



Chairman Brooks Landgraf
House Committee on Environmental Regulation
Texas House of Representatives
P.O. Box 2910
Austin, Texas 78768-2910

March 13, 2021

Dear Chairman Landgraf, Vice-Chair Dominguez, and Members of the House Committee on Environmental Regulation:

We write to you in support of House Bill 963 to expand eligibility of the Texas Natural Gas Vehicle Grant Program (the Program) under TERP to include pre-owned trucks. The Program is a vital incentive for replacing old, dirty diesel trucks with new medium and heavy-duty, clean-burning natural gas (NG) vehicles.

Our goal is to ensure it is fully utilized and to achieve additional emissions reduction by expanding eligibility to pre-owned natural gas medium and heavy-duty trucks. As Texas fleets cycle out their natural gas trucks, we can create a secondary market in Texas. HB 963 will allow us to keep these clean trucks in the state, continue to reduce transportation emissions, and create the first Program of its kind in the United States.

Natural gas trucks reduce Nitrogen Oxide (NO_x) emissions by up to 95 percent. When operated on renewable natural gas (RNG), these trucks are the cleanest option available today. RNG, or biogas, is methane produced by landfills, livestock waste, and wastewater treatment plants. RNG ranks as the lowest carbon intensity score of all fuels including electric.

This secondary market will make a difference with the small owner operator companies. These companies operate the oldest, dirtiest trucks in lower income neighborhoods and cannot afford a new vehicle even with a grant. By opening the Program to pre-owned trucks, we can give these operators an affordable option for getting into a newer, cleaner, and safer NG truck.

Replacing older diesel trucks with a 2017 or newer natural gas model can mean real reductions in NO_x at a lower cost. The average cost of a pre-owned vehicle is roughly \$35,000. Replacing a pre-2003 diesel truck with a 2017 NG truck will reduce 3.8 tons of NO_x and a 2018 NG truck will reduce 4 tons of NO_x when replacing a pre-2004 diesel truck.

This proposal does not require additional funding. It simply expands eligibility to fully utilize the current funding. All fleet operators will benefit – large fleets will have a secondary market to sell their NG vehicles when they cycle-out, and small, family-owned, operators will have a more affordable option to replace their diesel with natural gas.



HB 963 targets the oldest and dirtiest trucks on the road helping TERP achieve its goal of improving air quality at a lower cost per ton of NOx reduced. We hope to have your support on this Program.

Sincerely,
Members of the Texas Natural Gas Vehicle Alliance

NGVAmerica
American Public Gas Association
Texas Propane Gas Association
CenterPoint Energy
Texas Gas Service
Rush Enterprises
OnCue Marketing LLC
Hexagon Agility
ANGI Energy Systems
Westport Fuels Systems
Applied LNG
Preferred Services CNG
Industrial Power Truck
American Natural Gas
US Gain
Clean Energy
Trillium, a Love's Company
City of Lake Jackson
Almeda Fuels
CNG Center LLC
Building Products Plus
Freedom CNG
Houston Distributing Company
CNG 4 America
Novus Wood Group
Indumar Products
Lone Star Clean Fuels Alliance
International Vehicle Sales & Leasing
S3 Services
CNG Delivery LLC

TruStar
Lodge Lumber
Landi Renzo
WoodFuel.com
Nat G CNG Solutions
NGV Global Group
Momentum Fuel Technologies
On Board Dynamics
Quantum Fuels Systems
CNG Energy Partners
Stacy Neef
Clarence Beebe
Buffco Production
First Alt Fuels
Independence Fuel Systems, LLC
Eastman Midstream
Ultimate CNG
Onyx Midstream
Bedrock Gas
Absolute CNG Services
Shifflett Safety & Support
White Horse Energy
NDMJ Management, LLC
NGV Texas
Green Path Logistics
Natural Gas Supply
Freedom Fuel Equipment
Town of Hornbeck (LA)
Texas Gas Transport
Green Truck Rental
Geaux American