



## New Jersey Board of Public Utilities

### NEWS RELEASE

**For Immediate Release:**  
June 19, 2012

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## The Christie Administration Encourages use of Compressed Natural Gas in Fleet Vehicles

### NJ Board of Public Utilities Approves Compressed Natural Gas Fueling Station Pilot Program

TRENTON, N.J. – At yesterday’s Board meeting the New Jersey Board of Public Utilities (“Board”) approved a compressed natural gas (“CNG”) pilot program whereby the New Jersey Natural Gas Company (“NJNG”) will construct between seven and ten CNG vehicle re-fueling stations throughout its service territory. The pilot program follows the lead set forth by Governor Chris Christie’s 2011 Energy Master Plan (“EMP”) as it will stimulate the use of cleaner natural gas vehicles throughout the state, with an emphasis on fleet-based organizations.

The \$10 million pilot program envisions the development of clean energy in the state over the next decade and continues New Jersey’s national leadership in furthering its energy independence and environmental objectives in a manner that saves money, stimulates the economy, and creates jobs. The EMP states that CNG offers an economically and environmentally-friendly fuel-replacement for petroleum-based sources.

The EMP also supports the expansion of the CNG infrastructure to achieve New Jersey’s advancement in the use of alternative fuels for transportation. In an effort to meet that challenge, the Board is currently focusing on commercial fleets to stimulate the marketplace. As trucks are the dominant means of moving goods and freight within the state, and large trucks are currently powered by only diesel fuel or CNG for natural gas vehicles, additional CNG fueling stations will allow companies to pursue a viable alternative to the costly and environmentally harmful diesel fuels.

“The high cost posed by diesel and gasoline powered vehicles, both financially and environmentally, have necessitated alternative fuel vehicle technologies. Now is the time for the State of New Jersey to encourage the development of needed CNG infrastructure to support market penetration of CNG vehicle technology and its benefits of less pollution, reduced dependence upon fossil fuels, and lower transportation costs,” said Board President Bob Hanna. “Our efforts are consistent with the vision of

Governor Christie in the State's Energy Master Plan and its policies to further advance alternative fuel vehicle technologies.”

NJNG filed its petition for a CNG pilot program on June 16, 2011. Public hearings were held in the NJNG territory to garner public opinion regarding the pilot program, and the Board also reviewed motions filed by various utilities. On June 6, 2012, the Board and NJNG reached stipulations in order for the pilot program to satisfy all parties involved. At this time there is no impact to the NJNG customer's bills since NJNG is not seeking a rate recovery. Based upon current NJNG rates, the anticipated financial impact to the average NJNG customer would be less than 30 cents per month. Rate recovery would only be granted after notice and hearing by the Board.

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