Westport Buys BAF from Clean Energy
Acquisition deal includes ServoTech and initiates $5 million joint marketing and sales agreement

Westport Innovations has purchased BAF Technologies and its ServoTech Engineering subsidiary from Clean Energy Fuels, creating what Westport says is the largest product selection and market presence in North America’s light-duty NGV market.

Dallas-based BAF is a market leader in natural gas conversions and systems, including design development, and integration for light-duty vehicles, while ServoTech offers powertrain and calibration engineering.

The acquisition vaults Westport into position as Ford’s largest Qualified Vehicle Modifier (QVM) partner, with at least 10 products and a presence in roughly 150 Ford authorized dealerships. John Lapetz, vice president of Westport and managing director of its Michigan Technical Center, said the purchase efficiently expands Westport’s NGV capabilities without forcing it to be everything to everyone.

“BAF’s business is core to what Westport does, but not to what Clean Energy does.’’

The BAF acquisition enables Westport to make BAF products more OEM-like, Lapetz said. “They are good at doing special runs in a particular configuration—what we refer to as a ‘craft center,’ where the vehicles are more hand engineered. And with ServoTech, [it’s one of] only four companies that Ford allows to modify their control systems, which complements the work we were already doing. “

As Westport continues installations of its Westport WiNG Power System, the company expects increased order volume through BAF to enable economies of scale, while BAF and ServoTech capabilities will permit more flexibility in producing specialty configurations.

In addition, Lapetz said, BAF provides Westport with an entrée to California markets where it currently has no presence. “This gives us a way to be there, get a feel for the market, and introduce new products, perhaps under the Westport name. “

Selling BAF will help Clean Energy sharpen its focus, said Mitchell Pratt, Clean Energy’s chief operating officer. “We acquired BAF when OEMs had exited the market and none were

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showing leadership and moving forward with product development. BAF helped develop the market and now has the biggest Ford [NGV] lineup, ranging from light-duty to medium-duty commercial fleet vehicles,” he said, noting that with NGV availability now vastly expanded, “this deal allows us to focus on our strengths of infrastructure and fueling.”

Clean Energy and Westport will continue and deepen their partnership through a new $5 million joint marketing and sales agreement. This deal allows Westport to provide purchase incentives for NGV fleets, including fuel credits, and commits Clean Energy to providing 750,000 gge of natural gas for use in marketing and as bundling incentives.

Clean Energy also pledges to buy at least half its NGVs from Westport, a logical step as the company continues to expand its infrastructure, Pratt said: “We have a large, dedicated fleet of service technician vehicles and others we operate, and we’ll continue to purchase product through BAF and Westport to accelerate the marketplace.”

Event Report

ACT Expo Draws Over 3,000 Attendees

The June 24–27 Alternative Clean Transportation (ACT) Expo featured a packed house and a significant focus on natural gas vehicles and infrastructure. The Washington, D.C., event drew more than 3,000 attendees for four days of keynotes, panels, exhibits, and demonstrations showcasing the state of the art in alternative fuel vehicles, infrastructure, policy, and economics.

“The highlights for me were the number of people there and a great vehicle and corporate turnout. I was also impressed by the announcements from Penske Truck Leasing on going forward with leasing NGVs [see story at left], and the keynote address by David Abney of UPS,” said Coalition President Tim Carmichael.

Abney, who is UPS’s chief operating officer, announced that the package-delivery giant will buy an additional 285 natural gas–powered tractors in 2014 (on top of a previously announced buy of 700) for its small-package delivery business, and build nine additional natural gas filling stations. The combined cost of these stations and the 285 tractors represents a $75 million investment. He noted that UPS has been using NGVs since 2000, and its natural gas–powered trucks have logged 200 million miles—a figure expected to grow to 500 million miles in 2015.

Abney added that electric power may be suited for shorter-haul applications such as delivery vans, and said the company is experimenting with other fuels as well, including biodiesel made from chicken fat in Louisiana. “We use a rolling laboratory approach,” he said.

Member News

Trillium Demonstrates Hydraulic Intensifier Compressor Trillium CNG demonstrated its patented high-speed Hydraulic Intensifier Compressor technology at the ACT Expo in Washington, D.C., late last month. This fast-fill technology splits gas compression into two phases, resulting in CNG flows of 7–12 gallons per minute, an experience Trillium says is similar to refueling with conventional diesel.

Chart Technology Addresses LNG Fueling Issue Chart Industries has introduced a new technology for Chart LNG vehicle fuel systems that allows vehicles with spark ignition, compression ignition-direct injection, or compression ignition-indirect injection engines to accept fuel dispensed at either of the most prevalent temperature and pressure combinations. Chart’s Cold-Fuel Pressure Builder (CPB) automatically increases pressure and temperature to support most engine requirements, allowing engines optimized for higher-pressure, warmer fuel to accept colder, lower-pressure fuel when that’s what’s available.