

Pittsburgh Region Clean Cities Gazette

"Driving the way toward energy independence"

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States Enact NGV Incentives

Natural gas vehicles (NGVs) are a promising alternative to conventional vehicles because they are cost-effective, produce reduced greenhouse gas emissions, and promote U.S. energy independence by running on fuel that is abundantly available from domestic production. During the first part of 2013, several states have enacted legislation pertaining to NGVs and natural gas infrastructure development. The legislation is helping relevant technologies and the fuel overcome barriers and gain a more firm foothold.

Barriers to widespread NGV deployment in the United States include vehicle incremental cost, limited vehicle availability, and insufficient fueling infrastructure. In recent years, however, deployment of fueling infrastructure has increased and natural gas prices have become more attractive, especially considering they are less volatile than those of gasoline and diesel fuel. This has contributed to the growing popularity of NGVs. State incentives have assisted in the increased acceptance of the fuel and vehicles, and recent state-level activity reflects the increasing appeal and desire to foster expanded deployment. In addition to individual state incentives enacted in 2012, at

least four states enacted new incentives specific to NGVs and natural gas infrastructure between January and May 2013. Other states are also considering such incentives in their legislatures.

Tax credits continue to be a common incentive in the alternative fuels industry, enabling taxpayers to subtract all or part of the incremental cost of technology (such as original equipment manufacturer [OEM] vehicles, vehicle conversions, and fueling equipment or infrastructure) from their tax liability.

Rebates and vouchers are examples of more direct financial incentives for vehicle and infrastructure owners. These incentives function like "coupons," providing qualified individuals or entities with a refund for all or a portion of the incremental cost of certain purchases. Rebates have gained popularity among state legislatures looking to encourage vehicle and infrastructure deployment. Recent examples include:

- Florida's NGV rebates (<http://www.afdc.energy.gov/laws/law/FL/10772>) that

States Enact NGV Incentives (cont.)

cover as much as 50% of the incremental cost of an OEM vehicle or vehicle conversion, up to \$25,000 per vehicle and \$250,000 annually per applicant

- Maryland's NGV vouchers (<http://www.afdc.energy.gov/laws/law/MD/10732>) for the purchase of new and converted NGVs, up to \$20,000
- Arkansas' vehicle and infrastructure rebates (<http://www.afdc.energy.gov/laws/law/AR/10672>) for 50% of an NGV conversion cost, up to \$4,500.

Alternative Fuels Data Center

The Alternative Fuels Data Center (AFDC) provides a searchable database (<http://www.afdc.energy.gov/laws/>) of state and federal incentives, laws, and regulations related to alternative fuels and vehicles, air quality, vehicle efficiency, and other transportation-related topics. The Laws & Incentives page also includes representative examples of incentives and regulations at the local level.

The "Laws & Incentives Quarterly Feature" provides Clean Cities coordinators and other interested stakeholders with information and trends related to state incentives, laws, and regulations promulgated or otherwise enacted. While this document focuses on incentives and laws enacted in the first several months of 2013, the AFDC Maps & Data page (<http://www.afdc.energy.gov/data/>) shows trends back to 2002.

Typically, both individuals and fleets may take advantage of tax credits, rebates, and vouchers. Some incentives, however, specifically target fleets that may serve as a hub to promote technology development and deployment.

Grants function somewhat like rebates. Through grants, the government provides financial assistance for NGV purchases, research and development projects, or other related activities. For example, the Pennsylvania legislature introduced a program in 2012 (<http://www.afdc.energy.gov/laws/law/PA/10432>) for municipal and commercial fleet vehicle grants, covering 50% of the incremental or conversion cost, up to \$25,000 per vehicle.

State and local government fleets should also consider pilot programs. These can provide a perfect opportunity to study vehicle use and performance, develop fueling infrastructure, and spur public interest through increased exposure and familiarity with the technology. In 2013, Arkansas enacted a natural gas school bus grant and loan pilot program (<http://www.afdc.energy.gov/laws/law/AR/10737>) to help four public school districts purchase 10 buses.

