From: <u>djtsh@windstream.net</u>

To: <u>Treece, Tricia</u>

Subject: Volkswagen consent Decree Environmental Mitigation Trust

Date: Wednesday, October 25, 2017 10:24:56 PM

Dear Ms. Treece.

In response to your request for information in the above mentioned subject I would like to suggest the following changes to your draft proposal regarding the use of funding available from the settlement.

Specifically under section IV topic A the draft speaks of a CNG School Bus Pilot Program, this particular portion of the proposal could be significantly improved and the funds will go further to serve more citizens and reduce NOx emissions much more by including Propane Autogas School Buses in the mix, as the emissions profile is almost the same for the two fuels.

There are several reasons why this is true, but perhaps the most important is the per unit cost of a Propane Autogas powered school bus as compared to CNG powered bus.

Not only is the initial cost of a Propane Autogas school bus significantly less, as much as \$48,000 less, but the refueling infrastructure is enormously less expensive. Propane refueling tanks and pumps can be installed at savings as much as 75 percent less than the cost of similar capacity CNG refill facilities, and the operating cost are significantly less because of the high pressures required by CNG (as much as 3500PSI) in order to refill the vehicle fuel tank. (Propane Autogas operates at a maximum of 312psi)

Additionally CNG fuel tanks require a very rigorous inspection schedule and have a very finite lifespan, which requires their replacement due to age. This factor could add significantly to the maintenance costs of a school bus which typically does not accumulate odometer miles like an over the road vehicle and tend to stay in the fleet for a longer amount of time. Propane Autogas tanks do not have a finite life span and can be used indefinitely with minimum maintenance.

Having said all of that I would suggest that under section D. Table 1 Proposed Budget Overview the amount allocated for CNG Pilot Programs be allocated to Propane Autogas Pilot Programs. The citizens of Arkansas would be much better served and ADEQ would be much better stewards of the resources provided to them by following this proposal.

I do understand that it may not be possible to exclude CNG from the pilot programs mentioned, and if that is so, perhaps you could amend the budget category to read as follows: CNG and Propane Autogas Pilot Programs for 60% of total funds. I am confident that doing so would allow the market to choose the best option for the citizens of our state.

Thank you for your consideration,

David B. Hendrix