

Conversion to CNG Vehicles

Aqua America

May 31, 2012

Pennsylvania and Energy

- Marcellus Shale is Pennsylvania's next big energy resource
- Pennsylvania needs infrastructure to support this new industry
- An important use of natural gas is to fuel vehicles and replace foreign oil



From: <http://www.dep.state.pa.us/dep/deputate/minres/oilgas/BOGM%20Website%20Pictures/2010/Marcellus%20Shale%20Formation.jpg>

Map of the Marcellus Shale

CNG Vehicles and Aqua's Fleet

Fuel Cost Comparison (estimates)			
Aqua Gasoline	Aqua Diesel	Purchased CNG	Aqua CNG
3.65 per gallon	4.00 per gallon	2.00 per gallon	1.18 per gallon

- 30-50% less expensive to operate
- Advantage of CNG surplus
- Supports company's green initiatives
- Aqua plans to support Pennsylvania's energy resource and convert our entire fleet as CNG gains popularity and more vehicles are developed

Aqua's Current CNG Vehicles

Introduced pilot program in 2011

Employee education resulted in support of CNG

Successful pilot resulted in order of three CNG vans

Converting entire dump truck fleet over the next five yrs.

Dump trucks use the most fuel in our fleet

Tank capacity: 60 DGE or diesel gallon equivalent

Extra costs \$40-50,000 > conventional diesel vehicle



AQUA

Aqua Fuel and Fuel Suppliers

- Final permitting stages with Springfield Township for two slow-fill stations in our Springfield Operations Center
- A slow-fill station that simultaneously fills four vehicles is estimated at \$50,000
- Determined adequate PECO natural gas supply is available at Aqua's Willow Grove complex and will evaluate locating a "slow-fill" station there in 2013
- Negotiated an agreement with PECO Energy to supply (fast-fill) CNG fuel to Aqua at Berwyn, Plymouth Meeting, Eddystone, Phoenixville
- Currently more fill stations are being developed in the area