Although technically categorized as laws or regulations as opposed to incentives, acquisition requirements can achieve results akin to those of pilot programs by increasing vehicle deployment among government fleets and facilitating public exposure of the technology. Many states have enacted general AFV acquisition requirements, but Wyoming took the added step of implementing an NGV-specific requirement in February 2013 (<http://www.afdc.energy.gov/laws/law/WY/10735>). This provision requires the Wyoming Department of Administration and Information, the University of Wyoming, community colleges, and other state

States Enact NGV Incentives (cont.)

agencies to ensure that at least 50% of their vehicle acquisitions through June 30, 2017, are dedicated or bi-fuel NGVs (provided an appropriate NGV model is commercially available and the vehicle will be stationed in a municipality with existing or planned fueling infrastructure).

States also use fuel taxes to incentivize the use of natural gas. Some states exempt NGV owners from paying fuel taxes or allow them to purchase an annual tax decal in lieu of paying tax on a volumetric basis. In 2013, Florida joined the list of states providing fuel tax incentives by eliminating fuel taxes on natural gas and propane through January 1, 2019, and establishing a tax that is structured differently from that of conventional fuel sales (<http://www.afdc.energy.gov/laws/law/FL/10774>).

Figure 1 shows the number of states in which various types of natural gas incentives and laws are in place. To view all current laws and incentives, please see the AFDC Natural Gas Laws and Incentives page (<http://www.afdc.energy.gov/laws/laws>).

www.afdc.energy.gov/fuels/laws/3253). You may also check back at this page for new activity as states enact additional laws and incentives over the course of the year.

Federal Alternative Fuel Infrastructure Tax Credit

While this feature focuses on natural gas incentives at the state level, such incentives exist at the federal level as well. For example, the federal alternative fuel infrastructure tax credit

(<http://www.afdc.energy.gov/laws/law/US/10513>) provides a tax incentive for 30% of the cost of qualified natural gas fueling equipment, up to \$30,000. For more information about federal laws and incentives, see http://www.afdc.energy.gov/laws/fed_summary.

Member Spotlight: Lee Hebermann

Lee Hebermann has been on the Board of Directors of Pittsburgh Region Clean Cities for many years. His ability to look at alternatives fuels and the benefits they provide is largely based on his background and his employment with Export Fuels in Export, PA., where Lee is the Bio-Fuels Division Manager. He is also an EPA-certified instructor, teaching the Tank Owner Training Program for the Petrole-



um Retailers & Garage Repair Association. Mr. Hebermann has more than forty years' experience working for major oil companies in petroleum marketing and terminal operations, handling the sale of petroleum products in a multi-state area.

Another Public CNG Station on I-80

The natural gas boom in Pennsylvania has created a race with businesses rushing to be at the forefront of the ever-expanding opportunities created by Marcellus shale and other deep gas exploration.

As the industry continues to wait for technology to catch up, it's a race without a clear finish line. But the way veteran oil and gas man Dan Heath sees it, at least now he's in the race, if not necessarily at the head of the pack. Heath, longtime owner of Heath Oil in Barkeyville Borough, has installed the first compressed natural gas (CNG) station in Venango County, which was up and operational as of last week.

Now, he's waiting for his first customer.

"We have the station open, but we don't have any business yet," Heath said Tuesday afternoon at the new Heath fueling station in Barkeyville Borough. Heath said the CNG pump and new Heath station, located just a few hundred feet south of Interstate 80 in Barkeyville, is part of an overhaul of what was formerly a Citgo station.

The old Citgo sign has been taken down and replaced with a Heath station sign, and the store itself is being painted and renovated. Heath said the new station will be taken over by Troy Shearer, owner of the An-

chors Away station in Stoneboro. Heath said they're also waiting for the state to replace the old Citgo signs along Interstate 80 with new signs that will tout the Heath CNG station.

Heath's vision of helping the nation become more energy independent is now closer than ever to being realized. "We're just trying to do our part to help make this country energy independent," he said. "That's the main goal and that's why we're in business. "The country could be energy independent

Deb Lutz, director of economic development for the Oil Region Alliance, agreed.

