

# PATHWAY TO A SECURE AMERICA



**WARD ALTERNATIVE ENERGY**  
*Clean Transportation Fuels™*

**Natural gas vehicle fuel: domestic, clean, inexpensive and abundant.**

**Ward Alternative Energy was born from a passion to provide this American, low cost, clean transportation fuel for vehicles.**

Discovering, producing and compressing natural gas in the field is a deep upstream expertise built over the past 50 years at Ward Petroleum. At Ward Alternative Energy, we add the down-stream natural gas, fueling and NGV expertise of industry veterans. Our team is well prepared to be the natural gas vehicle fuel provider and partner of choice for fleets.





Western Disposal CNG Refuse Truck  
at a Time-Fill Fueling System



Fort Collins Transport CNG Bus



Production Line for Honda Civic CNG Cars



Municipal Public-Private  
Partnership for Fast Fueling

## OUR MISSION

**Providing natural gas vehicle fuel and fueling station services, energy for today's fleet vehicles.** We know our customers are leaders in their industries and experts at managing their vehicles. As the fleet partner, we focus on supplying natural gas vehicle fuel, addressing fueling equipment and service needs and making connections to resources for a successful transition to natural gas. We don't require large vehicle or fuel purchase commitments to begin relationships with our customers. Instead, we build our fueling facilities and expand our services to match the pace of each customer.

**To better focus on our customers' needs, we are not a manufacturer or packager of NGV fueling equipment.** We have relationships with companies that produce these products, leaders in the industry with predominantly US sourced parts and engineered for the lowest life cycle cost. This approach allows us to produce CNG at the lowest possible cost for our fleet customers. In addition, we have relationships with experts that partner with us in the design, permitting, construction and support of the fueling facilities like Benchmark Electrical Solutions.

**Our business culture and philosophy is focused on customer service.** Since we consider ourselves a fleet partner, we care as much as they do about each vehicle being fueled safely and on-schedule every day. This core value drives our commitment to 24/7/365 monitoring, technical service and local support for each natural gas fueling station with which we are associated. We only develop our fueling stations and offer services for our customers' fueling stations in geographic areas where we have personnel and operations on the ground such as Colorado.

**Committed to being a strong collaborator with NGV market development stakeholders.** These stakeholders include traditional fuel retailers who want to add CNG to their fueling stations, governmental efforts like Clean Cities, and vehicle and engine OEMs and dealerships that sell and service factory-direct NGVs. In terms of high-quality, EPA certified conversions for light duty vehicles, design/installation of fuel storage/handling systems on heavy duty vehicles, and vehicle support services we recommend FuelTek Conversion Corp to our customers.



# WARD ALTERNATIVE ENERGY

## *Clean Transportation Fuels™*

### PRODUCTS & SERVICES

- ◆ Low cost natural gas vehicle fuel for fleet vehicles from:
  - Our stations located at customer fleet sites and
  - Our public-access stations located near a fleet's site or vehicle routes
- ◆ Design/build services for fleet on-site fueling stations and upgrades for vehicle service facilities,
- ◆ Operation and maintenance services for fleet on-site fueling stations,
- ◆ Supplemental fueling services for fleet on-site fueling stations, and
- ◆ Resources and connections for a successful NGV fleet experience.

Our engineers and factory trained and certified technicians bring a clear understanding of how energy related mechanical and electrical systems work and how to compress, store and dispense natural gas as a vehicle fuel in a safe and low cost manner. Since electricity is required to make each gallon equivalent of CNG we evaluate renewable sources of electricity and energy efficient compression equipment. We also minimize emissions of methane.

**NGV Fleet Plan:** Our relationship with a customer always begins by taking the time to understand their fleet. We then develop an NGV fleet fueling analysis, site plan and financial model, which covers natural gas fueling and vehicle costs broken into project phases. After receiving customer feedback, we develop a proposal for on-site or public access fueling including pricing options. If a fleet decides to own an on-site fueling station, we can manage all elements of the fueling station design/build process.

We provide advice and connections regarding factory-direct NGVs and high-quality conversion technologies, review all codes and standards, identify government tax and financial incentives, help with grant writing and NGV financing sources, and provide NGV fleet case studies. We know that fleets often want to test NGVs in their fleets, which we can help arrange.

**Fueling Station Operation and Maintenance:** Customer service begins with making sure every NGV fleet vehicle is fueled on time every day. We provide 24/7/365 support – constantly monitoring each station and being just as good at emergency response as preventative maintenance. Our factory trained and certified technicians provide the same services to our public access and on-site fleet locations as a station owned by a fleet customer.

We offer O&M contracts, which can include routine and scheduled maintenance, repairs, trouble calls and emergency support. We and our partners have multiple shop locations, critical parts and high-pressure fittings inventory, and fully equipped service vehicles. In addition, we offer remote site data and video monitoring and equipment performance trend analysis, all accessible to our customers.

#### **Supplemental Fueling Services:**

- ◆ Natural gas supply: contracting, price hedging, firm and interruptible pipeline and utility access, nominating and balancing gas volumes, evaluating gas quality, and obtaining the best inlet pressure for fueling stations.
- ◆ Other: retailing services for third-party fueling at fleet on-site stations, emergency off-load fueling for stranded NGVs, compression backup services, and NGV driver training.



