ELLEN F. ROSENBLUM
Attorney General

MARY H. WILLIAMS
Deputy Attorney General

DEPARTMENT OF JUSTICE
GENERAL COUNSEL DIVISION

November 27, 2013

Attention: Filing Center
Public Utility Commission of Oregon
3930 Fairview Industrial Drive SE
P.O. Box 1088
Salem OR 97308-1088
puc.filingcenter@state.or.us

Re: *In the Matter of NORTHWEST NATURAL GAS COMPANY, dba NW NATURAL Investigation into Schedule H, Large Volume Non-Residential High Pressure Gas Service Rider*
OPUC Docket UG 266

Enclosed for filing today are an original and five copies of STAFF TESTIMONY in the above-captioned docket.

Sincerely,

Stephanie S. Andrus
Senior Assistant Attorney General
Business Activities Section

Enclosures
SSA:jrs/#4812522
(Electronic copy only)
c: UG 266 Service list

CASE: UG 266
WITNESS: ERIK COLVILLE

PUBLIC UTILITY COMMISSION OF OREGON

STAFF EXHIBIT 100

Direct Testimony

November 27, 2013

Q. PLEASE STATE YOUR NAME, OCCUPATION, AND BUSINESS ADDRESS.

A. My name is Erik Colville. I am employed as a Senior Utility Analyst for the Public Utility Commission of Oregon. My business address is 3930 Fairview Industrial Drive, SE, Salem, Oregon 97302.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE.

A. My Witness Qualification Statement is found in Exhibit Staff/101.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. I discuss my analysis of Northwest Natural Gas Company's (NWN) proposed high pressure gas service (HPGS) tariff (Schedule H) and my recommendation to allow the tariff to go into effect.

Q. WHAT IS HPGS?

A. HPGS takes low-pressure gas from the natural gas pipeline, compresses the gas to high pressure and low volume, and transfers it as compressed natural gas (CNG) to a storage tank until needed. The stored CNG may then be dispensed into natural gas vehicles (NGV) for use as fuel. The HPGS that NWN proposes will allow customers to fuel large fleets or provide NGV fueling services to the public.

Q. WHY DOES NWN WANT TO PROVIDE HPGS?

A. NWN reports that the primary motivation to offer HPGS as a utility service is to respond to requests from customers. NWN testifies that over the past several years, NWN has received an increasing number of calls from customers interested in converting their vehicle fleets to CNG and unable to find businesses willing to provide them with local NGV fueling service. See NWN/200 Summers/8-9.

Q. HOW WILL NWN PROVIDE THE SERVICE?

A. NWN proposes to design, install, and maintain NWN-owned compression, storage and dispenser equipment on HPGS customers' premises. The equipment will take low-pressure gas from the natural gas pipeline, compress the gas to high pressure and low volume, transfer to a storage tank until needed, and dispense the CNG into NGVs. See NWN/200 Summers/3.

The customer will operate the HPGS equipment, and may use the equipment to offer retail CNG to the public. NWN will own and maintain the HPGS equipment during a 10-year contract, and will continue to own the equipment at the end of the contract. See NWN/200 Summers/11.

Q. WHO ARE THE POTENTIAL CUSTOMERS OF NWN HPGS?

A. NWN will target non-residential customers with fleets of 40 or more vehicles that return to the same place each night. NWN reports that a fleet of 40 vehicles or more is generally needed to make the investment in HPGS equipment economical for the customer. However, a customer with a smaller fleet could improve the economics by offering CNG for sale to the public or by aggregating service with another smaller fleet owner to jointly finance and utilize a single NGV fueling facility. See NWN/200 Summers/11.

Q. WHAT CHARGES ARE INCLUDED FOR HPGS UNDER SCHEDULE H?

A. Based on NWN's filing the terms of service and pricing for HPGS will vary for each installation and will be laid out in the customer's HPGS Service Agreement. NWN will bill the customer a monthly facility charge designed to recover all equipment, permitting and siting costs. NWN will derive the monthly facility charge by multiplying the actual project costs by an annual cost recovery factor, divided by 12. The cost recovery factor is designed to recover in each year the depreciation on the HPGS equipment plus NWN's financing costs, at its authorized return, for the investment made on behalf of the customer. In addition, the HPGS customer's monthly bill will include a charge for scheduled maintenance, and when applicable, charges for any other service such as unscheduled maintenance or back-up gas service that NWN may provide.

