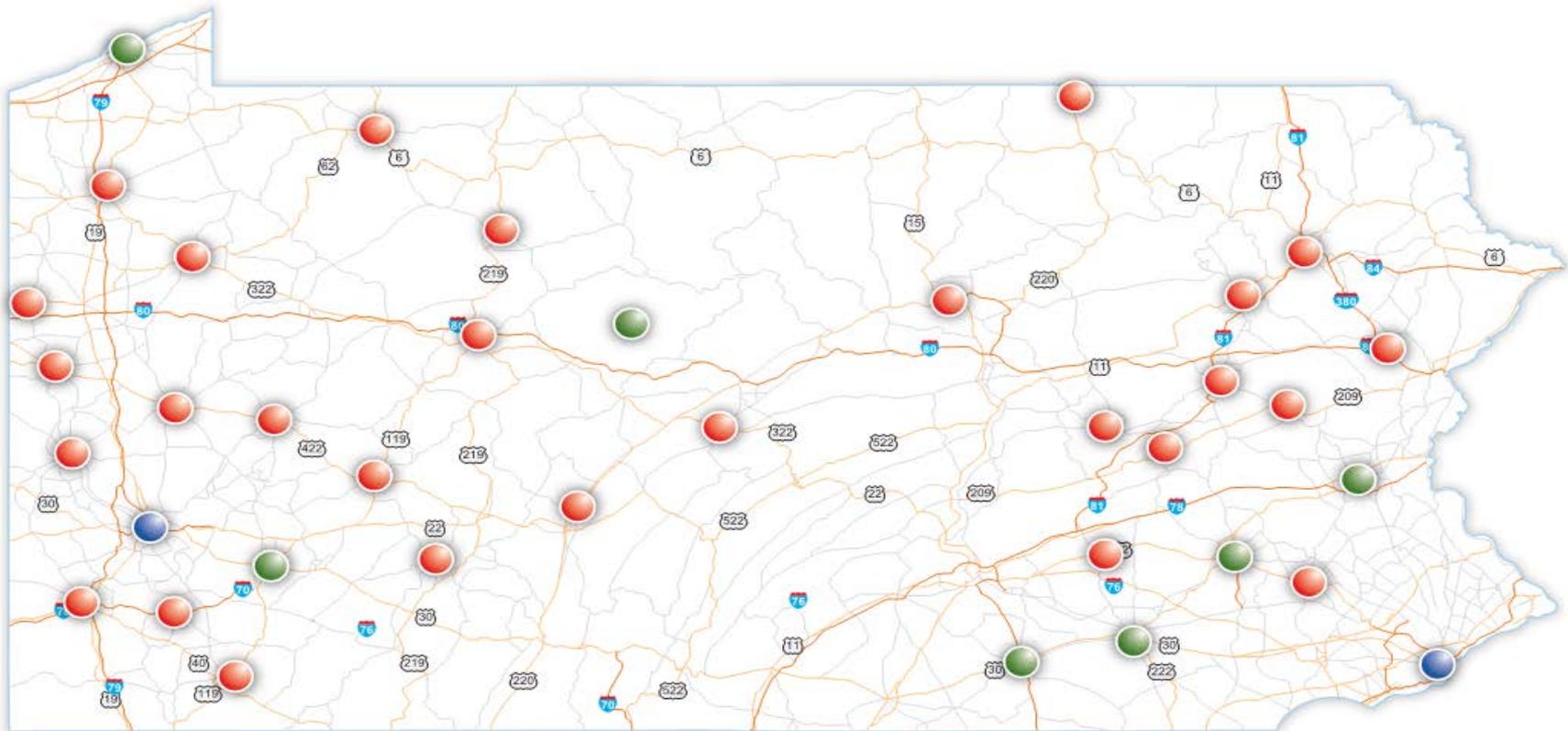


CNG Fueling Stations P3 Project for Transit

Project Goals & Objectives

- Provide reliable access to CNG fuel to facilitate transit fleet conversions
- Upgrade facilities to accommodate CNG
- Reduce long-term operating costs
- Establish a new long-term revenue source to support capital improvement projects

