

November 13, 2017

Mr. William K. Montgomery
Ms. Tricia Treece
Arkansas Department of Environmental Quality
5301 Northshore Drive
North Little Rock, AR 72118-531

RE: NGVAmerica Comments on the State of Arkansas Volkswagen Environmental Trust Draft Beneficiary Mitigation Plan

Dear Mr. Montgomery and Ms. Treece:

Kinetrex Energy, one of the leading manufacturers of LNG in the United States, respectfully submits the following comments to the Arkansas Department of Environmental Quality (ADEQ) on the State of Arkansas Volkswagen Environmental Trust Draft Beneficiary Mitigation Plan (Plan). These comments are in support of Natural Gas Vehicles for America (NGVAmerica)'s comments and recommendations on how states can best use the Environmental Mitigation Test (EMT or Trust) funds that each state will receive as part of the Volkswagen (VW) diesel emission settlement. We request that the Statewide Alternative Fuel Grant Program be broadened to natural gas engines/vehicles, which includes Liquified Natural Gas (LNG) fuel systems.

We submit that the Statewide Alternative Fuel Grant Program (25%) should be broadened to *natural gas engines/vehicles*, which includes Liquified Natural Gas (LNG) fuel systems. All medium and heavy duty natural gas trucks use the same natural gas engine, only the fuel systems vary. An LNG fuel system is better suited for an over the road trucking application than CNG because LNG fuel systems have 800+ mile ranges, are less expensive, and are lighter weight than their CNG counterparts. As a result, over the road, heavy duty trucking operations looking to convert to natural gas look to LNG as the right technology. If the language is not broadened to natural gas engines/vehicles or LNG, then over the road, heavy duty trucking operations will be left out of this program.

We are working to implement an LNG pilot in Arkansas, for a company domiciled in Arkansas, who will be purchasing ten new Class 8 LNG trucks. These trucks will be run in an over the road transportation network. This private, wholesale LNG development would benefit tremendously from being a beneficiary of the Statewide Alternative Fuel Grant Program. This will support the public-private goals ADEQ has identified.

By broadening the language of the Statewide Alternative Fuel Grant Program to *natural gas* engines/vehicles, which includes LNG fuel systems, you will be broadening the program to include over the road, heavy duty truck operations.

Sincerely,

President & CEO