FuelTek CNG Conversion for Airport Baggage Tractor



Ward Alternative Energy Service Truck providing Off-Load Fueling to Loveland Ready Mix Truck



Kenworth Class 8 CNG Tractor with 80 Diesel Gallons Equivalent Fuel Storage

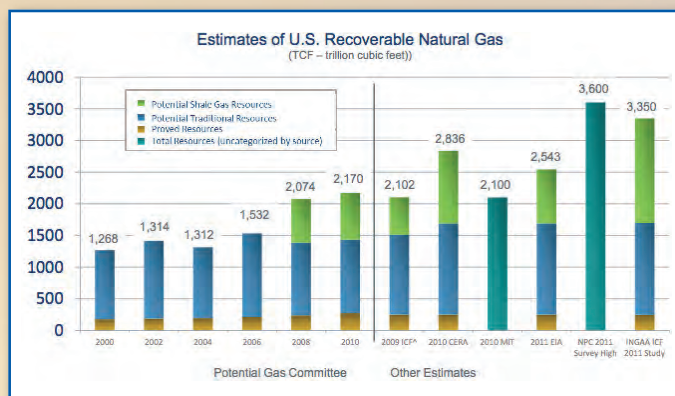


# Natural Gas Supply, Pricing and Environmental Characteristics

## Abundant Gas Supply

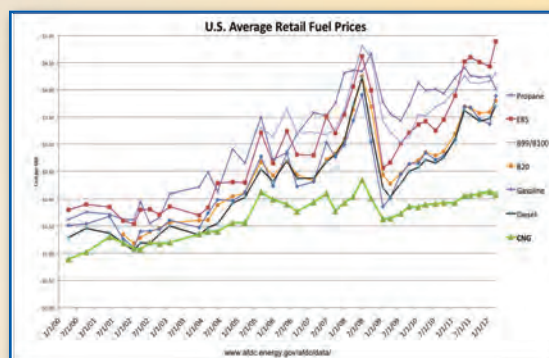
Recent natural gas US resource base studies by the Potential Gas Committee, MIT and others show that the recoverable resource base is large and growing. Shale gas formations are spread around the US and now account for nearly 40% of the natural gas supply picture. *[graph source: ANGA]*

The US has about 100 years of recoverable natural gas supply based on the current consumption of natural gas. If 100,000 heavy-duty vehicles, 500,000 fleet trucks and one million light-duty vehicles were added on natural gas, they would consume about 3.5 billion gallons per year (ten times more than was sold in 2011). Total US annual natural gas use would increase by only about 2%.



## Natural Gas and CNG Prices

Gasoline and diesel are expensive fuels and their price volatility creates business risk for vehicle fleets. Natural gas is a low cost commodity and retail vehicle fuel with stable pricing as seen by the green line toward the bottom of this chart. Natural gas prices are decoupled from the pricing for gasoline and diesel. *[chart source: EIA]*



Natural gas commodity is a small portion of the price of CNG, which means a large increase in the cost of natural gas has a small impact on the retail price of CNG. Gasoline or diesel commodities comprise 70% of their retail fuel prices and are very sensitive to the world oil markets.

## CNG: \$1.40 to \$2.60 per GGE

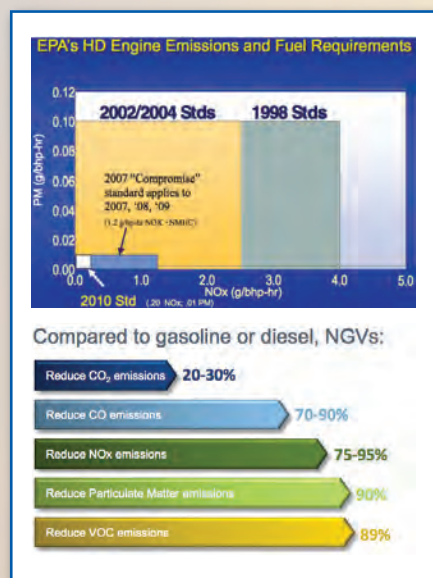
Natural Gas: \$.35 to \$.65  
Interstate Pipeline: \$.10 to \$.15



Compression, Storage & Sale: \$.65 to \$1.10  
Utility Distribution: \$.10 to \$.20



Taxes \$.20 to \$.50



## Vehicle and Engine Emissions Standards & Safety

Diesel and gasoline vehicle/engine emission standards are much more stringent due to implementation of the US Clean Air Act Amendments of 1990. New and proposed U.S. EPA emissions standards are making diesel engines more expensive to buy and operate than comparable natural gas engines.

*[source for chart: NGVA]*

Natural gas vehicle fuel produces fewer harmful pollutants and CO<sub>2</sub> emissions than gasoline or diesel. NGVs are a robust EPA emissions compliance technology for fleets. *[source for chart: ANGA]*

Standards and codes have been developed over the past twenty years for components that comprise natural gas fueling stations, vehicles and vehicle repair facilities as well as the complete facilities and vehicles and fuel. The inherent properties of natural gas, such as it being lighter than air so it quickly moves away from fueling facilities and vehicles if released, underpin its relatively safe characteristics compared to gasoline or diesel.



**WARD ALTERNATIVE ENERGY**  
Clean Transportation Fuels™

215 W. Oak Suite 1000 • Fort Collins, CO 80521  
(970) 449-4632 office • (970) 449-4637 fax  
www.wardenergy.com

We are proud members of:

