

CNG Fueling Station

Public Utility Board

August 14, 2017

CNG Status

- Presented to PUB on July 24, 2017
- Presented to Council July 25
- Council recommended CNG station for COD use only (Option 3 of proformas), but requested staff to first search for existing CNG stations

Area CNG Stations

- Closest existing CNG station – Grapevine/Irving
 - 40 miles roundtrip
- Possible Denton CNG station
 - 20 miles roundtrip
 - \$3.2 million in added operating expenses (staff time, vehicle depreciation, and additional fuel).
 - Risks – Uncertainty, Project timeline, transit time delays, fuel platform configuration, etc.

<i>Pro forma:</i>		Station	Station
<i>CNG Scenarios vs. Diesel</i>		COD Use Only	Public Sales
<i>Revenues</i>			
City of Denton Fuel Sales		2,831,400	2,831,400
Public Fuel Sales		-	-
TCEQ Public Station Grant		(201,368)	398,632
<i>Subtotal Fund Revenues</i>		2,630,032	3,230,032
<i>Expenditures</i>			
CNG Facility Maintenance		226,800	226,800
Franchise Fee		141,570	161,502
Fuel Purchase-Public		-	-
Fuel Purchase-City of Denton		1,429,857	1,429,857
Electrical Service		283,451	283,451
Debt Service-CNG Station and Line		1,321,391	1,321,391
Debt Service-Incremental Truck Costs		675,557	675,557
Additional Operating Expense		-	-
<i>Subtotal Fund Expenditures</i>		4,078,627	4,098,558
Net Income / (Loss)		(1,448,595)	(868,526)
Fuel - Cost/Savings		313,662	313,662
Full Cost		(1,134,932)	(554,863)

Options and Staff Recommendation

- **Option 1:** Recommend approval of the COD fueling station as proposed, without public sales
- **Option 2:** Direct staff to take other action
- Staff recommends option 1.

Questions?