Q. WHAT ARE THE PRIMARY ISSUES IN NWN'S FILING?

A. The primary issues emerging from NWN's HPGS filing are issues related to competition and cost-subsidization. Some stakeholders assert that allowing NWN to provide HPGS as a regulated service is unfair competition and will harm growth of a competitive NGV fueling infrastructure market. Other stakeholders are concerned that non-HPGS customers will subsidize the HPGS.

Q. PLEASE DESCRIBE YOUR ANALYSIS.

A. I analyzed the following:

1. Is there a need for NGV fueling market development?
2. Is utility participation in the NGV fueling market unfair competition?

3. Does the proposal facilitate NGV fueling market development?
4. Will the Schedule H charges cover the costs of HPGS or will HPGS costs be subsidized?
5. Is NWN's proposal structured to leave room for competition by unregulated entities?
6. Does the Commission have authority to require NWN to exit the market once it is developed?
7. Is there a net benefit to ratepayers?

Before addressing the questions above, I reviewed the Commission's conclusions in its Investigation of Matters Related to Electric Vehicle Charging. (Order No. 12-013; Docket No. UM 1461) In Docket No. 1461, the Commission addressed whether regulated utility ownership and operation of publicly available electric vehicle service equipment in any form—even without regulated rate recovery—would permit the full development of a competitive marketplace for electric vehicle charging services. See Order No. 12-013 at 5. I consider the electric vehicle service equipment (EVSE) issues addressed in Docket No. 1461 analogous to the HPGS issues stemming from NWN's filing in this docket in that the regulatory principles discussed in that docket related to a nascent market are applicable here.

Q. DID THE COMMISSION CONCLUDE THAT PARTICIPATION BY REGULATED UTILITIES IN THE EVSE MARKET WOULD IMPEDE COMPETITION?

A. No. The Commission found that it is paramount to allow all market players, including the regulated utilities, to have flexibility to respond to emerging market demands. Also, the Commission did not find that allowing regulated utilities to participate in an emerging market will necessarily impede the vibrancy of the whole market. See Order No. 12-013 at 6.

Q. IS THERE A NEED FOR NGV FUELING MARKET DEVELOPMENT?

A. Yes, there appears to be. Governor Kitzhaber's 10-year Energy Plan Action calls for accelerated fleet turnover to alternative fuels. Goal 3 of the plan states:

> Oregon should develop a comprehensive alternative fuel program that allows utility-ownership of refueling infrastructure and provides incentives, where appropriate, for vehicle conversions. See Kitzhaber, *10-Year Energy Action Plan* at 36.

Based on this Energy Action Plan, there is a need to develop the NGV fueling market. Comments presented to the Commission at the public meeting regarding the lack of availability of NGV fueling infrastructure support this conclusion. Furthermore, stakeholders filing comments prior the Commission's public meeting regarding NWN's proposed HPGS uniformly support the development of NGV fueling infrastructure in Oregon. See comments filed in Advice No. 13-10, and October 23, 2013 Staff Report at 6.

Q. DOES PARTICIPATION BY A REGULATED UTILITY IMPEDE NGV FUELING MARKET COMPETITION?

A. Governor Kitzhaber's 10-Year Energy Plan Action Item 3 for accelerated fleet turnover to alternative fuels specifically calls for utility participation in development of markets such as electric vehicle charging or NGV fueling, at least at the outset. Accordingly, the 10-Year Energy Plan supports the conclusion that regulated utilities' participation in the NGV fueling market is a desirable strategy necessary to help accelerate the early deployment of alternative fuel vehicle infrastructure. Further, the conclusions reached by the Commission in the EVSE docket regarding inclusion of all market players are applicable to the emerging NGV fueling market. See Order No. 12-013 at 6.

Q. DOES NWN'S PROPOSAL LEAVE ROOM FOR COMPETITION BY UNREGULATED UTILITIES?

A. Yes. The HPGS tariff is structured to amortize the capital costs over a ten-year period rather than over the life of the equipment (customarily twenty or more years). This short amortization period, which is less than the economic life of the HPGS equipment, raises the rates charged by NWN to a level over incremental costs. Market competitors can choose to amortize the capital costs over longer periods of time, potentially reducing their monthly facility charges.

