

UPS Continues To Build On Renewable Natural Gas Momentum

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UPS (NYSE: UPS) today announced it has entered into multi-year renewable natural gas (RNG) agreements with Kinetrex Energy and TruStar Energy. Together, these two contracts will supply UPS with up to 80 million gallon equivalents (GEs) of RNG over the terms of the agreements.

“The use of RNG is a very important part of UPS’s strategy to increase alternative fuel consumption to be 40% of total ground fuel purchases by 2025,” said Mike Whitlatch, vice president of global energy and procurement, UPS. “We are using both liquid natural gas (LNG) and compressed natural gas (CNG) as bridging fuels to increase our use of RNG. This will have a measurable impact as RNG yields up to a 90% reduction in lifecycle greenhouse gas emissions when compared to conventional diesel. Using RNG is what will ultimately help UPS meet its 2025 sustainability goals.”

The Kinetrex contract will supply UPS with up to 52.5 million GEs of RNG over the life of the contract to be used in its tractor trailer vehicles throughout the Midwest. The RNG will be used to fuel UPS’s LNG-powered trucks in Chicago, Columbus, Indianapolis, St. Louis and Toledo. The TruStar Energy contract will supply UPS with up to 27.5 million GEs of RNG over the life of the contract to be used in California. The RNG will be used to fuel UPS’s CNG-powered trucks in both Visalia and Moreno Valley, Calif.

UPS remains committed to its sustainability

goals. These two new agreements build on a prior RNG contract in which UPS agreed to purchase 170 million gallons of RNG, its biggest commitment to date. Over the next seven years, UPS has agreed to purchase 250 million gallon equivalents of RNG total, making the company the largest consumer of RNG in the transportation industry. Additionally, UPS recently announced plans to purchase more than 6,000 natural gas-powered trucks through 2022. This three-year commitment represents a \$450M investment in expanding the company’s alternative fuel and advanced technology vehicle fleet as well as supporting infrastructure. Buying these vehicles is important since CNG vehicles can interchangeably use RNG and conventional natural gas so building CNG fleet capacity is vital to increasing the company’s use of RNG. Over the past decade, UPS has invested more than \$1 billion in alternative fuel and advanced technology vehicles and fueling stations to help meet its target of reducing absolute greenhouse gas (GHG) emissions by 12% across its global ground operations by 2025.

Source: [UPS](#)