"Our trucks right now have a lot of years on them to spend \$32,000 on converting them to CNG," he said. "We'll probably be doing some conversions at a later date, but we want to wait until we have trucks that we know will be around for a long time."



Heath Oil Inc. owner Dan Heath of Franklin stands next to the compressed natural gas (CNG) pump at his filling station in Barkeyville.

But in the meantime, Heath is happy to help out others who've made the switch. And if all goes well, he said more CNG stations could be in the company's future. "We're going to see how this one works out to start with, but there's definitely a possibility we might put in some more down the road," he said.

Upcoming Training

CNG Fuel Inspector Prep Class -October 21-30, 4 evenings 6:30 - 10:30pm or November 18 and 19 from 8:00am to 4:30pm 2 days

Intro Hybrid Electric Vehicle- October 22 - November 11 6:30pm to 10:30pm

Service Hybrid Electric Vehicles - November 12 - 21 6:30pm - 10:00pm

Today's Domestic Vehicle Fuels

The decisions made today give United States businesses the power to become part of the solution tomorrow to reduce air pollution and dependence on foreign oil — and leave the world a better place.

Providing a cleaner, greener approach to transportation, domestic alternative fuels reduce greenhouse gases and carbon monoxide emissions. And since they're domestically produced, they empower American energy security while supporting thousands of green jobs.

As an example, the nation has an abundant supply of propane — so much that it started exporting the energy source in 2011. Last year, the U.S. exported 2.5 billion gallons. So far in 2013, the United States has exported an average of 250,000 barrels of propane each month. Propane exports are expected to increase to more than 4 billion gallons per year by 2015.

Here are some facts about propane autogas:

- As the leading alternative fuel both in the United States and the world, it ranks as the third most commonly used vehicle fuel behind gasoline and diesel.

- More than 90 percent of the United States propane autogas supply is produced domestically, with an additional 7 percent from our Canadian friends.
- About 19 million vehicles are powered by propane autogas in the world today. But only about 150,000 of those operate in the United States.



ThysenKrupp Elevators fleet of 54 ROUSH CleanTech Ford trucks and vans displace about 108,000 gallons of gasoline each year by fueling with propane autogas.

ThysenKrupp Elevator is an example of a business switching to propane autogas. The company's fleet of 54 propane autogas vehicles displaces about 108,000 gallons of gasoline each year. And, ThysenKrupp is saving more than \$224,000 per year in fuel costs. ThysenKrupp Elevator relies on this domestic resource to keep its business running.

The time has come to stop exporting our lower-cost and clean energy source to other countries, and use our own resources at home.

For more information, visit ROUSHcleantech.com or call 800.59.ROUSH.

American Natural Opens Energy Center

On July 25th the American Natural Brand opened its first energy center in Pittsburgh, PA. Over 100 attendees were treated to the special coffee, pastries, and sandwiches which will be available at all American Natural Centers. Jennifer Pomerantz, CEO, stated that this center will be the first of many they intend on opening in the area. Guest speakers included Allegheny County Executive Rich Fitzgerald and Rocky Blier.



American Natural Station Square

CNG World—Wheels Ahead

When it comes to forging ahead, Daniel Boone and Davy Crockett carved out their position as pioneers in American history. A local company, BEEMAC Trucking, is now emerging as a transportation pioneer in the world of hauling and compressed natural gas (CNG).

The Ambridge based company is a long-haul, steel hauling, flatbed carrier and logistics company that provides services to customers throughout North America. In addition to being a trucking company, they have an intermodal riverport facility located in Leetsdale, PA, where they load and unload barges, railcars, and trucks, as well as provide indoor and outdoor warehousing services. They deal with a large quantity of oil and natural gas steel pipe, which services the Marcellus Shale.

What makes BEEMAC different and light-years ahead is their push to go green. They have purchased 20 new CNG trucks with 12-liter engines from Volvo. Ten are set to arrive in September with ten more arriving at the end of the year. Dave Dudo, Senior Vice President of Operations at BEEMAC, explained, “We would have liked to have done this sooner; however, with the nature of the industry, hauling heavy loads of 70,000 to 80,000 pounds, this was the first engine capable of doing that.”