Further, according to NWN, its proposal addresses a demonstrated need for gas compression infrastructure among its customers to provide their own NGV fueling services. NWN is not proposing to operate NGV fueling stations. Thus, competitors can offer customers other competing services including bundling of NGV fueling equipment with operation of NGV fueling stations. Also, in response to comments from the Natural Gas Vehicle Fuel Providers, NWN revised its filing to eliminate the exclusivity clause in the HPGS Feasibility Agreement. Lastly, because of the high initial investment required for HPGS equipment, I am convinced that customers seeking HPGS are motivated and sophisticated enough to study the market before signing a long-term contract with a single service provider.

Q. DOES NWN'S PROPOSAL AID IN NGV FUELING MARKET DEVELOPMENT?

A. Again, Goal 3 of Governor Kitzhaber's 10-Year Energy Plan Action Item for Accelerated Fleet Turnover to Alternative Fuels assumes that participation by a regulated utility in the NGV fueling market will accelerate the transition to alternative fuels. Further, the interplay between the installation of HPGS equipment and NGVs argues that increasing the number of NGV fueling stations in Oregon will facilitate acquisition of NGVs in the state. This is because entities interested in converting their fleets to CNG may be hesitant to do so if there are few fueling stations. As the number of NGVs in the state increases, the opportunity for competitive service could rise. In other words, regulated utility participation in providing HPGS could actually kick start a competitive market in Oregon.

Q. WILL NWN HAVE UNFAIR COMPETITIVE ADVANTAGES BECAUSE OF ITS ACCESS TO EXISTING CUSTOMERS' INFORMATION AND ITS ABILITY TO USE REVENUES FROM OTHER RATEPAYERS TO SUBSIDIZE HPGS?

A. NWN states that it plans to target non-residential customers with a fleet of at least 40 return-to-base vehicles. Information regarding fleet size is not exclusively found in NWN customer databases. Further, NWN states that it will not identify potential customers by reviewing its customers' historical data, but will use publicly-available information listing fleets in Oregon via software called "FleetSeek." NWN states this information is equally available to any competitor wishing to target fleets for conversion to CNG. See NWN/200 Summers/21-22.

With respect to the potential for subsidization, NWN has responded to concerns by Staff, the Citizens' Utility Board of Oregon (CUB), and Northwest Industrial Gas Users (NWIGU) regarding potential subsidies for the HPGS. As discussed below, I do not think it is likely that NWN will be able to use ratepayer revenues to subsidize HPGS. However, if this occurs, the Commission will be able to remedy it.

Q. DOES THE COMMISSION HAVE AUTHORITY TO REQUIRE NWN TO EXIT THE MARKET ONCE IT IS DEVELOPED?

A. Yes. NWN's provision of HPGS will be regulated as any other service. The Commission has discretion to observe, modify, and end NWN's participation in the NGV fueling market, as provided in ORS 756.568.

Q. WILL SCHEDULE H COVER THE COSTS OF THE SERVICE OR IS IT A SUBSIDIZED RATE?

A. The Schedule H rates would be subsidized if they do not fully recover the incremental costs associated with the services offered under the schedule. As originally designed, Schedule H would not capture the costs of initial customer contacts and costs associated with determining the feasibility of HPGS for customers and thus, would be spread to all ratepayers. NWN testifies that Schedule H is now designed to fully recover all the costs and all cost risk for the service, including the initial contacts with potential HPGS customers and feasibility study costs. See NWN/200 Summers/15.

Q. WHAT COSTS ARE INCURRED OR MAY BE INCURRED IN CONNECTION WITH HPGS?

A. Schedule H delineates four phases that cover the initial HPGS customer contact regarding HPGS to actual service. The phases are (1) Customer Service; (2) Feasibility Study; (3) Site Design and Permit Evaluation, and (4) HPGS Service. See NWN/200 Summers/12. During the Customer Service Phase, a customer interested in HPGS will call NWN and speak with a representative for a very high level assessment of the customer's needs. See NWN/200 Summers/12. If by the end of the Customer Service phase it appears that the customer is a potential match for HPGS, the customer may sign a Feasibility Agreement to continue with a Feasibility Study. If the Feasibility Agreement is signed, NWN will conduct site visits and collect information from the customer to assess the customer's site, fuel needs, facilities and other factors. The final Feasibility Study will provide the customer with a preliminary estimate for the cost of HPGS for the customer. See NWN/200 Summers/12-13.

