

Item #7
April 20, 2011
Energy Commission Business Meeting

BORDER VALLEY TRADING

Grant Agreement ARV-10-042
for the

Coachella Valley Regional LNG Infrastructure Project

Summary

The California Energy Commission will enter into an agreement with Border Valley Trading (BVT) to construct a public-access liquefied natural gas (LNG) station in Palm Springs to support BVT and HayDay Farms (HDF) fleet vehicles as well as other regional fleet vehicles. The early conversion of the BVT and HDF Farms diesel fleets to LNG was largely predicated on the availability of LNG fuel at the Sunline facility in Thousand Palms. This facility closed in 2008 effectively removing most of the LNG fueling options from the Coachella Valley. With this grant, BVT will expand the availability of liquefied natural gas to fuel their fleet of 20 natural gas powered trucks and the HDF fleet of 20 natural gas powered trucks.

The Energy Commission is providing \$500,000 in Alternative and Renewable Fuel and Vehicle Technology Program funds. Match of \$2,127,698 will be provided.

Benefits

This station will provide nearly 1.7 million gallons of LNG per year; which will displace over 958,900 gallons of diesel. The use of the domestically produced LNG will reduce more than 10,843 metric tons of greenhouse gas emissions, 74.5 tons of nitrous oxides emissions, and 1.5 tons of particulate matter per year.

Currently, the Ontario LNG site is the easternmost 24-hour, public-access site in California. The Coachella Valley Regional LNG Station will enable interstate vehicles and goods movement fleets to reliably reach California ports and to possibly link into LNG fueling markets in Phoenix, Arizona.

The project is expected to create 36 jobs in a region that has been negatively impacted by the recession.

Participants

BVT is an exporter of agricultural feed products that ships daily to the Ports of Long Beach and Los Angeles. BVT owns the land where the station will be located.

HDF is an exporter of agricultural feed products which ships daily to the Ports of Long Beach and Los Angeles.

Gladstein, Neandross & Associates, one of the top alternative fuel consultancies in the nation, will manage the project implementation.

Implementation Schedule

Border Valley Trading expects to complete construction of the station by November 1, 2012.