



SJV Dairy RNG For Low NOx Natural Gas Trucks & Buses

Thursday, Sept. 7, 2017

12:30 p.m. – 4:30 p.m.



Current SJV HD Truck Opportunities for RNG

Recent SJV Air District solicitation for Prop 1B funding resulted in 311 applications submitted with 212 of those being for the Cummins 12 liter ultra-low NOx engine.

Mapping work by CALSTART San Joaquin Valley Clean Transportation Center has revealed over 15 clusters of dairies in Kings, Tulare, and Kern counties that are located in close proximity to existing gas transmission lines owned by SoCal Gas.



Opportunities Continue

San Joaquin Valley Air District is developing a revised Truck Voucher Program targeting 2010 and newer model trucks for converting large fleets to natural gas fuel. Program is planned to start in October, 2017.

Current HVIP incentives for ultra-low NOx engines should be able to be stacked on top of new Air District TVP.

SB-1 diesel fuel tax increases are driving large truck fleets to look at natural gas.

Challenges

San Joaquin Valley natural gas prices at public access stations is on average higher than current diesel prices.

Natural Gas Fuel Business Case Analysis

Date	8/31/2017				
Location	Price/GGE	Price/DGE	Average Diesel Price per Gallon		Average Diesel Price per Gallon/SB-1
PG&E Fresno	\$2.67	\$3.20	Pump	\$2.80	\$3.10
Questar Buttonwillow	\$2.30	\$2.76	Bulk	\$2.20	\$2.50
Trillium Tulare	\$1.99	\$2.39			
City of Wasco	\$2.90	\$3.48			
PG&E Bakersfield	\$2.67	\$3.20			
City of Delano	\$2.74	\$3.29			
City of Lemoore	\$2.36	\$2.83			
PG&E Merced	\$2.67	\$3.20			
Kern Schools	\$1.49	\$1.79			
Exeter	\$2.44	\$2.93			
UPS Fresno	\$2.50	\$3.00			
City of Fresno	\$1.56	\$1.87			
Lathrop	\$2.74	\$3.29			
PG&E Los Banos	\$2.67	\$3.20			
Madera	\$2.69	\$3.23			
Reedley	\$2.54	\$3.05			
PG&E Stockton	\$2.67	\$3.20			
City of Tulare	\$2.79	\$3.35			
Visalia Transit	\$1.53	\$1.84			
Visalia Unified	\$2.44	\$2.93			
Average Price	\$2.42	\$2.90			
Color Codes					
Less than diesel bulk today					
More than diesel pump today					
Less than diesel pump today					

This spreadsheet is based on current pricing for diesel and forecasts the increase in sales tax and fuel tax approved under SB-1.

Challenges Continue

Costs for clean-up equipment to bring dairy RNG to fuel and pipeline quality is high.

Interconnection costs and timing can be high and process lengthy.

Out-of-state RNG is plentiful and new projects are being developed to serve the California market. This market condition makes it difficult to develop in-State dairy RNG resources.

Thank You For Attending!

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