



Alternative Fuels: Opportunities & Challenges *The Fleet Perspective*

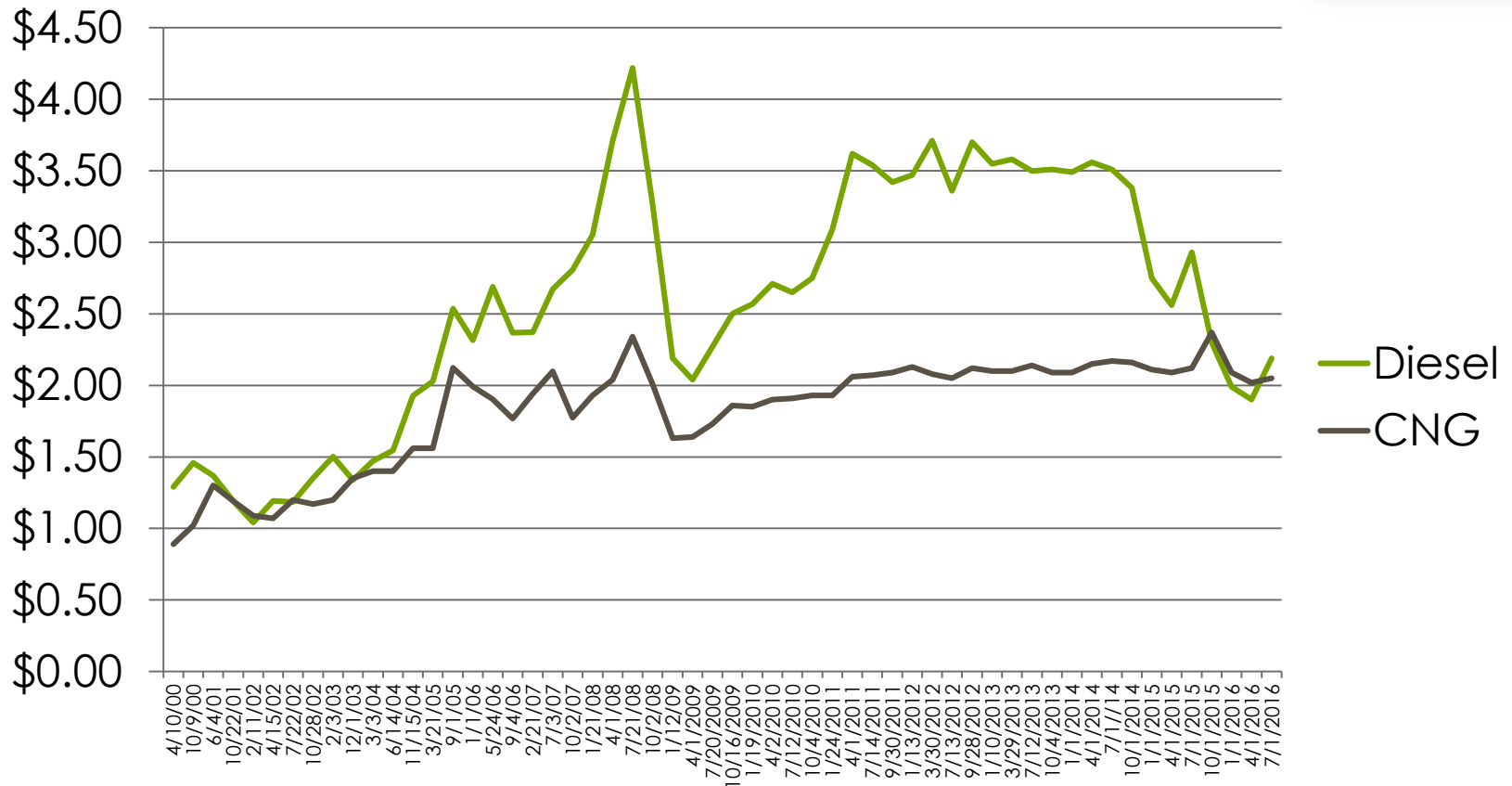
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Opportunities

- Local, regional fleets
- Fleets already invested
- Environmental sustainability
 - Corporate image
- Fuel savings

Challenges exist for fleets considering a conversion to alternative fuels - different market than 5-6 years ago



Source: U.S. Department of Energy, Alternative Fuels Data Center
<http://www.afdc.energy.gov/fuels/prices.html>

Challenges

- Cost of conversion/purchase
 - Useful life
 - Maintenance
- Fueling infrastructure
 - Stations are consistently being added
- Grant opportunities are limited
- NYS restriction on transport of LNG
- How is it taxed?

The Future

- Many current challenges likely to be addressed
 - Research & technology improvements will address cost barriers
 - Fueling infrastructure will continue to improve
 - Volatility of diesel price vs natural gas
- Phase II GHG standards – emissions reductions
- New technology
 - Truck platooning

Despite current challenges, there are many opportunities in the future that will help drive the market for alternative fuels.