

MENENDEZ, REID AND BURR INTRODUCE FULLY PAID FOR NAT GAS ACT

Bill Promotes Cleaner, Domestically Fueled Natural Gas Vehicles

WASHINGTON – U.S. Senator Robert Menendez (D-NJ), Majority Leader Harry Reid (D-NV) and Senator Richard Burr (R-NC) announced the introduction of the New Alternative Transportation to Give Americans Solutions (NAT GAS) Act of 2011, legislation that would boost domestic production of vehicles that run on clean natural gas. The bill would extend tax credits for natural gas vehicles and building refueling infrastructure, and be fully paid for by a temporary user fee on natural gas used as a vehicle fuel.

“Natural gas is cheap and abundant here in America. Instead of exporting this fuel abroad we should be using it right here to displace oil,” said Menendez. “This bipartisan bill will create jobs, help lower transportation costs, lower pollution in urban areas, make us more energy secure, and do so without adding one dime to the deficit.”

“Creating clean-energy jobs and reducing our dependence on foreign oil is an economic and national security imperative,” said Majority Leader Reid. “We cannot afford to continue spending hundreds of billions of dollars a year to buy oil from foreign countries, many of which are unfriendly to the United States. This bill will create over one million jobs by accelerating the development of clean alternative vehicles and fuels here at home, and make our nation more secure.”

“This bill will increase our nation’s energy independence and help free us from our over-reliance on foreign oil,” said Richard Burr (R-NC). “Energy independence plays a vital role in America’s national security, and this bill represents a step in the right direction towards decreasing our dependence on imported energy sources.”

Currently there are nearly 14 million natural gas vehicles in the world, but only about 117,000 in the United States. [[EIA, 2011](#)] It is estimated that the NAT GAS Act of 2011 will jumpstart the industry and in ten years add over 700,000 NGVs to our roads. In addition it is estimated that the bill will displace over 20 billion gallons of fuel and create over 1 million direct and indirect jobs.

NATURAL GAS IS PLENTIFUL

North America’s natural gas resources discoveries have increased by more than 1,800 trillion cubic feet (Tcf) over the past three years, bringing the total natural gas resource base to more than 3,000 Tcf. With U.S. natural gas demand at about 23.5 Tcf per year, this resource could supply current consumption for over 100 years. [[Fueling North America’s Energy Future, p. ES-4](#)]

NATURAL GAS IS CHEAP

At the pump, on average, CNG sells for \$2.33 per gasoline gallon equivalent while gasoline sells for \$3.46 [[DOE Clean Cities Price Report, p. 3](#)]. LNG, which competes primarily with diesel fuel, currently is selling for \$2.25 per diesel gallon equivalent while diesel sells for \$3.81 per gallon. [[Id., p. 6 n.6](#)]

WE HAVE TO DECIDE: DO WE USE IT HERE OR EXPORT IT?

If we do not use our natural gas here in America, it will be exported abroad, for other's benefit. The price of natural gas internationally is significantly higher than it is here in the United States. As a result one facility recently received a permit to export natural gas and four more U.S. facilities are following suit. [[Testimony of Deputy Assistant Secretary for Oil & Natural Gas Mr. Chris Smith, 11/8/11](#)] We can use that natural gas here in the United States to displace oil or we can export it, so other countries can improve their own energy security and clean their air.