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## Money

**"CNG is going to revolutionize the trucking and transport industry. And it's a win for us, financially."**

Andrew Koenig, City Furniture's managing director of operations



MIKE STOCKER/STAFF PHOTOGRAPHER

Dave Clevenger, the fleet manager for City Furniture, refuels one of their delivery trucks. The furniture company is converting its fleet to run on compressed natural gas (CNG).

## City Furniture switches its fleet to natural gas

By **DOREEN HEMLOCK**  
Staff writer

With gasoline and diesel now running around \$4 per gallon, more companies in South Florida are switching their vehicles to compressed natural gas to slash fuel costs.

City Furniture, the Tamarac-based furniture chain, is converting all 85 delivery trucks to CNG, becoming one of the first mid-sized private companies in the state to do so. It will formally debut its own CNG station Thursday.

City Furniture figures CNG will cut its fuel costs by at least half: About \$1.75 of CNG covers the same mileage as a gallon of diesel, which now costs around \$4.25. That should save the company about \$20,000 per truck per year on fuel alone — or more than \$1 million yearly on the first

51 CNG trucks just incorporated into its fleet.

By burning cleaner than diesel, the CNG trucks also need less maintenance on their engines and parts, saving the chain even more money.

Plus, CNG vehicles produce less air pollution and use American-made natural gas, cutting U.S. reliance on imported oil, said Andrew Koenig, City Furniture's managing director of operations.

"CNG is going to revolutionize the trucking and transport industry," Koenig forecast. "It's going to be game-changer for the environment and for the United States. And it's a win for us, financially."

Florida is encouraging CNG conversions with tax incentives to help offset the upfront costs.

City Furniture received a \$250,000 state rebate on its roughly \$1 million investment to

convert 51 new diesel trucks to CNG. And the chain is applying for another \$30,000 in tax breaks on its roughly \$1.5 million investment to build its CNG station, Koenig said.

Those tax breaks will help the company recoup its initial CNG investment in roughly 12 to 18 months. The company also aims to invest more than \$600,000 to bring 34 more CNG trucks into its fleet by 2016.

City Furniture joins a growing list of businesses and government agencies embracing CNG.

Telecom giant AT&T, for example, has deployed 8,000 CNG vehicles in 20 states in the past five years, including 74 in Florida. Those vehicles now account for more than 10 percent of its fleet.

In all, AT&T aims to invest up

See **GAS, 2D**



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City Furniture is converting its fleet to run on compressed natural gas (CNG), a fuel that is cheaper and cleaner than gasoline or diesel fuel.

### GAS

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to \$565 million over 10 years through 2018 to deploy 15,000 alternative-fuel vehicles including ones using CNG, hybrid gas-electric and all-electric power, a spokeswoman said.

The money AT&T saves on fuel — from millions of gallons of gas foregone — frees up cash for investments "in other areas of the business," said AT&T spokeswoman Stephanie Smith.

Public transit authorities also are keen on the alternative fuel. About one-fifth of all transit buses in the country now run on natural-gas, according to the American Public Transit Association.

South Florida companies are helping satisfy growing demand for CNG.

Wise Gas, which launched South Florida's first public-access CNG station in Fort Lauderdale in 2010, has added a second public-access station in Pompano Beach. And it is looking to add a handful more CNG stations in the area and around the state soon, said business development manager Jeff Greene.

"We're seeing more and more companies calling in to us," Greene said, "instead of us calling out to

### By the numbers

142,000 CNG vehicles on U.S. roads; More than 15.2 million on roads worldwide  
1,325 CNG fueling stations across the United States  
12 CNG stations open to the public in Florida, including Fort Lauderdale, Pompano Beach  
Costs usually \$1.50 to \$2 less than a gallon of gasoline or diesel.  
Converting a vehicle to CNG can run \$6,500 for a car and \$30,000 for a large truck  
Sources: Trade group Natural Gas Vehicles for America; Private company Wise Gas of Broward County.

explain what CNG is and how it can save you money."

To be sure, there's still a long way to go before CNG replaces gasoline or diesel.

The trade group Natural Gas Vehicles for America figures about 142,000 CNG vehicles now circulate on U.S. roads — less than 1 percent of all vehicles in the country.

That's partly because of upfront costs to switch vehicles from gasoline or diesel: roughly \$6,500 for a car and up to \$30,000 for a large truck, said Wise Gas' Greene. Plus, there are concerns about the limited number of CNG stations open to the public, discouraging manufacturers from making CNG vehicles.

City Furniture had an edge in opting for CNG. For one, it centralizes its merchandise at one warehouse, so its trucks can leave in the morning, make deliveries and return

to fill up with CNG there. The company's current CNG trucks can travel about 230 miles before re-fueling. Some that head to north Florida have tanks for both CNG and diesel, in case they find no CNG station nearby.

City Furniture's headquarters already had a natural-gas pipeline to serve its cafeteria. That cut the costs for setting up the station that compresses the natural gas for use in trucks, said Koenig.

Dave Clevenger, the chain's fleet manager and a Persian Gulf war veteran, initially was skeptical about CNG. But after seeing the savings, how drivers like the smoother ride on CNG trucks and realizing how the fuel helps U.S. energy independence, Clevenger said: "Now, I'm a true believer."

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