



Motorist Bob Davis fills up his airport shuttle van at a natural gas pumping station in College Park, Ga. AP

Natural gas drillers target truck, bus market

By Michael Rubinkam

Associated Press

SCRANTON, Pa. — If the trash truck or bus rolling down your street seems a little quieter these days, you're not imagining things. It's probably running on natural gas.

Surging gas production has led the drilling industry to seek out new markets for its product, and energy companies, increasingly, are setting their sights on the transportation sector.

Touting natural gas as a cheaper, cleaner-burning alternative to gasoline and diesel, drillers, public utilities and government officials are trying to boost demand for natural gas buses, taxis, shuttles, delivery trucks and heavy-duty work vehicles of all sorts, while simultaneously encouraging development of the fueling infrastructure that will be needed to keep them running.

The economics are compelling. Natural gas costs about \$1.50 to \$2 per gallon equivalent less than gasoline and diesel. That can add up to tens of thousands of dollars in savings for vehicles that guzzle the most fuel.

Fleet managers are taking notice. Companies as diverse as AT&T, Waste Management and UPS are converting all or parts of their fleets to natural gas, as are transit agencies, municipalities and state governments.

"Now that you can save a dollar or

two dollars a gallon, there's huge interest in the market, especially in those fleets that use a lot of fuel," said Richard Kolodziej, president of the trade group Natural Gas Vehicles for America.

Waste Management, the nation's largest trash hauler, has committed to replacing 80 percent of its fleet with trucks powered by natural gas. Rich Mogan, the company's district manager in southwestern Pennsylvania, said about half of his fleet of 100 trucks now run on the cheaper fuel. They are quieter and less expensive to maintain, he said, and "we are looking at a 50 percent reduction in our (fuel) cost."

Natural gas vehicles aren't new. But the drilling boom, spurred by new technology that unlocked vast reserves of natural gas in deep rock formations like the Marcellus Shale underneath parts of New York, Pennsylvania, West Virginia and Ohio — created a gas glut that depressed prices. That, in turn, has made natural gas more attractive as a transportation fuel.

Partly because of a lack of fueling infrastructure, gas isn't expected to grab significant market share from petroleum anytime soon. Only a tenth of 1 percent of the natural gas consumed in the United States last year was used as vehicle fuel, according to the U.S. Department of Energy. Of more than 250 million vehicles on the road today, perhaps 125,000 are powered by natural gas.