

From: James Logan
To: Livingston, Merilee
Date: 1/21/2009 8:43 AM
Subject: Fwd: CNG rate increase

UTAH PUBLIC
SERVICE COMMISSION

>>> "Perry Frandsen"

> 12/28/2008 7:04 PM >>>

2009 JAN 21 P 5:29

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Dear Mr. Logan,
I don't know if you are the right contact for my comment and concern but perhaps you could direct me to the right contact. I purchased a 2001 Ford F-150 CNG vehicle in May of this year. I did so after selling my 2000 GMC Yukon at a greatly reduced price due to the price of fuel escalating at such a great amount. I paid \$17,500 for the used CNG vehicle which was about \$10,000 more than a comparable gasoline model. Needless to say my incentive was economic. Even with the price being higher than the value of a comparable gasoline model and the monthly payments being much higher, I could save a substantial amount on fuel and offset the cost of financing the new vehicle. CNG at the time was 63 cents per equivalent gallon. Rates went up in August to about 80 cents. That was not significant and I thought it would take just a little longer to recover my investment. Well, it does not appear as if that will ever happen now since the PSC approved a substantial increase to the price of CNG to match gasoline. The value of my truck is now less than a comparable gasoline model, I will be paying the same as gasoline soon and there is no way to recover my investment in the clean burning fuel. I believe the PSC did not serve the public very well with its recent decision to increase the price on CNG to be equivalent to gasoline. My reasons are as follows: 1) There is no longer a financial incentive for the public to invest additional money for the purchase or conversion to CNG if the cost of the fuel is the same as gasoline, 2) The PSC reversed my incentive to become less dependant on foreign oil because it costs the same and is more convenient to find, 3) If the PSC is truly interested in the public and in public health it would be making more incentives to use clean fuels to help us with the air pollution along the Wasatch Front. We have a perfect opportunity in the State of Utah to become less dependant on foreign oil, clean up our air and save money at the same time. We have such a fine, vast resource in natural gas in the State of Utah that we should not waste it by pushing consumers away from its use but by giving them every reason to use it!

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Thank you for your time today. Please let me know if my comments are directed to the right person.
Regards,
Perry Frandsen