Texas-based Frito-Lay and Pittsburgh-based Giant Eagle, both multi-billion dollar companies, have also made this transformation to CNG trucks. Richard Price, Executive Director of Pittsburgh Region Clean Cities, a U.S. Department of Energy partner, helped BEEMAC secure grants for this project. Price explained, “Giant Eagle has been using an 8.9-liter engine, which is not enough horsepower for what BEEMAC is hauling. Volvo only recently came out with a 12-liter engine.”

Price supports “the utilization of CNG and promotes the reduction of petroleum-based oil from countries that don’t like us. Natural gas is energy security for us—close to 90% comes from North America. This is something we can control. Plus, it is definitely cleaner than petroleum-based fuel and helps emissions from greenhouse gases.”

BEEMAC is also converting some of its current fleet to CNG. Dudo explained, “BEEMAC anticipates converting more of its 275 truck fleet, but is waiting on the technology to ‘catch up’.” This is cutting edge, and unfortunately not all of the technology is there quite yet.

Cory Wilbanks, President of The Shale Energy Institute, explained, “The U.S. runs on petroleum. About two-thirds of all petroleum we use goes to gasoline and diesel fuel. Obviously, much of this is imported. I applaud anyone who is willing to make the change to CNG. My school, The Shale Energy Institute, trains local natural gas workers, so I am deeply aware of the rich reservoirs we are blessed with in western Pennsylvania. This will keep more jobs here in a ‘bull’ job market.”

“Our business has seen significant growth as an ancillary effect of the Shale play” informs Mike Chabalie, Owner of Xtreme Car & Truck. Xtreme now works closely with the oil and gas industry to outfit their vehicles. “Xtreme has been servicing the surging oil and gas industry whether a company needs 30 spray on bedliners or an order for 10,000 floor mats,” says Chabalie. He also looks forward to seeing more CNG trucks on the roads and believes these improvements will help everyone.

Not only is BEEMAC moving ahead with CNG trucks, but they are also building a CNG refueling

CNG World—Wheels Ahead (cont.)

facility. The two-year project remains on schedule and is set to open in September. This will be the first in Beaver County and one of only a handful across southwestern Pennsylvania. However, the number of CNG stations is expected to grow exponentially in the coming years.

CNG offers a significant cost savings for the consumer. For example, gas is currently running around \$3.50/gallon, while diesel fuel is sitting near the \$4.00/gallon mark. However, the equivalent for CNG offers a savings of about half—costing approximately \$2.00/gallon.

Price says that a lot of companies have contacted Pittsburgh Region Clean Cities for financing in converting to CNG, because they want to be green and the fuel costs half the price. It also meets EPA requirements that come out in 2015 and 2020. Elegant Catering and Y&S Rentals Operations Manager, Jeff Yelinek Jr., says, “We operate ten vehicles and can rent up to five more during the heavy demand season. Running a fleet can get costly because of the fuel, so converting to CNG is something we are researching and considering.”

In addition, All Star Limousines’ President Louis Weiner wants to convert his fleet to CNG. All Star Limousines pumps over 5000 gallons of fuel a month. Depending on the cost of fuel, this costs approximately \$18,000 per month. Weiner expressed, “We are excited to hear of the continued expansion of CNG filling stations. This increase in available fueling locations makes the decision to convert to CNG that much easier. The accessibility

of CNG, along with the cost savings, carbon footprint reduction and reduced dependency on foreign oil all continue to reinforce that this is the direction we want to move in.”

BEEMAC is changing their trucks to CNG and building a CNG station due of several reasons. Dudo says, “It is important to rely less on foreign oil, especially when we’re sitting on top of the Marcellus Shale. Plus, cleaner burning engines are better for the air—they’re not even comparable to diesel, and the cost is about half that of gas. There is an upfront expense, but claims it is worth it in the long haul.”