If the customer decides to proceed with HPGS after the final Feasibility Study, the process enters the third phase and the customer will sign the Site Design and Permit Evaluation Agreement. During the third phase, NWN will refine its cost estimate and perform the design and permitting work for HPGS equipment installation. The final site design will include a final cost estimate for the customer. See NWN/200 Summer/13.

Finally, when the design work is complete, the fourth phase begins and the customer will enter into the High Pressure Gas Service Agreement. The High Pressure Gas Service Agreement governs the terms of service for the ten-year contract period, including the terms and conditions for the procurement and construction of the equipment, terms for scheduled and unscheduled maintenance, and the Administrative Services Charge. Once this agreement is signed, NWN will proceed with construction of the compressor, storage tanks, dispenser, and any other customized equipment on the HPGS customer's property. See NWN/200 Summers/13.

Q. HOW DOES NWN PROPOSE TO RECOVER ALL INCREMENTAL COSTS ASSOCIATED WITH THE FOUR PHASES?

A. NWN has estimated the annual incremental costs associated with the Customer Service and Feasibility Study phases and proposes to recover these costs from HPGS customers through the Administrative Services Charge included in the Scheduled Maintenance Charge in Schedule H. See NWN/200 Summers/16. NWN proposes to set the Administrative Services Charge at

$10,087 per customer per year. However, NWN will track costs to determine whether this charge will require revision. NWN will collect costs of the third and fourth phases from the customers incurring the charges, even if the customer ultimately does not contract for HPGS. See NWN/200 Summers/17-18.

Q. WILL NWN BE ABLE TO ENSURE THAT NON-HPGS CUSTOMERS DO NOT SUBSIDIZE HPGS CUSTOMERS?

A. As discussed above, NWN will recover the actual costs associated with the third and fourth phases of services under Schedule H. NWN will recover other costs of providing HPGS based on estimates of these costs for the first year the tariff is in effect.

If actual incremental costs were to exceed NWN's estimates, non-HPGS ratepayers will subsidize the cost of service for HPGS customers. NWN proposes to avoid subsidizing in the first year by including an amount in rates for each customer that exceeds NWN's estimate of actual costs. In addition, NWN commits to tracking the costs incurred for the first year of the tariff during the first and second phases and to meet with stakeholders to discuss the costs, and to propose changes to the tariff in order to adjust the Administrative Services Charge as necessary. See NWN/200 Summers/19.

Q. HOW WILL NWN RECOVER COSTS ASSOCIATED WITH FEASIBILITY STUDIES OR OTHER ACTIVITIES ASSOCIATED WITH POTENTIAL CUSTOMERS THAT ULTIMATELY DO NOT CONTRACT FOR HPGS?

A. The Administrative Services Charge is based on estimates of all the costs incurred to provide the service, including costs for market research or pricing review and also, costs incurred for entities that ultimately do not contract for HPGS. In the event the customer decides against going forward, that customer will receive a bill for the costs incurred, payable within 30 days. See NWN/200 Summers/17. As discussed above NWN commits to tracking the costs incurred for the first year of the tariff during the first and second phases and to propose changes to the tariff in order to adjust the Administrative Services Charge as necessary. See NWN/200 Summers/19. Accordingly, customers taking HPGS will bear the costs associated with contacts with potential customers that ultimately do not contract for the service.

Q. IS THIS THE COST RECOVERY MECHANISM THAT STAFF PROPOSED PRIOR TO THE COMMISSION'S OCTOBER 28, 2013 PUBLIC MEETING?

A. It is similar. Staff recommended that the Commission require NWN to track all costs related to the provision of HPGS for one year and to submit a tariff rider increasing cost recovery from HPGS customers if it turned out that non-HPGS customers were subsidizing HPGS. NWN's proposal is designed to avoid the need for a rider after the first year of service but also contemplates that a rate increase may be put into effect after the first year if Schedule H does not capture all the costs of HPGS.

