

a view from

CANADA

No pipes? No worry.

Cheap gas fosters routine use of super-sized CNG trailers

HALIFAX — Heritage Gas of Nova Scotia is set to begin delivering natural gas to one of its customers this month via three super-sized tube trailers that can haul nearly 300,000 standard cubic feet of CNG each.

Said to be the world's largest, the trailers will be in use around the clock supplying gas to Nova Scotia-based masonry maker Shaw Brick, which recently converted its equipment from oil to natural gas, Heritage Gas President Jim Bracken told *American Gas*. The gas will be loaded onto the trailers at Heritage's compressor station near Halifax Stanfield International Airport, then driven about 12 miles to the decompression station the utility has built at Shaw Brick's plant.

Tube trailers are commonly employed to get natural gas to remote sites on a temporary basis and in emergency situations. But using a tube trailer on a long-term basis to bring CNG to places where there isn't a distribution line is a new application made feasible by the low cost of natural gas, Bracken said.

Heritage already serves more than 20,000

customers in Nova Scotia via conventional distribution lines. Though Shaw Brick's energy-intensive plant is only 7.4 miles from the nearest pipeline, the rocky terrain would make building a distribution line there more expensive than using the trailers, Bracken said.

Heritage got the go-ahead from the provincial government last year to truck natural gas, and Bracken said the company will buy more of the trucks—made by Ontario-based FIBA Canning—as it signs up more delivery customers.

The trailers purchased by Heritage each hold 14 tubes made of thick-walled steel that have a water volume of more than 9,500 gallons each, Ken Canning of FIBA Canning told *American Gas*. They are specially designed so that they can be loaded and unloaded in less than an hour.

Canning said that the quad-axle trailers purchased by Heritage would be too heavy for use in any U.S. state besides Michigan. But a smaller tridem axle version with a volume of 227,000 scf could be used in New England. Canning said his company has received inquiries from several companies in that area.

In the U.S., Vermont-based startup NG Advantage is preparing to deliver CNG beyond the reach of the distribution network this year. Xpress Natural Gas, also a startup, is doing the same in Maine. —Jennifer Pilla Taylor



The low cost of natural gas is making it feasible for Heritage Gas to bring CNG to remote locations via tube trailer on a long-term basis.

CAPITOL HILL

A Plea for Tax Neutrality

Could tax reform hurt utilities' ability to raise capital?

WASHINGTON, D.C. — As Congress continues to wrestle with the budget deficit and looming debt, the U.S. tax code is emerging as a hot topic. In the House, Rep. Dave Camp (R-Mich.), chairman of the House Ways and Means Committee, has identified comprehensive tax reform as his top goal for 2013.

To jump-start discussions, Camp established 11 bipartisan working groups in February to solicit input from stakeholders, think tanks, and others on specific areas of interest, including energy. AGA and its members have contributed to