Price agrees, “It is a lot of capital upfront, but the biggest users—companies like BEEMAC—will have the fastest return on investment based on miles per gallon.” In addition, Dudo says, “The shale play has made him realize that to grow and succeed in today’s environment, [you] must be adaptable to succeed in business strategy and go with the market demands.”

There is no question that the shale play has changed both the landscape and economic path of this region. CNG has allowed some companies to forge ahead and become pioneers in the industry.

WLT Opens CNG Station in Clinton Co.

The Pittsburgh Region Clean Cities (PRCC) and Silver PRCC Member “O” Ring CNG Fuel Systems would like to congratulate the Clinton County Solid Waste Authority and Wayne Township Landfill (WTL) on the opening of their new CNG station in McElhattan, PA!

The new station, located 12 miles north of Interstate 80, just off PA 220 at 264 Landfill Ln in McElhattan, has both fast-fill public access as well as private fast and slow-fill posts for their own waste haulers’ use. The fast fill pumps deliver a full 3600 psi fill at a rate of 6-8 GGEs per minute – essentially keeping refueling times about the same as their gasoline and diesel counterparts.

Plans for the station have been in the works since last January, when WTL contracted “O” Ring CNG to construct their station. Since that time the site has steadily progressed from a lot, to a construction site, to a newly functioning alternative fuel station. The station officially opened its doors for business on August 23rd, 2013 and has been steadily pumping CNG into vehicles successfully for one month now!

WTL is committed to reducing their diesel use and is in the process of converting their waste haulers to run on CNG with the help of another PA-based alternative fuel solutions company: Fyda Energy Solutions in Cannonsburg, PA. WTL plans to continue conversions until their entire fleet operates on compressed natural gas. In addition, WTL has partnered with other local businesses to help encourage the community to use CNG as a less expensive, cleaner, local energy source.

For the Wayne Township Landfill, utilizing natural gas as an energy source is not a new idea; rather, they’ve been capturing their landfill gas (LFG) and putting it to work for years. LFG is approximately 50%

methane and is a serious contributor to global warming as well as odor and smog problems. To combat these effects, WTL installed a landfill gas recovery system in 1999 to reduce harmful emissions into the atmosphere and found a way to turn landfill operations into an opportunity for energy production.

So for WTL, the conversion to natural gas vehicles was a logical progression. They are an innovative, forward-thinking organization with unparalleled dedication to providing responsible solutions for trash disposal for their local community and Pennsylvania. Eventually, WTL plans to supply its CNG station with their own LFG and become entirely self-sufficient in their fueling needs.

“O” Ring CNG is proud to have partnered with WTL in the building, installation, and promotion of their CNG station. Although CNG station numbers are steadily growing in PA, the WTL station fills a critical gap in the PA CNG infrastructure network. PA continues to move towards a more diverse vehicular fuel profile and companies like WTL are leading the way!

For more information about WTL and the great work they are doing in the community, please visit: <http://www.waynetwplandfill.com/>

To learn more about “O” Ring CNG and how you can get involved with CNG, please visit: <http://www.oringcng.com/>

Come and join The Shale Media Group

“The E³” is brought to you by the TheMarcellusShale.com, TheUticaShale.com, The EagleFordShale.com, and ShaleAdvantage.com.

“The E³” is a prominent news, information, and education source in the region with a focus on keeping the public updated on developments in the Marcellus and Utica Shale industry. They promote awareness of the multiple methods in which the energy sector continues to generate business opportunities locally and worldwide. With a networking reach throughout Pennsylvania, Ohio, and West Virginia, they are hosting a monthly meeting of “energy minds” in the area.



“Our purpose is to give participants the relationships and big ideas to do different and better business,” states Tegas Gosia of The Shale Media Group. “The E³” has the goal of bringing all facets of the energy industry together.

Our commitment is to provide this business development opportunity on a monthly basis so that individuals in commercial industries, spanning from international to local, and related to the natural gas sector, can join us for casual fun and networking with other entrepreneurs, operators and employees in the energy industry.” Register with “The E³” to meet, learn and enjoy.