Location of Potential Transit Agencies



Current Fleet Size Key: ● > 1,000 ● 100-200 ● < 100

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Survey – “Best Practices”

- Revenue and cost savings benefit from “public access”
- Transit agencies / PennDOT must make CNG fuel consumption commitment
- Utilize CNG Industry expertise to manage and operate (Turn-key solution)
- Proactive site planning process
- Clear and defined implementation plan
- Contract duration must allow for a return on investment

Survey – “Best Practices”

- Outdoor fueling is recommended for the safe fueling of equipment;
- “Fast fill” needs to be incorporated in station design;
- Build scalability and redundancy into the station design; and,
- A CNG supply that meets both the pressure and volume needs of the station is essential.

Project Delivery

- Accept proposals offering a turn-key solution:
 - For the design and construction of fueling stations and necessary facility upgrades
 - Upfront private-sector investment
 - Ongoing operation and maintenance responsibility for fueling stations

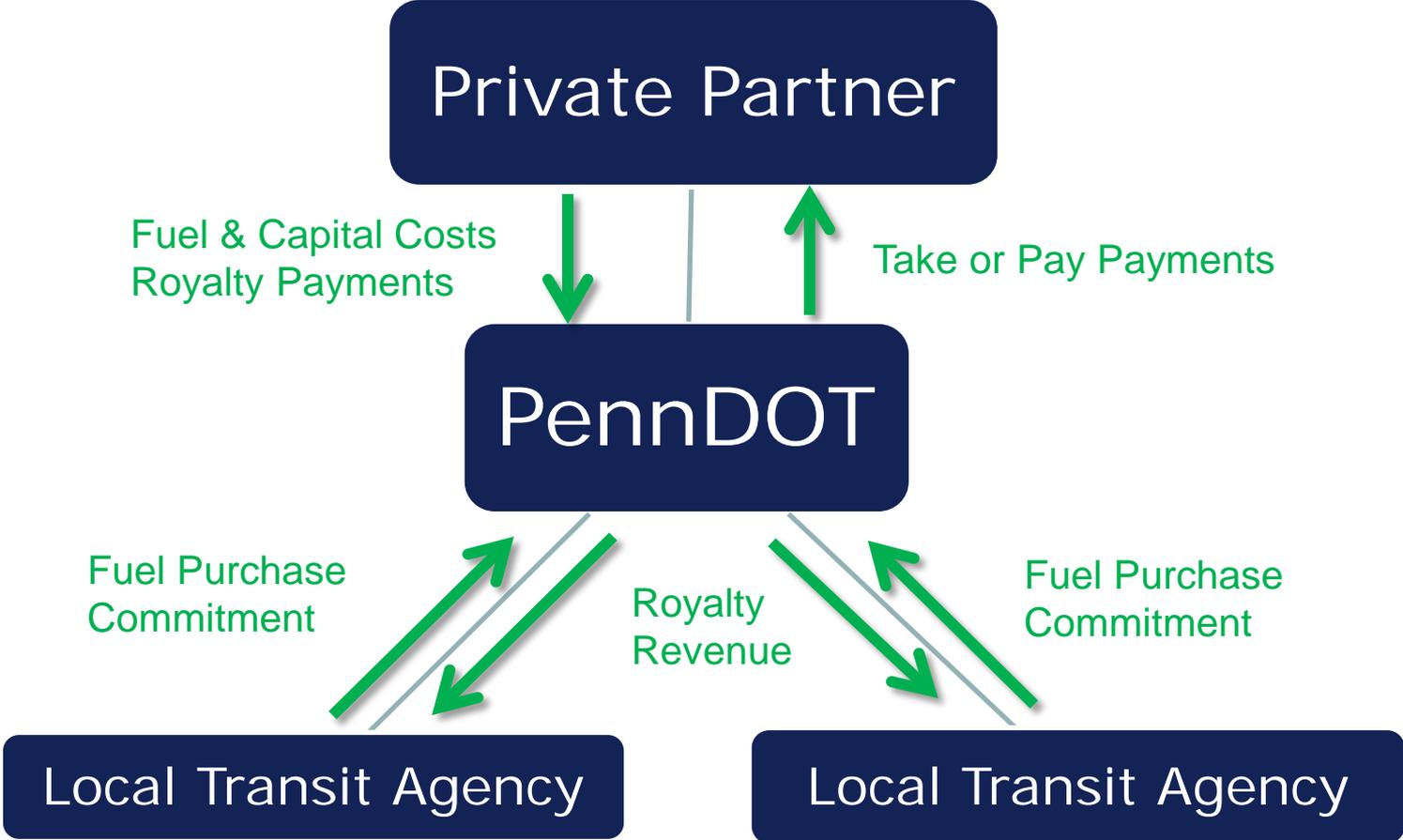
Contractual Arrangement

- Supply Agreement – PennDOT will commit to a minimum statewide purchase of CNG by transit agencies.
- Allow for outside-the-fence fueling and revenue sharing
- Performance requirement to ensure uninterrupted service that meets all operational needs

PennDOT Agreement w/ Transit Agencies

- Agencies that opt-in to the project will agree to an established conversion schedule and fuel purchase commitment
- Individual site plans and access requirements will be agreed to
