Project Profile: Metropolitan Utilities District

The Metropolitan Utilities District, a public natural gas and drinking water utility, serves a population of nearly 600,000 in the Omaha metro area. The utility has used natural gas vehicles (NGVs) and compressed natural gas (CNG) fueling equipment in their operations since the mid-1980s. Their fleet of more than 300 vehicles includes approximately 90 NGVs. NGVs have lowered the District’s carbon dioxide vehicle emissions by 25 percent, displaced more than 950 barrels of foreign oil and saved its customers more than $58,000 in annual fuel costs.

Over the last three years, the District built strategic partnerships with public and private entities to develop a market for NGVs in the Midwest. The collaboration bore fruit with the June 2011 opening of Nebraska’s only public access CNG fueling station at I-80 Fuel in Omaha. A second public access station opened in July.

Public fueling stations are the key piece to encourage other businesses to integrate NGVs into their fleets. Most fleet managers are not inclined to take action until they clearly see how the economic benefits actually will work in their applications.

I-80 Fuels and Happy Cab Company saw the potential benefits to their operations and were early partners in the process. One provided the property for the first fueling station and the other committed to convert 50 cabs to run on natural gas.

Funding

Federal and state grants helped build the stations and purchase NGV fleet vehicles and equipment. The District and partners joined the Kansas City Regional Clean Cities Coalition and Metropolitan Energy Center (MEC) to apply for American Recovery and Reinvestment Act stimulus funds. In December 2009, MEC was awarded $15 million in federal funds for the Midwest Region Alternative Fuels Project. The District and its Nebraska area partners received $3.7 million from MEC’s grant. In addition to federal funds, the District received a grant from the Nebraska Environmental Trust and a low-interest loan from the Nebraska State Energy Office.

Benefits

This significant investment will result in displacing well over 1 million gallons of diesel and gasoline fuels in Nebraska over its lifetime, as other fleets and individuals begin to use the public stations. This initiative will contribute to cleaner outdoor air quality and will help to establish a viable market for NGVs in Nebraska, anchor travel corridors into Kansas City, Chicago, and Denver; and spark development and use of NGVs along the I-80 corridor.