

From: kimhugie@hotmail.com

To: jsharvey@utah.gov

CC: crevelt@utah.gov

Subject: Cleaner Air through the Enhanced use of Alternative Fuel Vehicles, Docket No. 12-057-02

Date: Tue, 2 Jul 2013 20:40:04 -0600

dw#

John,

Docket No. 13-057-02

REVIEWED BY COMMISSIONERS

RON ALLEN 

DAVID R. CLARK 

THAD LeVAR 

Please submit my comments in reference to the Docket No. 12-057-02.

My name is Kim Hugie, I am a small business owner of "CNG America". I have been in the Compressed Natural Gas (CNG) business for 8 years. I have been converting vehicles to CNG for 8 years. I have invested thousands of dollars getting EPA approved CNG kits. The last two years, I have been building CNG Stations for public use. I currently have four publically used CNG Stations in Utah. They are located in Clearfield, Tremonton, Lehi and the most recent will be completed in August of this year in "Down Town" Salt Lake City. I am a **100% privately owned Utah company** compared to many CNG Station companies that are owned by the Chinese, rate subsidized utilities or off shoot companies derived by utility companies. I think my comments should be helpful in our debate of how CNG business are to operate in the State of Utah.

Contrary to some other comments that have been posted by private companies, I believe Utah would not be the CNG envy of America without Questar Gas Company. Appreciation needs to be given to Questar as well as other strong organizations in the State. Other organizations that deserve credit are "Clean Cities of Utah" and our own Division of Air Quality. The success of CNG in this State, I believe, are combinations of a Gas company that has tried its best to keep CNG prices low and a State that gives tax credits to buyers of CNG vehicles and conversions. The combination of low CNG prices and conversion subsidize are essential to our continued CNG success in the State. The recent passage of Senate Bill 96 by our Governor shows the continuation of this state to be aggressive in the CNG market. Questar as well as other CNG companies in this state have been helpful in my success of installing Publically used CNG Stations.

I believe in "Free Enterprise", I don't mind having Questar Gas Company as a competitor. I believe competition is good for Utah and the public as long as the playing field remains fair and impartial. This discussion brings up the **reasons I am writing this letter**. I believe that giving Questar Gas Company 5 Million dollars annually to subsidize CNG infrastructure creates an unfair playing field for other CNG companies. As a double bad, Questar is getting that money from private utility users that may or may not want CNG, but are just trying to heat their homes. I think Questar Gas Company got put into a bad position by our government officials to become tax collectors for the State. It seems that our State officials are so concerned to be able to say they didn't create more tax's this year. However, the reality is they have made Questar Gas Company a tax collector.

As a small business, how can I compete with a company getting 5 Million dollars from the State per year. It's not fair to businesses and it doesn't look good to businesses that might want to come to our state. I agree with Questar when they discussed how expensive it is to construct a CNG fueling Station. I know, I have done it four times. Giving owners of business some subsidy money to construct CNG Stations is a good thing. More CNG infrastructure will equate to more CNG Vehicles and I believe this is what everyone is trying to achieve.

After all that, the answer is simple. Give the 5 Million Dollars to any company that qualifies. Use a nonprofit company such as "Clean Cities of Utah" or our own "Division of Air Quality" to administer the grant money. They are

both already experience in the grant process and have been very successful.

Finally, open the building of future CNG Stations for the state up to all business for bid, Just as the State does in other business transactions. There a several companies qualified to build CNG Stations in this state.

To summarize, keep the CNG business playing field level and fair and share the 5 million dollars to any qualified company.

Thanks

Kim Hugie

(Owner of CNG America)