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
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.
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
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.
## Payback Assessment Tool

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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

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- 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

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CDM Smith

www.P3forPA.com
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