

MONETIZED BENEFITS OF ENCOURAGING NGVS IN THE HEAVY-DUTY RULE

1. Fuel savings. According to EIA (April, 2011), diesel was \$4.04 a gallon and CNG was \$2.06 for GGE (call it 50%). The proposed rule (Table VIII-29, 75 FR 74338) puts the lifetime fuel cost savings for the 2014-2018 fleet at \$42.3 billion. If that represents the 20% fuel consumption savings the rule contemplates, then a 50% savings for a 100% NG fleet would be \$106 billion. Annual US truck sales are 1.4 million units (RIA Table 7-10); assuming conservatively that NGVs would make up 2% of sales -- only 28,000 units -- means an additional **\$2.03 billion** in fuel cost savings.
2. Energy Security. The proposed rule says that it will result in \$2.5 billion in "energy security benefits" over the lifetime of the 2014-2018 fleets (Table VIII-29). This translates into \$12.5 billion if the entire fleet were NGVs; again, using the 2% number means that NGVs would produce additional energy security benefits of **\$250 million**.