Giant Eagle Opens Public Station

On September 5th Giant Eagle Opened its second public compressed natural gas refueling station at its new GetGo station on RT 228 just off interstate 79.

“The location is great because now we have extended out range for CNG station north of the city and getting closer to moving towards Erie, PA,” states PRCC Executive Director Rick Price. “This now gives us five public stations in the Pittsburgh area with another one due to open in the next couple of months in Baden, PA at Beemac Trucking. And look at the price still under \$2.00 a gge!”



Giant Eagle GetGo CNG Station in Cranberry, PA

Jeff's Performance Plus Expanding

Jeff's Performance Plus, Inc. continues to grow, having an alternative fuel install facility located in Shippenville, PA and now a second location in Fairmont, WV.

Jeff's has been installing EPA certified CNG systems for over 2 years and also has the technology for LPG installations. CNG can help everyone from fleet companies, everyday drivers, to people who just want to save the environment. CNG extends engine life, cleaner emissions, saves money on fuel cost, allows longer oil change intervals, and much more.



Want to see if CNG is for you? Go test drive their 2013 GM ¾ ton truck. They offer free fleet assessment, ROI on your system, in house training, and total fleet solutions.

Already have a CNG vehicle? Jeff's Performance can also service it, from big garbage trucks to small cars. They are the alternative fuel specialists. Check out their web site today cleanfuelpa.com or give them a call at 814-229-5959 and talk to Jeff himself.

EPA Grants Certification to Fyda



Alternative Fuel Conversions of our Mack Engine Platform has been granted EPA Certification this week. "We are pleased with this certification, and is the first of several platforms, including our Mack AI & Mercedes Benz MBE 4000 Engine Platforms, that we hope will receive EPA approvals in the near future", according to Tim Hooker of Fyda Energy Solutions.

Fyda Energy Solutions was formed to reduce our country's dependency on foreign oil, promote environmental safety, and to economically support the transportation industry. The importance of reducing costs while being concerned about national security and the environment led to the discovery and current offering of an environmentally-friendly clean alternative fuel technology to the transportation industry.

Through Fyda Energy Solutions' relationship with

The Hardstaff Group in Nottingham, England, developer of OIGI® Dual-Fuel Technology, a new clean energy solution is now available for heavy duty diesel powered vehicles. Fyda Energy Solutions is the distributor for the Hardstaff Dual Fuel system in the US providing sales, service, support and warranty work throughout the United States. The specialists at Fyda Energy Solutions can retrofit vehicles for alternative fuels, diagnose and repair alternative fuel vehicles, and inspect and certify CNG fuel system components.

Truck conversions from diesel to dual-fuel take approximately a week to install, quality check and commission. Installation components include a gas injection rail system, electronics package and a high-tional security and the environment led to the discovery and current offering of an environmentally-friendly clean alternative fuel technology to the transportation industry.

(Continued next page)

Penn State NG Utilization Conference

On September 10th and 11th the William Penn Hotel hosted the two-day Penn State Natural Gas Utilization Conference in Pittsburgh, PA. Over 250 attendees were treated to speakers from across the world talking about natural gas utilization on a world scale as well as a local use.

One of the highlights at the conference was that each attendee was bused by Star Transportation Group from the William Penn Hotel to Market Square on Tuesday evening to see the Square filled with CNG and Propane vehicles.



Bob DeLucia Star Transportation Group in front of the VPG MV - a Wheel Chair Accessible stretch limo in Market Square

EPA Grants Certification to Fyda (cont.)

Through Fyda Energy Solutions' relationship with The Hardstaff Group in Nottingham, England, developer of OIGI® Dual-Fuel Technology, a new clean energy solution is now available for heavy duty diesel powered vehicles. Fyda Energy Solutions is the distributor for the Hardstaff Dual Fuel system in the US providing sales, service, support and warranty work throughout the United States. The specialists at Fyda Energy Solutions can retrofit vehicles for alternative fuels, diagnose and repair alternative fuel vehicles, and inspect and certify CNG fuel system components.

