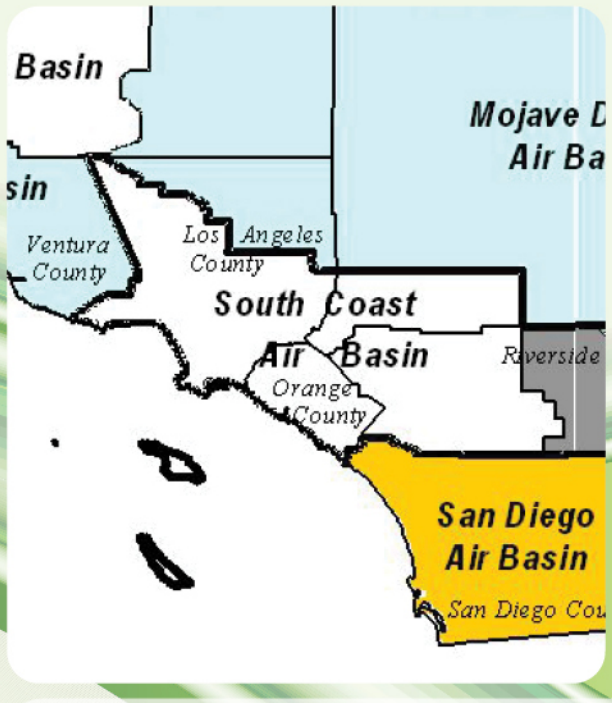
ONBOARD DYNAMICS

CASE STUDY:

How A California Waste Hauler Reduced Their Fuel Costs Overnight

Serv-Wel Disposal is a premier, family-owned waste collection, recycling and disposal provider, servicing the needs of commercial, industrial, multi-family and construction clients in the greater Los Angeles area.



The Challenge: Air Quality Compliance

All local waste haulers are subject to specific fleet rules adopted by the South Coast Air Quality Management District (SCAQMD) which is responsible for policies and regulations which promote clean air in Los Angeles, Orange, Riverside and San Bernardino counties, the smoggiest in the nation. SCAQMD develops and adopts an air quality management plan to bring the area into compliance with federal and state clean air standards. As part of this mandate, Serv-Wel needed to begin phasing out and replacing older diesel trucks with alternative fuel vehicles. They chose to go with trucks operating on compressed natural gas (CNG) vehicles instead of electric vehicles (EVs) because 1) EV technology could not provide the required range or reliability needed, 2) adoption of EVs requires a significant, expensive upgrade of electric service to recharge the vehicles and 3) the customer would be subjected to the risk of increasing electricity prices.

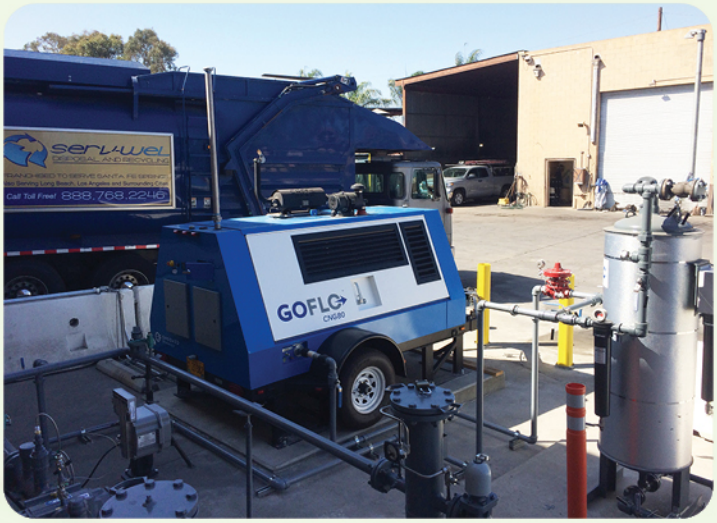
CNG was clearly a better option for this customer. Adoption of CNG vehicles enabled compliance with SCAQMD fleet rules. Plus, incentives helped offset the premium cost of replacing diesel trucks with CNG vehicles and infrastructure costs for the installation of an on-site CNG refueling system. Serv-Wel currently operates six CNG trucks and plans to replace an additional four diesel trucks with CNG over the next few years.

Transitioning from older diesel trucks to new CNG trucks posed new challenges. Previously, Serv-Wel drivers had to refuel their CNG trucks each day at a public refueling station located three to four miles away. This added 30 to 60 minutes of extra time for each driver to refuel in the morning before going out on their routes. Sometimes, drivers would encounter other trucks waiting in line, further increasing the refueling time up to as much as an hour. Jim Neverov, General Manager of Serv-Wel, needed an onsite refueling solution for his fleet that is efficient and cost-effective.

Jim solicited and received proposals from various CNG refueling station developers, most of which were much too expensive. Each of these proposals featured the use of electric CNG compressors which would have required a new and expensive upgrade of the electric utility service line. Furthermore, Jim was very concerned about the impact of rising electricity rates on operating costs and also the risk of electrical outages during emergencies.

There was also the challenge of managing all the moving parts of the project. Applications for grants and permits needed handling. Setting up an electric infrastructure and negotiating with gas companies needed to be managed. The project was becoming very complex to get off the ground.

The Solution: The GoFlo® Compressor



"It's the smartest thing I've ever done."

Jim Neverov
General Manager, Serv-Wel

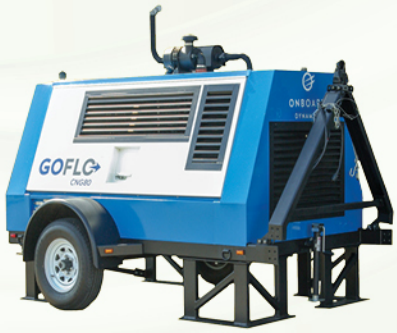
The GoFlo compressor provided the solution that Serv-Wel was looking for. **It didn't rely on electricity to compress the gas which eliminated electrical infrastructure** and saved the company the cost in the initial setup. It also insulated Serv-Wel from rising electricity rates.

Onboard Dynamics also represented the customer as overall project manager. In this role, Onboard Dynamics applied for and obtained the permits and worked with Southern California Gas Company on a new natural gas service line for the CNG refueling system. And they were able to help secure a SCAQMD grant to offset the installation cost of the complete CNG refueling system including dispenser system. Onboard Dynamics also helped Serv-Wel procure a supply of Renewable Natural Gas (RNG) from a third-part supplier on attractive terms, capitalizing on the benefits of federal RIN (Renewable Identification Number) and California LCFS (Low Carbon Fuel Standard) credits which lowered the customer's fuel cost on a $/GGE basis.

The Results: Increased Operational Efficiency

Serv-Wel was able to provide its fleet with onsite refueling overnight. This increased operational efficiency and driver productivity by reducing the amount of time for trucks to start their routes each day. Installation of the on-site CNG refueling system has enabled the customer to dramatically decrease its fuel costs and achieve a system payback of 3 years.

In summary, Serv-Wel liked the fact that the GoFlo had a lower installed cost, that the RNG credits and SCAQMD grant helped drive down expenses, lowering the cost per GGE, and that Onboard Dynamics managed the project on their behalf. This helped support their commitment to lowering emissions and being a leader in environmental responsibility.



Learn More About the GoFlo Here

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