Board Meeting
September 29, 2014
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

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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

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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

Private Partner

Fuel & Capital Costs
Royalty Payments

Take or Pay Payments

PennDOT

Fuel Purchase Commitment

Royalty Revenue

Fuel Purchase Commitment

Local Transit Agency

Local Transit Agency

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Payback Assessment Tool

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Procurement Timeline

Industry Forum – Late October

RFQ Release – November

Shortlist Firms/Teams Announced – January

RFP Issued – Spring '15

Proposal Selection – Summer '15
Public-Private Partnerships (P3) Office

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