



NEWS RELEASE

NW Natural: Hylion Equipped Low-Emission CNG/Hybrid Truck Powerfully and Effectively Carries Heavy Payloads

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Three Oregon companies tested natural gas-powered vehicle under challenging conditions, with positive results

PORTLAND, Ore.--(BUSINESS WIRE)-- NW Natural today announced promising early results from its truck loan program in conjunction with Hylion Holdings Corp. Through tests conducted by Baker Rock Resources, Tillamook County Creamery Association and CalPortland, the new CNG solution proved it can deliver across the board for fleets in the areas of power, sustainability and fuel efficiency.

This press release features multimedia. View the full release here:

<https://www.businesswire.com/news/home/20210526006032/en/>

NW Natural truck loan program and Hylion teamed up to make this Compressed Natural Gas (CNG)-electric hybrid Cascadia day cab tractor available to fleet operators seeking low-emission, cost-saving alternatives to diesel. (Photo: Business Wire)

Portland-based NW Natural and Austin-based Hylion teamed up to make a Compressed Natural Gas (CNG)-electric hybrid

Cascadia day cab tractor available at no cost to three fleet operators seeking low-emission, cost-saving alternatives to diesel. Hylion's e-axle, a self-charging powertrain to boost performance of CNG vehicles, adds up to 120 horsepower to a Class 8, 12-liter CNG semi-truck – enough to pull more than 100,000 pounds uphill with performance comparable to diesels. Onboard Dynamics of Bend, Ore., offered program participants the use of its mobile CNG fueling station for on-site refueling.

Three Oregon test cases

Baker Rock Resources is a family-owned business that has provided construction and landscaping materials to the Portland area for more than 60 years, with a focus on operating sustainably. From the first time a driver of the Hylion Hybrid CNG equipped truck hauled a full load up a steep hill with ample power, Keith Peal, vice president of Marketing and Sales, concluded he'd found a way to match his company's environmental goals to its operating needs. "The demonstration was a complete success, and we absolutely have plans to add the technology to our fleet," said Peal.

Tillamook County Creamery Association, headquartered on the Oregon coast, has been supplying premium dairy products to loyal customers across the state for more than a century. To bring its products to the Portland area, drivers cross the Oregon Coast Range on a winding two-lane highway – carrying up to 86,000 pounds. During a three-week trial, the e-axle boosted speeds by an average of six miles per hour over those reached by an unassisted conventional CNG truck – all while maintaining optimum power and saving on fuel costs.

"Our business is committed to stewardship, and we're constantly looking at ways to reduce our environmental impact and improve efficiency, including our fleet of 16 trucks," says Tillamook's director of Environment & Community Impact Jocelyn Bridson. "Being able to test a CNG-electric hybrid truck helped us see firsthand that the technology available today performs well on our distribution routes, with enough power to get over mountain passes, and was straightforward for our drivers. As a result of this trial, we are assessing the potential to replace our diesel trucks with Hylion's natural gas vehicles."

CalPortland is a multi-state operation producing and delivering cement, concrete and other construction materials. CalPortland also has a strong commitment to environmental protection, advocating for products and practices that yield the least possible environmental impact. Its transportation team found the Hylion CNG Hybrid trucks are easy to operate, with the potential to significantly lower the fleet's carbon footprint.

"The vehicle provided by Hylion and NW Natural is a great opportunity to add an environmentally friendly option for hauling freight," said Matthew Meyer, CalPortland's director of Fleet Management. "The CNG hybrid model is extremely promising, and we were very impressed with the Hylion team's support."

"Natural gas vehicles are popular in North America and throughout the world because of their significantly lower greenhouse gas emissions, near zero-point source emissions, and the ability to use renewable natural gas instead of diesel," said Chris Kroeker, NW Natural business development segment manager. "This innovative, try-it-first truck loan program allows local fleet managers to see if this technology fits with their operations – and Hylion's Hybrid solution has proven that it can deliver across the board in the areas of power, sustainability and return on investment."

Truck fleet operators located within the NW Natural service territory and interested in joining the truck loan program may call NW Natural's Major Account Services at 971.979.9611 or Clif Hazen at 503.610.7668.

Advantages of natural gas vehicles

CNG technology offers many advantages to companies focused on environmental quality and operating costs of their fleets, such as:

- Air quality - Studies demonstrate CNG trucks emit no soot or heavy metals and are lower in other pollutants compared to diesel by 90 to 99%.
- Lowers carbon footprint - Renewable Natural Gas (RNG) can be used in all CNG vehicles and has the potential to reduce net greenhouse emissions to zero. The electric hybrid system is also net emissions free, capturing its energy through regenerative braking.
- Operating savings - For years, CNG has been substantially less expensive than diesel, and tax credits and fuel incentives for RNG can substantially lower fuel costs.
- State grants to replace old diesel trucks - This summer, Oregon's Department of Environmental Quality (DEQ) is expected to issue grant proposals funded by Volkswagen's settlement agreement with the federal government. Through DEQ's **Diesel Emissions Mitigation Grants** program, private fleet owners may be eligible to receive up to 25% of a project's cost for qualified vehicles, which include those running on CNG.

About NW Natural

NW Natural provides natural gas service to approximately 2.5 million people in more than 140 communities through more than 770,000 meters in Oregon and Southwest Washington with one of the most modern pipeline systems in the nation. It consistently leads the industry with high J.D. Power & Associates customer satisfaction scores. NW Natural is part of Northwest Natural Holding Company, (NYSE: NWN) (NW Natural Holdings), which is headquartered in Portland, Oregon, and owns NW Natural, NW Natural Water Company, and other business interests and activities.

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