- All collective bargaining agreements will be accommodated

Agreement Structure



Payback Assessment Tool

AGENCY	FACILITY	ROI YEARS	ROI SAVINGS	FLEET SIZE	FUEL USE (g/y) from Agency	FUEL USE (g/y) from Survey
ABCD	XYZ	6	\$ 54,167,390	352		4109927
ABCD	XYZ	6.2	\$ 51,213,011	352		4109927
ABCD	XYZ	8.5	\$ 12,478,792	105		663587
ABCD	XYZ	8.9	\$ 9,633,137	133	611936	718706
ABCD	XYZ	10.9	\$ 5,529,251	93		513026
ABCD	XYZ	10.4	\$ 4,383,429	66	350469	400964

Capital Investment

- Fueling Infrastructure
 - For Transit Use and For Public Use
- Maintenance / Storage Facility Improvements
 - Not likely to include total replacement of any existing facility.
- Will NOT include Fleet Procurement or Vehicle Retrofits.
- CAPEX: \$50-\$100 Million (\$2-3m per site)

Private Responsibilities

- Responsible for obtaining all necessary permits and other governmental approvals
- Must obtain necessary Real Estate rights, zoning etc. (outside the fence only)
- Will assume Design and Construction related risk & O&M / Performance Risk of Stations
- Rights (not exclusive) to sell CNG to third parties & retain revenues subject to royalty arrangement

Competition

- Lowest Unit Price (Price at the Pump)
- Highest Royalty / Revenue Sharing
- Lowest Capital Costs (Stations & Facility Improvements)

Procurement Timeline

Industry Forum – October 21, 2014

RFQ Release – Early/Mid November

Shortlist Firms/Teams Announced – January

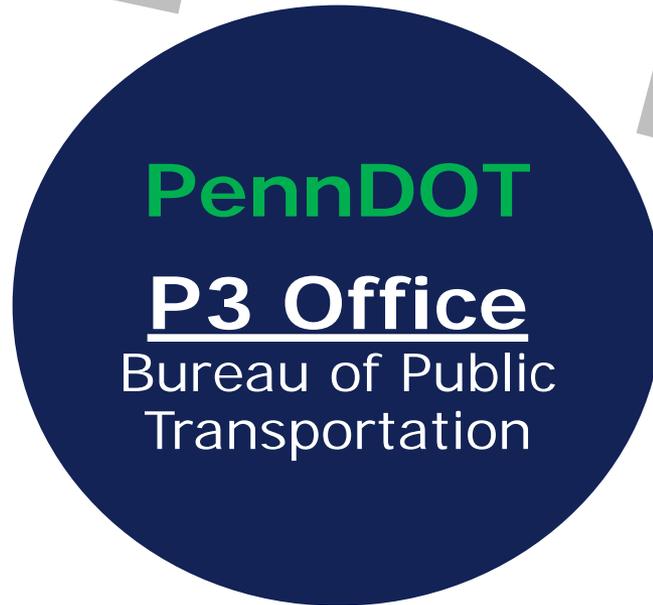
RFP Issued – Spring '15

Proposal Selection – Summer '15

Project Team

ALLEN & OVERY

CDM
Smith



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