Q. IS NWN'S COST RECOVERY PROPOSAL SATISFACTORY?

A. Yes. I agree it is preferable to recover costs from HPGS customers close to the time the costs are incurred and NWN's proposal will do so. In addition, NWN's proposal to track costs to guard against rate subsidization is consistent with recommendations by CUB and NWIGU made in comments prior to the Commission's October 28, 2013, public meeting. Both CUB and NWIGU recommended that the Commission require that NWN track costs associated with providing HPGS to ensure that the costs are recovered by HPGS customers and not subsidized by non-HPGS customers. See CUB September 30, 2013 Comments at 4 and NWIGU September 27, 2013 Comments at 2.

Q. DOES NWN PROPOSE REVISIONS TO SCHEDULE H THAT ADDRESS THE COST AND LIABILITY RISK ISSUES IDENTIFIED BY STAFF IN STAFF'S OCTOBER 23, 2013 STAFF REPORT?

A. NWN revised Schedule H prior to the October 28, 2013, Public Meeting to address one of Staff's concerns. As noted in Staff's October 23, 2013, Staff Report, the other risks identified by Staff were sufficiently minimized by the provisions already included in Schedule H.

Staff identified the following cost and liability risks for ratepayers that are not expressly covered under Schedule H; 1) costs associated with site work if the customer defaults on the Service Agreement; 2) liability from site and equipment sizing, and 3) liability from vehicle fueling activities. See October 23, 2013 Staff Report at 9. Staff concluded that the credit review process will minimize risk that HPGS customers will default on their Service Agreements and therefore minimize risk of NWN costs associated with abandoned sites. In addition, the Site Design and Permit Evaluation process should ensure NWN receives accurate information regarding needed equipment, and the extensive applicable code regulations should help ensure the equipment is appropriately installed and sized. Id. at 9-10.

With respect to the third issue, liability associated with customers providing fueling services, NWN modified the Gas Service Agreement to specify that NWN is not liable for damage to or damage caused by HPGS customer-owned non-standard equipment. Id. at 10. Also, liability associated with a HPGS customer's provision of fueling services is limited by Article 12 of the Gas Service Agreement, which covers liability and indemnification. Id.

Q. WILL NWN'S PROVISION OF HPGS RESULT IN A NET BENEFIT TO CUSTOMERS?

A. Yes. As discussed above, NWN proposes to recover from HPGS customers all the costs to provide, and associated with providing, HPGS. However, Schedule H will provide benefits to all ratepayers through the sharing of fixed costs. Customers taking service under Schedule H will increase the volumes of natural gas sold by NWN. As a result NWN's fixed costs will be spread to these additional volumes, reducing existing customers' unit costs, thereby creating a net benefit to existing customers.

Q. DO YOU HAVE A REPORTING RECOMMENDATION FOR CONSIDERATION BY THE COMMISSION?

A. Yes. In order for the Commission and the parties in this case to continue to assess the market as it develops and address any issues that may arise, I recommend the Commission require NWN to provide a report every three years on certain gas operations and on market shares relating to HPGS. This information will enable the Commission to ensure that NWN gains no unfair competitive advantage in the provision of this service and to enable the Commission to monitor developments in this market.

I recommend the report be filed in a perpetual Commission docket allowing for stakeholder intervention. The first report should be filed January 1, 2017, and every three years after that, unless the Commission orders otherwise.

I further recommend the report include data, for the previous three year period, regarding: the identity and number of potential HPGS customer contacts made; the identity of and how many potential HPGS customers advance through each of the (1) Customer Service; (2) Feasibility Study; (3) Site Design and Permit Evaluation, and (4) HPGS Service phases; total HPGS costs identified by major cost category; HPGS revenues; and an accounting of the costs incurred for the first and second phases to support potential changes in the Administrative Services Charge.

