

Roth: FedEx, CNG and Leadership

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Leadership matters. And FedEx is the perfect example.

In fact, read this quote from its founder, Fred Smith, and I think you will agree: "Leadership is not about titles, positions, or glory. The best kind of leadership is about setting the example, influence, integrity, inspiration and courage."

FedEx, originally known as Federal Express, was the first overnight express delivery company in the world, is the

largest in the United States and the largest in the world. So when a company like this moves in a principled direction, its competitors and others should take note.

This is certainly true with FedEx Freight's movement toward compressed natural gas fleets and the recent celebration in converting its service center in Oklahoma City to run on CNG. They have purchased more than 100 new CNG trucks, making Oklahoma City their first market committing to this fuel. The facility and its fueling stations is a partnership with Clean-Energy Fuels and features multiple fast-fuel stations at its expanded service center. Faster and cleaner is a great commitment to FedEx's future.

According to FedEx's corporate position on environmental sustainability, it is "committed to providing global connections while minimizing our environmental impact. We have integrated responsible environmental practices into its daily operations, and continuously work toward goals that challenge us to increase efficiencies and reduce waste and emissions."

And it shows. By 2012 FedEx had achieved a 22-percent improvement to its fleet's fuel efficiency over 2005 levels and had increased its goal now to a 30-percent improvement by 2020. It has also set ambitious goals to reduce aircraft emissions 30 percent by 2020 and it's committed to getting 30 percent of its jet fuel from alternative fuels by 2030 also.

The progress being made towards these company goals is evident in its Oklahoma progress with its CNG expansions. Let's compare fuels.

According to the U.S. Department of Energy's Alternative Fuels Data Center, when used as a vehicle fuel, natural gas can offer life-cycle greenhouse gas emissions benefits over conventional fuels, depending on vehicle type, drive cycle and engine calibrations. And in some instances natural gas can also reduce some types of tailpipe emissions.

Modeling done by the esteemed Argonne National Laboratory estimates that vehicles running on compressed natural gas and liquefied natural gas emit approximately 6 percent to 11 percent lower levels of GHGs than gasoline throughout the fuel life cycle.

The two types of natural gas, CNG and LNG, are nearly identical, with CNG actually emitting slightly less GHGs than LNG because compressing natural gas requires less energy than liquefying it. Both are clean-burning fuels and help companies like FedEx beat current vehicle emission standards.

They truly are on the road to a cleaner future, leading the way by example and actually ahead of the curve from all others.

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