

Fox Service to install CNG sites

Deal may progress push for compressed natural gas

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An Austin service company is planning to fuel the growth of an alternative energy source in Central Texas.

Fox Service Co. has begun installing compressed natural gas refueling stations for residences and businesses, a move that some businesses say could bring CNG vehicles to the forefront of Central Texans' attention.

"We saw the tide was coming," George Stuckey, director of marketing and sales for Fox Service, says of the company's decision to become a dealer of the filling stations. "Although CNG has been around some time, it failed years ago. But the technology associated with CNG vehicles is improved vastly, as it has with many high-efficiency [systems]. I think the time has come for it to be considered a viable option, and we wanted to be part of that."

Fox is a locally owned, multitrade service provider that works with air conditioning, plumbing and electrical systems. Stuckey says the skills necessary to install the CNG filling stations fit well with the company's existing services.

The filling stations, called FuelMaker Phill, cost about \$6,400 to \$8,400 with installation. Local and federal rebates can total up to \$3,000 per installation.

Texas Gas Service is helping market the new filling stations and offers a \$2,000 rebate for natural gas-powered vehicles and for the filling stations.

CNG as an alternative fuel for cars and trucks isn't a new concept. Howdy Honda in Austin has been selling CNG cars on and off for about 10 years, says Kevin Childers, a salesman at the dealership.

But a dearth of local filling stations has meant that most of those cars have been sold either to municipal fleets or to a company in California, where CNG is much more prevalent among consumers, Childers says.

Howdy Honda started selling its CNG Civics to the public in Austin about six months ago when the city of Austin opened a public refueling station off Ben White Boulevard. That station opened as the city added six CNG trucks to its solid waste service fleet.

The Environmental Protection Agency estimates fueling the Civic GX to cost \$884 a year, compared with \$1,987 for the gasoline-powered version. It's also a cleaner-

burning fuel than gasoline, creating 80 percent fewer ozone-forming emissions than gasoline vehicles, according to the California Energy Commission.

Childers says now that Fox is installing filling stations in homes, he expects demand to pick up for the CNG cars. And the vocal support that energy magnates such as Texas' T. Boone Pickens have lent to CNG means that Americans are becoming increasingly aware of its relative price stability and the fact that it's a domestically produced fuel, Stuckey says.

Pickens was negotiating earlier this year to buy Toronto-based FuelMaker Inc., which manufactures the filling stations that Fox installs, but the deal fell through in mid-October.

Teri Green, manager of conservation programs with Texas Gas Service, says like many new technologies, CNG vehicles may take a while to gain a hold in the Austin area. Although CNG is clean-burning, generally cheaper than gasoline and domestically produced, CNG vehicles' range of 220 to 250 miles per fill-up and a shortage of CNG filling stations means drivers can't take long road trips.

Green says Texas Gas has paid four rebates for the CNG Civics since Oct. 1.

Stuckey says Fox Service has seen demand for its high-efficiency products, such as high-efficiency air conditioning and tankless water heaters, take off. That's helped fuel the company's overall growth. Fox Service brought in \$25 million in revenues in 2007, and Stuckey says 2008 will likely end with a 6 percent increase in revenues. Fox is projecting a 5 to 6 percent increase again in 2009, he says.

Because the production of CNG vehicles in the U.S. is still limited, Stuckey says Fox doesn't expect CNG to generate large revenue initially.

That could change if mechanics begin offering conversions for vehicle owners. Honda is also planning to move the assembly line for its CNG Civics from Ohio to Indiana, which Green says is expected to yield more production.