Truck conversions from diesel to dual-fuel take approximately a week to install, quality check and commission. Installation components include a gas injection rail system, electronics package and a high-pressure gas system. The vehicles are dyno-tested thoroughly both before and after the conversion to insure proper operation of the OIGI® Dual-Fuel system.

Fyda Energy Solutions is pleased to offer light duty alternative fuel conversion systems to the transportation industry. Fyda Energy can convert your light duty vehicles to run on both compressed natural gas (CNG) and propane (LPG). These retrofits can significantly reduce daily fuel expenses and deliver a positive impact on the environment.

Fyda Energy Solutions is excited and proud to be part of an innovative solution to cleaner energy while offering great savings to the transportation industry.

If you'd like more information about Fyda Energy Solutions, please contact Paul Naman, President at 800-393-2556, or Bob Bodkin, Director of Operations at 724-514-2055.

Swagelok Alternative Fuels Event

On Tuesday, September 10th, Pittsburgh Valve & Fitting Company – the regional Swagelok distributor and strategic services provider – hosted “Alternative Fuels: Market Segments, Market Drivers & Innovative Solutions.” At this event, Brandon Grote, Swagelok’s Global Market Manager, Alternative Fuels Group, delivered a comprehensive presentation on the Alternative Fuels industry - everything from macro trends to specific product and custom solutions applications were addressed. The attendees included representatives from the banking, mechanical contracting and legal fields, to name a few. At the end of the presentation, the attendees participated in



Brandon Grote presents on the current trends in the Alternative Fuels industry

a tour of Pittsburgh Valve & Fitting Company’s Fabrication Shop, where they build the assemblies and sub-assemblies for their customers’ specific applications. One of the sub-assembly kits presented was a CNG conversion kit that the Company recently completed for a customer that converts light duty trucks to accept CNG as the fuel source.

If you would like to learn more about Pittsburgh Valve & Fitting Company’s product and services offerings specific to the Alternative Fuels industry, or for general information, please contact: info@pittsburgh.swagelok.com.

Vision Financial Group helps fuel PGH

Over \$725 billion in capital equipment goods and software is financed in the USA each year through loans, leases and other financial instruments.

Vision Financial Group, Inc. ("VFG"), started in the Pittsburgh in 1991, offers lease financing on a wide variety of equipment and software for industries including manufacturing, health care, high technology, testing, non-profit, services, energy, construction, agriculture and transportation.

“A misnomer is that people assume equipment leasing is for companies that have poor credit, are start-ups or are non-bankable,” said Bill Summers, Director and Vice President of VFG. “This is untrue. Successful companies often use lease financing as a cost effective procurement tool to manage budgets, achieve 100% equipment financing and to structure off-balance sheet financing transactions which typically come

with tax advantages such as the ability to write off lease payments as an operating expense 100%.”

VFG's customer base includes many companies on the Fortune 1000 list as well as smaller privately held companies that represent a broad spectrum of industries.

“Companies that choose equipment leasing, instead of outright purchasing or bank financing, through an organization such as VFG do so because it makes excellent business sense,” Summers adds. “Leasing preserves working capital, the lifeblood of any business. Further, when you consider that bank financing typically requires significant money down, a depository relationship, restrictive covenants such as the right to set-off and ongoing financial reporting performance metrics; the cost of leasing is typically less than the cost of bank fi-

Vision helps fuel PGH (cont.)

nancing. The headache factor is certainly less by leaps and bounds."

Compared to other companies in the leasing and finance industry that limit themselves to one distinct industry vertical or asset collateral type, VFG will consider providing funds for equipment and software acquisitions for just about any type of equipment collateral that one could think of. What's more is that VFG will consider opportunities that require residual equipment value risk on a wide variety of assets.

VFG typically awards financing for requests between \$50,000 and several million dollars. However, the company doesn't limit itself by industry or deal size and will consider transactions for less than \$50,000 if the business justification is warranted. Transactions under \$100,000 are typically approved for funding the same day that they are submitted and VFG offers customized payment plans that enable customers to match payments to cash flows. The company offers 100% financing for qualified customers.

