



COLORADO

Division of Central Services

Department of Personnel
& Administration

State Fleet Management
1001 E 62nd Ave., Room A-18
Denver, CO, 80216

To: State supervisors and managers
From: Division of Central Services, State Fleet Management
Re: State fleet vehicle CNG fuel incentive program

Beginning effective May 1, 2015, State Fleet Management will reimburse for all Compressed Natural Gas (CNG) fuel used by State fleet vehicles.

Four years ago, the Hickenlooper administration set an ambitious goal of developing one of the state's major resources, natural gas. In addition, the legislature enacted SB 13-170, which mandates the purchase of CNG vehicles whenever the expected life-cycle cost of the CNG vehicle does not exceed the life-cycle cost of the non-CNG alternative by more than 10%. As a result, the State has purchased 237 CNG vehicles to date, with another 34 on the way by the end of this fiscal year.

In order to increase utilization of CNG fuel over petroleum gas fuel, State Fleet Management will automatically reimburse for all CNG fuel used by State fleet vehicles between May 1, 2015 and June 30, 2016. **You don't need to track or submit anything - just encourage your drivers to fill up with CNG!** State Fleet Management already tracks fuel usage. The more CNG fuel you use, the lower your overall fuel costs will be.

You should already receive fueling reports from State Fleet Management. These can help you monitor and manage your drivers' use of CNG as opposed to petroleum gas. State Fleet Management can also assist with managing the placement of your CNG vehicles to maximize their proximity to CNG fueling stations. The Colorado Energy Office is working with fuel station developers and providers to place new fuel sites in locations advantageous to the State fleet. Eleven new sites have been funded and eight are expected to be available by the end of 2015. Nine new CNG sites are expected to be funded in FY2016 with 25-30 new CNG stations constructed statewide by the end of 2018.

If there is anything we can do to further encourage CNG fuel utilization in your area, please contact State Fleet Manager Scott Edwards at scott.edwards@state.co.us or 303-866-5416.

