing the use of natural gas in bi-fuel vehicles or including NGVs in the next round of vehicle purchases. Then the price of oil jumps up and along with it gasoline and diesel prices, which often outrun a fleet's fuel budget for the year. However, some fleets like UPS regularly buy natural gas trucks to expand their NGV fleet and diversify the types of fuels they buy. This keeps their average fuel prices low and continues to reduce the environmental footprint of their fleet – an advantage they tout with their customers as they compete each day for a share of the huge international package delivery business. In fact, UPS announced just last month the addition of 700 natural gas trucks to their fleet.



Oil is over \$70 per barrel and that means diesel is over \$3 per gallon and gasoline is climbing toward \$3 per gallon. Natural gas on the other hand, has been around \$2.50 per million BTUs for years. This means that the price of CNG per gallon for fleet fuel pricing (typically based on some level of volume purchasing) is around \$2 per gallon. On-site fueling, as is typical for refuse haulers, transit buses and airport vehicles, or large fuel volume purchase commitments by trucking fleets, can be as low as \$1.50 per gallon. Coupled with robust cash and tax incentives that many states including Colorado offer, the pay-back for the incremental cost of NGVs ranges from just a few months to a couple of years. Redmark's Fuel for Work Partnership coordinates fueling needs between its fleet customers and leading fuel providers. Give us a call and we can prepare a free fleet economic analysis for moving over to natural gas.

#### Redmark Partners with Digital Wave for CNG Trailer Projects



Increasingly, oil field drilling operations rely on compressed natural gas (CNG) or liquefied natural gas (LNG) deliveries from large semi-trucks hauling CNG or LNG trailers to provide fuel for the drilling rig power systems. These power systems generate much less air pollution when operating on natural gas than when running on diesel. Redmark has become a designated rebuild center for these large CNG trailers. The trailers can hold hold as little as 75,000 cubic feet or as much as 300,000 cubic feet of natural gas.



Depending on the DOT specifications for each trailer the high-pressure CNG storage vessels require testing every three to five years. In some cases the vessels are removed for testing and in other cases the vessels can be tested in place. Digital Wave, based in Denver, is a regional center for such testing and has partnered with Redmark for the removal/reinstallation of the vessels, rebuilding of valves, pressure testing gas delivery manifolds, and general repair, maintenance and fabrication work associated with the trailers. The first project between Digital Wave and Redmark began this summer for five CNG trailers. We expect more of this work in the future as well as stand-alone gas valve and manifold system rebuilds, fabrication and testing.



#### If We Want Cleaner Air, We Need [to use] Cleaner Vehicles

The leading US trade association for the use of natural gas vehicles has recently launched a <u>new website</u>. This group, NGVAmerica, presents updated details about light-trucks, heavy-trucks, and buses that OEMs are offering on natural gas. In addition, NGVAmerica engages in state and federal-level lobbying to remove barriers and create incentives for fleets to adopt and operate NGVs. This new website is also an excellent place to find

information about cutting-edge topics such as the near-zero NOx emissions Cummins natural gas engines, greenhouse gas emission reduction data and how fleets can source renewable natural gas (RNG) for their fuel needs.



RNG is sourced from municipal waste water treatment plants, landfills and commercial livestock operations such as dairies. The NGV America website identifies suppliers for RNG such as AMP Americas and companies such as Redmark that are leading providers of products and services in the NGV industry. Take a look at the new NGV America website and learn how your fleet can implement natural gas vehicles into its fleet operations.



# - News Brief -



# New Team Member at Redmark, Tony Millage

Redmark is always on the lookout for great new team members and recently added Tony Millage as its Parts and Service Director. Tony's background includes being a Parts and Service Manager for Emich Chevrolet for many years, with a rich knowledge of vehicles and parts management. "Already Tony has made our operations more efficient and is helping us grow our national CNG parts business," said Kris Kielty, President of Redmark. He added that, "Tony has a great customer service mindset and a real gusto to get the job done right."



# Redmark Passes Annual Ford QVM Review

Each year Ford Motor Company sends its engineers to Redmark to review quality control systems, installation procedures, NHTSA compliance and other factors to ensure that the work by Redmark to add CNG and LPG fuel systems to new Ford trucks and vans for delivery to customers through Ford dealers meets stringent requirements. For the fourth year in a row, Redmark passed this review with flying colors and is looking forward to supporting model year 2019 upfit needs.

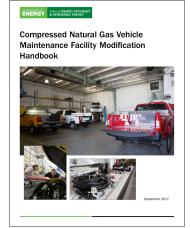


### VW Diesel Emissions Settlement Funds – Incentives for NGVs

Colorado was one of the first states in the US to go through the process of preparing and finalizing a plan for use of its allocation of the VW diesel emissions settlement funds. This allocation totals \$68.7 million and will be deployed over a number of years to fund certain efforts that reduce NOx emissions from the transportation sector. The eligible types of vehicles for this funding, among others, include Class 8 local freight trucks, Class 4-8 school bus, shuttle bus, or transit bus, Class 4-7 local freight trucks, airport ground support equipment, and forklifts. The Colorado Department of Public Health and Environment is leading the effort, in association with the Regional Air Quality Council and others, and is currently in a request/receive funding (final stage) status this summer with the federal government. One of the uses of the settlement funds will be to put more NGVs on Colorado's roads. We will keep you up to date about the next steps for this program and you can learn more at:

https://www.colorado.gov/pacific/cdphe/VW.

# DOE Handbook on NGV Maintenance



As a reminder to fleets running CNG vehicles, either maintaining MY 2018 or earlier trucks and buses or preparing for MY 2019 CNG vehicles, recently the US Department of Energy, Office of Energy Efficiency & Renewable Energy, in conjunction with the National Renewable Energy Laboratory (NREL) and the Clean Cities' programs released a publication: Compressed Natural Gas Vehicle Maintenance Facility Modification Handbook.

Redmark's Commerce City, Colorado facility and President Kris Kielty are featured in the cover photos of the relatively new document.

Considering the myriad of codes and standards to wade through that make this fuel so safe, this handbook is an excellent resource for fleets and vehicle dealerships that provide maintenance services on NGVs. The document is free of charge, click on this link to download a copy.



# Redmark Launches National Parts Supply

Redmark recently launched its national CNG and LPG parts supply program for fleets with NGVs and propane vehicles as well as CNG fueling facility operators. This national program builds on Redmark's regional parts warehouse that has been supplying fleets in and around the Colorado area with unique high and low pressure fittings, components and assemblies for service and repair of vehicles and fueling facilities for many years. Give us a call or visit our new Parts Page on our website.

July
25

Colorado Chapter Meeting RMFMA - FleetPros



Colorado Natural Gas Vehicle Coalition Restart Kickoff Lunch and Meeting

**CNGVC - Colorado Energy Office** 

August

21-23

# Sustainable Fleet Technology Conference & Expo 2018

September

10 - 12

Fleetcon 2018

**September** 

25 - 26

**NTEA's Truck Product Conference 2018** 

### REDMARK INCENTIVES SECTION

### REDMARK RESOURCES SECTION

REDMARK SERVICES SECTION

### FORWARD TO A FRIEND

### **Vehicle Services**

Ford QVM Vehicles | CNG/LPG Installations | Repair and Maintenance | CSA Tank and Vehicle Inspections

### **Fueling Station Services**

O&M Contracts | 24/7 Support | Remote Monitoring and Analytics | New Builds/Upgrades

#### Specialty Support

Parts Supply | Training | Roadside and Backup Fueling

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