



Written Testimony of

Drew West

Founder & CEO

American Natural Gas, LLC

Hearing On Post Tax Reform Evaluation of Recently Expired Tax Provisions

Before the

Subcommittee on Tax Policy

Ways and Means Committee

U.S. House of Representatives

March 14, 2018

Chairman Buchanan, Ranking Member Doggett and distinguished Members of the Subcommittee:

Thank you for inviting me to testify today about the Alternative Fuel Excise Tax Credit (AFETC). The AFETC is a credit of \$0.50 per gasoline gallon equivalent (GGE) of certain transportation fuels, including natural gas. This tax provision impacts sectors that are vital to the U.S. economy and help support thousands of jobs across the country. An extension of the AFETC for five years would allow natural gas technology adopters and fleet customers to plan investment strategies, provide business certainty and advance critical adoption, lowering the costs of natural gas vehicles and achieving economies of scale. Still



19 Railroad Place, Suite 201  
SARATOGA SPRINGS, NY 12866  
AmericanNaturalGas.com  
866-ANG-6220



an emerging technology, this is not the time to divest in natural gas for transportation. What makes this technology so great is that it has proven through commercialization that it is viable and here to make a difference today. Since the late part of 2013 when Cummins Westport starting domestically manufacturing the 12L dedicated CNG engine for over the road class 8 trucks, CNG has proven to be the cleanest and most dependable alternative energy available today. This, coupled with renewable natural gas supplies, gives a CNG class 8 truck a 115% reduction in emissions over a diesel equivalent vehicle. As of this spring, all Cummins Westport 12L engines will be zero emissions!

One of the greatest benefits in supporting CNG is that we can make economic sense as an industry with economies of scale through a 5 year AFETC. Our customers throughout the country have made it clear that with a meaningful window of tax credit support, they would make moves to convert their entire fleets. With a level playing field we will reach economies of scale as an industry in five years.

As a second time entrepreneur, I fell in love with CNG when I saw my first CNG Honda Civic with approximately 80,000 miles and a perfectly clean tailpipe; even to the touch! I knew I wanted to be involved with something that could truly change the world. Given that air quality is a leading cause of so many diseases, I knew that this was the technology I was going to sink my teeth into.

American Natural Gas, LLC (ANG) headquartered in Saratoga Springs, New York is a premier retailer of compressed natural gas who designs, builds, owns, operates and maintains natural gas fueling stations for transportation throughout the country. An entrepreneur at heart, I founded ANG in 2011 because I saw the importance of natural gas as a viable alternative energy and the opportunity it has to make a serious difference on our economy and environment. Through dedication and pure hard work ANG has expanded operations from one station in upstate New York to 40 stations in 13 states across the country.

Renewal of the AFETC will change air quality immensely, given that a CNG class 8 truck fueling with RNG offers a 115% reduction in overall emissions! Environmental benefits associated just with natural gas vehicles alone, include the reduction of 200.6 million





metric tons of greenhouse gas emissions, 82,300 fewer metric tons of NOx emissions, and \$1.0 billion in avoided public health costs.\* Natural gas is used most in heavy-duty applications. Furthermore, unlike many other alternative energies, we can reach scale with the 5 year implementation of the AFETC without technology risks and many of the unknown safety, manufacturing and geopolitical concerns that other emerging technologies pose.

Extending the AFETC promotes increased private-sector investment in infrastructure and equipment, which leads to more jobs and economic output. Specifically, extending the AFETC for a five-year period for natural gas will spur \$9.9 billion in economic growth, \$5.8 billion in additional private sector investment in infrastructure and equipment, and will create 62,000 new middle-class jobs over a 10-year period.\*

As you are aware, natural gas is a clean, abundant, domestic fuel source. Utilizing natural gas as a transportation fuel provides numerous economic, national security, and environmental benefits.

Thank you again for the opportunity to provide testimony today. You have a tremendous opportunity to reduce our dependence on foreign oil, utilize an abundant domestic energy source, create good paying jobs, significantly reduce harmful greenhouse emissions and minimize the impact on our nations critical infrastructure.

I appreciate your past support of natural gas and ask that you extend the AFETC for five years.

Sincerely,

A handwritten signature in purple ink, appearing to read "A. [unclear]", is written over a white background.

[\\*https://static1.squarespace.com/static/54df8befe4b0419b74c936c2/t/5a46bdda8165f549188a52bf/1514585563095/NGVAmerica+Economic+Analysis+-+Benefits+of+AFETC+5-Year+Extension.pdf](https://static1.squarespace.com/static/54df8befe4b0419b74c936c2/t/5a46bdda8165f549188a52bf/1514585563095/NGVAmerica+Economic+Analysis+-+Benefits+of+AFETC+5-Year+Extension.pdf)



19 Railroad Place, Suite 201  
SARATOGA SPRINGS, NY 12866  
AmericanNaturalGas.com  
866-ANG-6220