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Questar Gas statement regarding NGV refueling

Over the past year, the number of natural gas vehicles (NGVs) in Utah has increased. Most of these vehicles are used vehicles along with vehicles that have been converted to burn natural gas. Many of the used vehicles are high-mileage vehicles. The only new dedicated NGV available from an automobile manufacturer is the Honda Civic GX and they are only available in limited numbers. The Questar Gas retail rates for all customers are about the lowest in the nation. The low price of compressed natural gas for vehicles in Utah (79.9 cents per gallon) combined with state and federal tax incentives and skyrocketing gasoline prices has spurred tremendous interest in NGVs.

Increased Demand

Questar Gas has 21 public NGV fueling stations including the recent addition of stations in Woods Cross and Brigham City. These two new stations were added as a result of grants from the U.S. Department of Energy. The dramatic increase in the number of NGVs is putting a strain on existing NGV fueling stations. Existing stations that have provided adequate service for years are not able to keep up with the increased demand. In some cases, NGV owners aren't able to completely fill up their tanks with natural gas due to the lower pressures caused by the heavy demand. Questar Gas is experiencing this problem as well since many of our company vehicles running on natural gas refuel at these public stations.

Finding solutions will take time

Questar Gas is assessing how to meet the demand for NGV refueling. The economic feasibility of owning and operating the refueling stations is complicated by the current high demand, the limited availability of new compressors and tanks to add new stations or improve existing stations, and the lack of new NGVs. We are actively looking at all possible improvements to the present issues. Under current Utah law, compressed natural gas for vehicle fueling can be provided by any person or company that desires to be in that business. Unfortunately there is no quick and easy solution. The price of compressed natural gas for vehicles will have to increase above the levels that will result from the recent gas-cost filing in order to cover the costs of new refueling capacity.

The current service levels at many public stations are not acceptable. We want our customers to know that we are working to improve the situation but it will likely take some time before the NGV fueling infrastructure is able to accommodate the current demand.

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For more information, visit Questar Gas on the Web at: www.QuestarGas.com