"Our flexibility has paid tremendous dividends for both us and our clients over the years," Summers continued. "When we agreed to provide a small 'convenience' funding for a large multinational company, our flexibility was rewarded with an additional \$30 million in business from one client."

While it's easy to get excited about the large "home-run" transactions, smaller deals which are less than \$350,000 remain vital to VFG and represent the lion's share of the company's transactions.

"We'd like for the entire local business community to realize that there is a company right here in Pittsburgh that is open for business and wants to hear about their commercial equipment funding needs," said Steve Baron, VFG's Sr. VP. "We also want to hear from companies which are selling commercial equip-

ment because we can make the sales process smoother and more efficient for both the end-user and the vendor. We help vendors overcome budget objections every day."

When VFG identifies a lending opportunity, key questions include: Does this deal make good business sense? Does the customer have the ability to pay us back? Can we structure the transaction in a way that it makes it easy for the customer to pay us back?

"Our entire team strives to figure out how to get deals done in a way that provides an optimal solution for all parties," Baron said. "While we take the time to carefully assess risk and get to know our customers, we pride ourselves on our ability to structure transactions and accept more risk than a typical bank would."

"Our vendor partners really appreciate our ability to reduce their Days Sales Outstanding ("DSO") average," added Summers. "Equipment vendors who provide a one-stop-shopping experience which combines equipment with finance options are more successful than equipment providers who don't offer financing. VFG excels at helping equipment vendors close more sales in less time."

Although VFG is a general equipment lessor, one particular industry that is growing rapidly is alternative energy like clean-burning natural gas and propane. Propane is a byproduct of domestically produced natural gas. VFG continues to provide funding for commercial and municipal fleet conversions, storage vessels, refueling vehicles and energy infrastructure across several States.

"We believe that funding these types of transactions is good for America," Summers said. "We want to do our part to help rid our great country of

Vision helps fuel PGH (cont.)

its addiction to foreign oil.”

Vision Financial Group’s future plans include increasing the amount of capital it is investing in the greater Pittsburgh region. Its local customer base includes transportation, media, health care, ambulatory, manufacturing, metrology, non-destructive testing services, aerospace, industrial services and disaster recovery companies.

“We are investing in American business. Our funds have helped create jobs and wealth. VFG helps fuel America’s economy,” Baron added.

When VFG opened in Pittsburgh, PA in 1991, it was founded on three business principles: integrity, responsiveness and competitiveness.

“We attribute our growth and success to good old

fashioned hard work, our ability to build trust and our simple commitment to follow through and keep doing what we say we will do,” Summers said. “We are wired to constantly seek and forge new business relationships as we continue to strengthen and cultivate the relationships we already have.”

VFG’s sales team includes Bill Summers, Director and Vice President, and Steve Baron, Sr. Vice President & Asset Manager. Baron has an undergraduate degree from West Virginia University and an MBA from the Joseph Katz School of Business at the University of Pittsburgh. Summers has an undergraduate degree from the University of Pittsburgh and an MBA from the Moore School of Business at the University of South Carolina.



PRCC Sustaining Members



COMMUNITY COLLEGE OF
ALLEGHENY COUNTY



Leading the Way to Clean Air and Energy Independence



Membership

Pittsburgh Region Clean Cities is always looking for new members! Our job is to help you understand the value and importance of converting to alternative fuels. We can tell you about the incentives available to you for using alternative fuels. We can help guide you through making smart financial and environmental choices about purchasing an alternative fueled vehicle or using an alternative fuel. Become a member, and we can help you assess your fleet and objectives, as well as work with you to acquire funding assistance. If you would like to join and/or volunteer, please contact Rick Price at coordinator@pgh-cleancities.org

Contribute Your News!

We want to showcase your news and successes, and we welcome ideas for articles. Please feel free to contact Rick Price, Executive Director/Coordinator, at 412-735-4114 or at coordinator@pgh-cleancities.org

Upcoming Events

- Odyssey Day October 11th
CCAC West Hills Center
9:00am to 2:30pm
- Stakeholder Meeting October 31, CCAC 10:00am



Rick Price
Executive Director/Coordinator

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