August 13, 2013

VIA ELECTRONIC FILING

To: Public Utility Commission of Oregon
550 Capitol Street, NE, Suite 215
Post Office Box 2148
Salem, Oregon 97308-2148

From: Blu LNG
Attn: Zachary Wester
3760 Commons Lane
Salt Lake City, UT 84104

Attention: Filing Center

Re: Comments from Blu regarding NWN Filing OPUC Advice No. 13-10

BEFORE THE

PUBLIC UTILITIES COMMISSION

OF OREGON

September 30, 2013

The following comments are presented by Blu LNG to the Oregon Public Utilities Commission, in response to NW Natural's Advice Filing No. 13-10.

Blu LNG is a Utah based company that designs, builds and operates natural gas fueling stations across America.

The economic, environmental and national security benefits of Natural Gas as a vehicle fuel are enormous. Natural Gas is an abundantly available and domestically produced fuel that is both cleaner and cheaper than the gasoline and diesel it replaces.

While natural gas vehicle technology has been around for decades, recent advances in extraction technology have significantly increased the volume of accessible gas reserves and entirely changed the economics of the industry. The natural gas fueling industry has grown from a dozen competitors ten years ago, to over 80 today. Public policy initiatives intended to grow the industry should focus on preserving a level playing field for competitors.

NW Natural, through advice filing No. 13-10, proposes to enter the competitive and non-regulated market described above. Blu, along with the vast majority of its competitors, oppose this action as it will create an uneven playing field, significantly impact the private sector's ability to develop the industry, and is not in the public interest.

We echo the comments of Clean Energy (another major competitor in the natural gas fueling market) and other competitors, that a utilities status as a regulated monopoly presents several advantages not available to private sector players. First, utilities have access to low cost capital via their guaranteed return on rate base. Second, as both the supplier of pipeline pressure and a competitor in the fueling market, companies competing for station locations and customers will be forced to go to their competitor to receive pipeline pressure. Third, it will be nearly impossible for the utility to totally isolate and recoup overhead costs for stations from their traditional services, placing at least some of the cost burden of CNG investments on the rate payer.

Blu has plans to build a number of stations in Oregon in the near future. Our ability to carry out these plans will be impacted by the Oregon PUC's decision on this matter. It is well documented that markets with utility involvement have much less private sector activity, and are often underdeveloped.

We suggest that the Oregon PUC seriously consider the concerns outlined by companies like Blu, and take action to prevent NW Natural's encroachment into an already competitive and developing market.

Thank you,

/s/

Zachary Wester

Public Policy & Regulatory Associate

Blu