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To the Public Utility Commission of Oregon,

I am writing to support Northwest Natural Gas Company's efforts to be allowed to sell their gas as a transportation fuel and to build public refueling stations. (NW Natural Advice filing 13-10)

Lynden Incorporated has a presence in Oregon with its LTI Inc., Milky Way, and Brown Line fleets. We have studied natural gas as a transportation fuel extensively as a result of a partnership with the National Energy Policy Institute - a non-profit group that advocates smart national energy policy and who sees huge benefits to the environment, national security, and local economies of a nation whose heavy trucks can run on natural gas.

As a result of our research into the practical application of natural gas in our fleets, we found that natural gas can be a viable option for our high mileage operations, but only where the price of natural gas is low enough to offset the other operational and capital challenges and where refueling infrastructure is available. Natural gas trucks are more expensive, less fuel efficient, and weigh more than a traditional diesel truck which reduces the amount of freight that we can carry, but when the price of natural gas at the pump is low enough compared to diesel natural gas as a transportation fuel can make real economic sense.

Allowing Northwest Natural Gas to sell their gas as a transportation fuel and to build public fueling stations will increase competition and availability for natural gas that is currently near non-existent in Oregon.

In addition, we have seen that the fleets that have had the most success at using natural gas in their operations are those who have access to low priced natural gas from the utility: among these are Paper Transport in the Mid-West and Vedder Transport in B.C. Having fuel available direct from the utility offers security in price at the pump because the price is based on the price of natural gas plus production and infrastructure costs rather than a diesel-minus "opportunity pricing" that is used by the majority of the for profit companies who build fueling stations. "Cost of gas plus" is a pricing approach that we can take to our customers, "diesel-minus" is not. Introducing fuel direct from the utility to the market eliminates the risk of being held hostage to a natural gas fuel market without competition and allows fleets to be more comfortable investing large amount of dollars in natural gas vehicles.

While there are a handful of other issues that currently make it difficult to transition our fleets to natural gas, the largest barrier is the lack fuel availability at the right price. Both of which can be addressed by Northwest Natural Gas efforts to build fueling stations and offer natural gas as a transportation fuel at the lowest possible price. I would like to reiterate our full support in these efforts.

Thank you very much for your time,  
Anna Deal