Q. WHAT IS YOUR RECOMMENDATION REGARDING NWN'S PROPOSED HPGS TARIFF (SCHEDULE H)?

A. I recommend approval of NWN's request for Advice No. 13-10, the proposed HPGS tariff (Schedule H).

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

CASE: UG 266
WITNESS: ERIK COLVILLE

PUBLIC UTILITY COMMISSION OF OREGON

STAFF EXHIBIT 101

Witness Qualifications Statement

November 27, 2013

WITNESS QUALIFICATION STATEMENT

NAME:	Erik E. Colville, P.E.
EMPLOYER:	Public Utility Commission of Oregon
TITLE:	Senior Utility Analyst/Electric Rates and Planning
ADDRESS:	550 Capitol Street NE Suite 215, Salem, Oregon 97301-2115.
EDUCATION:	Bachelor of Science in Agricultural Engineering Washington State University, Pullman, WA, 1979 Master of Business Administration City University, Seattle, WA, 1989 Licensed Professional Engineer since 1984, and licensed as such in Oregon since 1997
EXPERIENCE:	I have been employed by the Public Utility Commission of Oregon since June of 2010. I am a Senior Utility Analyst in electric rates and planning for the Electric and Natural Gas Division of the Utility Program. Current responsibilities include lead analyst for integrated resource planning, resource acquisition, the renewable portfolio standard, and environmental related matters. I have approximately 32 years of professional engineering experience, including approximately 23 years: • Relating to air, water and soil environmental issues; and • Evaluating, planning, permitting, designing, and supporting construction of energy facilities

CERTIFICATE OF SERVICE

I hearby certify that on November 27, 2013, I served the foregoing STAFF TESTIMONY upon the persons named on the service list below who have waived such service by mail, by serving a full, true and correct copy thereof at their e-mail address as follows:

OPUC Dockets
Citizens' Utility Board of Oregon
610 SW Broadway, Suite 400
Portland OR 97205
dockets@oregoncub.org

Stephanie S. Andrus (C)
PUC Staff--Department of Justice
Business Activities Section
1162 Court St NE
Salem OR 97301-4096
stephanie.andrus@state.or.us

Patrick Belnap
Transfuels, LLC, dba Blu.
3760 Commons Lane
Salt Lake City UT 84104
patrick.belnap@blulng.com

Kacia Brockman (C)
Oregon Department of Energy
625 Marion Street NE
Salem OR 97301-3737
kacia.brockman@state.or.us

Donald E. Brookhyser
Alcantar & Kahl LLP
1300 SW 5th Ave. SW – Suite 1750
Portland OR 97201
deb@a-klaw.com

Tommy A. Brooks
Cable Huston Benedict Haagensen & Lloyd
1001 SW Fifth Ave, Suite 2000
Portland OR 97204-1136
tbrooks@cablehuston.com

Erik Colville (C)
Public Utility Commission of Oregon
PO Box 1088
Salem OR 97308-1088
erik.colville@state.or.us

Renee M. France (C)
Oregon Department of Justice
Natural Resources Section
1162 Court Street NE
Salem OR 97301-4096
renee.m.france@doj.state.or.us

Jennifer Gross
Northwest Natural
220 NW 2nd Avenue
Portland OR 97209
jennifer.gross@nwnatural.com

Robert Jenks (C)
Citizens' Utility Board Of Oregon
610 SW Broadway, Suite 400
Portland OR 97205
bob@oregoncub.org

Evelyn Kahl (C)
Alcantar & Kahl
33 New Montgomery St, Suite 1850
San Francisco CA 94105
ek@a-klaw.com

G. Catriona McCracken (C)
Citizens' Utility Board Of Oregon
610 SW Broadway, Suite 400
Portland OR 97205
catriona@oregoncub.org

Kelley Miller
Northwest Natural
220 NW 2nd Avenue
Portland OR 97209
kelley.miller@nwnatural.com

Julie Peacock (C)
Oregon Department of Energy
625 Marion Street NE
Salem OR 97301-3737
julie.peacock@state.or.us

Lisa F. Rackner
McDowell Rackner & Gibson PC
419 SW 11th Ave., Suite 400
Portland OR 97205
dockets@mcd-law.com

Katy Rosenberg (C)
Alcantar & Kahl
33 New Montgomery St., Suite 1850
San Francisco CA 94105
klr@a-klaw.com

Chad M. Stokes
Cable Huston Benedict Haagensen & Lloyd
1001 SW Fifth Ave, Suite 2000
Portland OR 97204-1136
cstokes@cablehuston.com

Michael Tucker
Trustar Energy LLC
7970 Cherry Ave #301
Fontana CA 92336
mtucker@trustarenergy.com

Jon Wadsworth
Transfuels, LLC, dba Blu.
3760 Commons Lane
Salt Lake City UT 84104
jon.wadsworth@blulng.com

Zachary Wester
Transfuels, LLC, dba Blu.
3760 Commons Lane
Salt Lake City UT 84104
zachary.wester@blulng.com

(C)= Confidential

Jeffery R. Seeley
Legal Secretary
Natural Resources Section