

# Contact: Doug Everett Phone 404-463-6745 Fax 404-656-2341 www.psc.state.ga.us

## Georgia Public Service Commission

244 Washington St S.W. Atlanta, Georgia 30334 Phone: 404-656-4501 Toll free: 800-282-5813

### From the Office of Commissioner Doug Everett NEWS RELEASE

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#### FOR IMMEDIATE RELEASE

### Commissioner Doug Everett Announces Atlanta Gas Light Filing on Proposed Network of Natural Gas Vehicle Fueling Stations

PSC to hold Collaborative Workshops to Consider the Proposal

ATLANTA – September 7, 2010 – The Georgia Public Service Commission is considering a conceptual plan filed today by Atlanta Gas Light Company (AGLC) with the Georgia Public Service Commission (Commission) to construct a network of compressed natural gas (CNG) vehicle fueling stations throughout the metropolitan Atlanta region and along major transportation corridors in the state. The filing is in response to a challenge issued in July by Commissioner H. Doug Everett.

Under the proposal, AGLC will develop the CNG fueling infrastructure and make it available for Georgia's natural gas marketers and other service providers to sell CNG to the public. The general public will have full access to each fueling station, however the initial station locations will be determined based on proximity to commercial fleet customers who contract for the service.

Commissioner Everett has been working with the utility on its proposal over the last year, and on July 29, 2010 he issued a direct challenge to the company to bring forth a conceptual plan. In issuing his challenge, Everett recognized several promising developments that may advance CNG use, including corporate commitments to utilize the clean burning fuel for fleets, and tax and vehicle rebate incentives currently under consideration by Congress. He also emphasized the need to insulate current AGLC customers from subsidizing the new business development.

"Georgia is leading the way towards energy independence," said Everett. "The Peach State is the first in the country to build a nuclear reactor in over thirty years, and we can be the first state in the southeast to build a viable CNG vehicle network that will attract investment in the market and promote CNG vehicle purchases. Expanding the use of clean, domestically-available natural gas will reduce the region's dependence on foreign oil," he said.

If approved, AGLC would invest up to approximately \$10 million to construct the new fueling stations, which would range from \$1 million to \$1.6 million each. AGL would fund the initial capital investment at no cost to current ratepayers using a portion of the current surplus in the Universal Service Fund (USF). The USF is funded through AGLC's industrial service proceeds, by a share of proceeds from AGLC's asset management program, and from other sources such as interstate pipeline service refunds. Ongoing operational expenses would be paid by the fleet

operators and other CNG vehicle owners who utilize the service. AGLC will use revenues from these stations to invest in additional CNG stations throughout the state, and provide a low cost lease option for residential and small business customers to install individual fill units. The stations would not be constructed until commercial customers enter into contracts to obtain service for a minimum number of vehicles on an annual basis.

"This proposal will be considered as part of a collaborative process," said Commissioner Everett. "We will have some of the brightest minds in this field at the table to build a sustainable business model that encourages investment and deployment of these facilities while not placing ratepayers at risk," he said.

The Commission will hold two workshops scheduled for Tuesday, November 16, 2010 and Tuesday, January 18, 2011 to receive input on the proposal from interested parties and potential commercial fleet customers.

A decision is expected in the first quarter of 2011.

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(Note to media: Commissioner Everett's "challenge" for Atlanta Gas Light Company to bring forth a proposal for a network of CNF Fueling stations can be viewed at: <a href="http://www.psc.state.ga.us/pscinfo/bios/myviewson/everett/20100729-de.pdf">http://www.psc.state.ga.us/pscinfo/bios/myviewson/everett/20100729-de.pdf</a>
Atlanta Gas Light Company's CNG proposal can be viewed at the same link.)