

**BOARD OF UTILITIES COMMISSIONERS**

1800 E. Wardlow Road, Long Beach, CA 90807
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June 6, 2024

Recommendation

Authorize the General Manager to execute all necessary documents to enter into a contract with Clean Energy Fuels, Inc., of Newport Beach, CA, for the purchase of renewable compressed natural gas and liquefied natural gas fuel, for use in vehicles and equipment, in an annual amount not to exceed \$200,000 for a period of ten years.

Executive Summary

In 2019, the City of Long Beach entered into a contract with Clean Energy Fuels, Inc., (Clean Energy) for the operation and maintenance of a compressed natural gas (CNG) fueling station, located at the Long Beach Utilities Department (LBUD) Spring Street campus. The renewable CNG fuel at this station is procured by LBUD and sold to Clean Energy, then resold by Clean Energy to both the City and to private customers.

LBUD operates heavy-duty vehicles and equipment, such as dump trucks, crane trucks, and sewer cleaning trucks, in the Water and Sewer fleet that use CNG and liquefied natural gas (LNG). For CNG fueling, LBUD historically uses CNG vehicle fueling stations at LBUD's Spring Street campus. For LNG fueling, LBUD utilizes the LNG fueling depot located in the Port of Long Beach on Wilmington Street, which is also operated and maintained by Clean Energy.

Clean Energy fueling stations are within the LBUD service area and have proven reliable, therefore Commission approval is requested to establish a contract with Clean Energy to continue to purchase LNG and CNG fuels for vehicles and equipment.

Fiscal Impact

The cost to the Water and Sewer Funds will be incurred in FY 24 through FY 27 with the actual amounts unknown at this time, but the total annual amount will not exceed the contract total of \$200,000. These costs are included in the Water and Sewer Funds FY 24 Budget and financial projections.

Tai Tseng
Assistant General Manager

Christopher J. Garner
General Manager