



Economic Benefits

Dear Reader:

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We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

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The use of CNG not only helps the environment, but it is also economically wiser as well. One of the biggest advantages CNG provides is an affordable price. As the world continues to experience ongoing hikes in the cost of gasoline, the low price of CNG offers a glimmer of hope. CNG is typically at least 30 percent cheaper than gasoline. Natural gas vehicles have been introduced in a wide variety of commercial applications, from light-duty trucks and sedans such as taxicabs, package delivery vans, postal vehicles, transit buses, street sweepers and even school buses. In California, transit agency buses are some of the most visible CNG vehicles. Below is a chart from the U.S. Department of Energy showing the difference in prices between gasoline, diesel and CNG.

U.S. Department of Energy Alternative Fuel Comparison Jan-March 2011		
	Nationwide Average Price for Fuel	Nationwide average Price for Fuel 4th Quarter 2010
Gasoline (regular)	\$3.69	\$3.08
Diesel	\$4.04	\$3.45
CNG	\$2.06	\$1.93

As you can see, the margin between the price of gasoline and CNG is significant and is clearly more efficient.

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