

EVERY™ ALTERNATIVE. News Update

Cummins Westport **NEWS NOTES**

➤ **Look for Cummins Westport at the following upcoming conferences:**

- o **Buscon** ◇ Oct 1 – 3 in Chicago, Illinois www.busconexpo.com
- o **Wastecon** ◇ Oct 16 – 18 in Reno, Nevada www.wastecon.swana.org
- o **Southern California Clean Vehicle Technology Expo** ◇ Oct 16 – 17 in Ontario, California www.cleanvehicleexpo.com
- o **Busworld** ◇ Oct 19-24 in Kortrijk, Belgium www.busworld.org/home.php

Focus on **SALES & MARKETING**

Economic Incentives for Natural Gas

The United States Energy and Highway Bill provides a significant economic benefit for the use of natural gas vehicles. The Energy Bill, created through the Energy Policy Act of 2005, provides natural gas users an income tax credit for alternative fuel vehicles and alternative fuel infrastructure. The Alternative Fuel Vehicle Tax Credit is calculated by gross vehicle weight rating and incremental cost of the vehicle. Alternative Fuel vehicles or engines automatically receive 50 percent of their eligible incremental cost, up to \$40,000. They can receive 80 percent of their eligible incremental cost if the vehicle complies with the most stringent applicable emission standards as of August 2005.

The Fuel Infrastructure Income Tax Credit allows owners of fuel dispensing equipment to receive a credit equal to 30 percent (not to exceed \$30,000 for a large station). Tax exempt entities, such as Government and Municipality fleets cannot claim the income tax credit but can pass the savings onto the customer.

The Highway Bill provides an excise tax and income tax credit for CNG/LNG fuel of up to eighty cents per gallon. To receive the excise tax and income tax credit, fleets must purchase the fuel before it is compressed and dispensed into the vehicle.

For more information on how you can benefit from these credits, see www.ngvc.org or www.irs.gov.

Greenhouse Gas Emissions

The GHGenius is a life-cycle assessment (LCA) model that analyzes current and future fuels for transportation applications. The main function of the GHGenius is to calculate greenhouse gas emissions from different types of fuels, from a well to wheel basis.

The GHGenius program has been used by Natural Resources Canada (NRCAN) for the past eight years in various different studies. Cummins Westport has used the GHGenius to evaluate the greenhouse gas impact of the Cummins Westport ISL G engine, the first engine to meet the 2010 United States EPA (Environmental Protection Agency) emissions standard for urban bus and truck applications. This study concludes that the ISL G produces up to 20% less greenhouse gas, on a well to wheel basis, compared to an equivalent diesel engine.

Low emissions alternative fuel engines for commercial transportation applications like buses and trucks can reduce overall greenhouse gas emissions and mitigate the acceleration of global warming.

For more information on the GHGenius model:
http://www.nrcan.gc.ca/es/etb/ctfca/PDFs/GHGenius/gh_genius_pamphlet0405_e.html

Focus on **SERVICE & TECHNOLOGY**

ISL G Engine Now Available!

The Cummins Westport ISL G natural gas engine was launched in June and the orders are in! The ISL G is EPA 2010 certified and replaces the C Gas Plus and L Gas Plus engines in North America. For Euro-regulated markets, the ISL G will meet Euro V/EEV in 2008. For more information visit www.cumminswestport.com or contact your local Cummins distributor.

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Focus on **INDUSTRY**

India ♦ **Compressed Natural Gas Supply for Pune**

Pune - The city of Pune in India's state of Maharashtra looks set to have compressed natural gas (CNG) available for natural gas vehicles (NGVs) by November this year, with as many as 29 stations expected to be operational by the end of 2008. The State's Minister of State for Petroleum & Natural Gas, Shri Dinsha Patel told the Lok Sabha (lower house of Parliament) that Maharashtra Natural Gas Limited (MNGL) will install the network and that the program would be extended to other cities in the State in due course.

The Government hopes to duplicate air quality benefits that other Indian cities have experienced from introducing natural gas vehicles. A 2003 World Bank report rated Pune as the fifth most polluted city in Asia.

Source: Press Information Bureau of India, August 26, 2007

United States ♦ **Garbage Fumes Fuel LNG Transit Buses**

Washington-based Prometheus Energy and Bowerman Landfill in Orange County, CA., are turning landfill gas (LFG) into liquefied natural gas (LNG) that will soon be used to power local transit buses and garbage trucks.

Completed in December 2006, the new plant is currently producing about 1,000 gallons of LNG per day and expects to increase daily production to 5,000 gallons during its first phase. At this production level, the plant will reduce carbon dioxide output by the equivalent of 10,000 tons per year.

As landfill materials decompose, methane is generated. If allowed to escape, methane is 23 times as potent a greenhouse gas as carbon dioxide. Therefore, air quality regulations require landfills to flare the methane if not put to use. Flaring options include burning methane to generate electricity or purifying it to add to natural gas pipelines. However, if landfills are in areas where electricity is inexpensive or far from electric transmission lines and gas pipelines, landfill gas

can economically be converted to liquid transportation fuel.

Such is the case for Bowerman Landfill, which is located just five miles from the Orange County Transit Authority (OCTA). The two organizations formed a partnership--Bowerman will produce the fuel and OCTA, which is already running its buses on LNG, will use it.

OCTA now uses about 13,000 gallons of LNG per day. It will soon use all the LNG produced at the Bowerman plant. The rest of OCTA's LNG will continue to be supplied by other manufacturers.

Although Bowerman currently produces only 1,000 gallons of LNG per day, it generates enough LFG to make about 50,000 gallons of LNG per day. The project is being made possible by a \$549,000 Clean Cities grant.

Source: US Department of Energy, June 21, 2007

China ♦ **CNG Refueling Station for Changsha City**

Changsha City - Changsha Xinneng Vehicle Gas Company has inaugurated the first compressed natural gas (CNG) mother station in Wuhan Province's Changsha City. As many as 15 daughter stations are also expected to be established in the city before the end of the year.

Total investment for the CNG vehicle refueling project is reportedly \$US150 million. The project will be constructed in two phases. The station will mainly supply CNG to public transport buses and taxis in the main cities of Changsha City, Hexi new city and Xingsha new city. The new facility is capable of delivering 350,000 cubic meters of CNG per day (120 million cubic meters annually).

Source - CNGV, May 17, 2007