# Encourage alternative energy that is here and working now, Mr. President.

# Natural gas for transportation.

All that you said about our energy problem in your State of the Union Address is true. We are too dependent on foreign oil, and we must shift to non-petroleum alternative fuels quickly. Your call for more research on hydrogen vehicles and ethanol-from-biomass could have a big impact — in the future. But if we are to meet your goal of reducing our oil imports by 2025, America can't wait. We need to start displacing foreign oil today.

We import almost two-thirds of the oil we consume, and two-thirds of what we consume is used for transportation. Fortunately, we have alternative transportation fuels available today. And when it comes to urban vehicles — like transit buses, trash trucks, school buses, shuttle vans and delivery vehicles — the best alternative fuel is natural gas.

Why?

Most of the natural gas we consume we produce domestically — about 85% at last count — with most of the rest produced in Canada. America has a huge amount of natural gas. Congress has placed much of it off-limits for drilling, but the gas is there when we need and want it. We are also beginning to transfer energy resources to their best use. As an example, about one-quarter of our natural gas is used to generate electrical power, but trends show that other fuels, such as coal, will be used more in the future, freeing natural gas for higher priority uses — like transportation. We're even beginning to produce renewable natural gas in the form of biogas — from landfills, sewage treatment plants, farms and feedlots — that can be used to offset and free more natural gas for transportation. Worldwide, there is more natural gas than oil, and there are plans to import more of it in the form of liquefied natural gas.

Natural gas vehicles or NGVs produce less urban air pollution than comparable gasoline and diesel vehicles. Replacing one diesel-powered trash truck with a natural gas-powered one is equal to taking 325 cars off the road in terms of pollution reduction. NGVs also produce less greenhouse gases.

NGVs are the pathway to hydrogen transportation, too. Natural gas fueling stations are the best place to locate hydrogen fueling. Much of the hydrogen vehicle technology is based on natural gas technology. And vehicles that burn a blend of hydrogen and natural gas exist today. We don't have to wait for technology breakthroughs to start creating a hydrogen transportation system.

NGVs do cost more to buy. But NGVs cost less to operate. Even at today's high prices, natural gas is cheaper than gasoline or diesel at the pump. And to encourage the switch to NGVs, last year Congress approved and you signed a law that provides new financial incentives. Up to 80 percent of the added cost of a new NGV will now be paid by the federal government, and the government will provide an excise tax credit of 50 cents per gallon of natural gas used.

Many other countries are far ahead of the U.S. in their use of NGVs. Italy, China, India, and Pakistan are just a few. Brazil has over one million NGVs. In Argentina, 20% of all vehicles use natural gas. With the proper commitment and leadership, we could see that same growth here, and we can take a big step toward reducing our dependence on foreign oil.

## Let's put natural gas for transportation solidly on the national agenda, where it belongs.

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**NGVAmerica** is a national trade association dedicated to the development of a growing and sustainable American market for vehicles powered by natural gas or hydrogen.