



AND

Mocelin
Auto Dealer

BRING YOU Green Fuel Energy Conversions

Ray Merry (fka) Rays Energy Consultants, Mechanic House and Mocelin Auto Dealer are pleased to announce the cooperative joint venture of "Green Fuel Energy Conversions", a business dedicated to providing reasonably priced fuels for automobiles, trucks, buses and other means of transport. We are researching and providing alternatives such as using water to supplement your gasoline, Natural Gas and Biogas vehicles and fueling stations, Biogas production and other means of reducing energy costs and moving toward a renewable energy future.

**Mocelin
Auto Dealer**
833 S. Deerfield Ave. Bay 1
Deerfield Beach, FL 33441
Ph: (954)420-5533
Fax: (954) 420-0983

**Mechanic House
Auto Repair and Modification**
833 S. Deerfield Ave. Bay 11
Deerfield Beach, FL 33441
Ph: (954) 420-0997
Fax: (954) 420-0983

Report by: Raymond W. Merry, Rays Consulting Services
1004 NE 63rd Court, Ft Lauderdale, FL 33334, USA
Tel USA: (H) 954 689 6476, (cel) 954 871-8026
Email: ray@raymerry.com Web site: www.raymerry.com

Green Fuel Energy Conversions **Business Goals-Executive Summary**

Purpose and Scope of Venture

The purpose of this business is to set up sources of reliable and economical energy for businesses, transport and home and help move the world toward clean, stable, and renewable energy. To do this we will bring new technologies to the market, bring established technologies to new areas, and help set up the infrastructure for a renewable energy powered tomorrow.

Project 1, CNG Vehicle Conversions

We will begin by bringing existing technology from another region to Florida. This technology, CNGV's (Compressed Natural Gas Vehicles) is a vehicle conversion system that allows existing vehicles powered by gasoline to use natural gas instead. It is already established and widely used in Pakistan, India, Brazil, Canada, other states in the USA, and many other areas. Our kits using proven existing EPA approved technology use all the existing parts of the vehicle and only require modest changes to the vehicle. We only require the addition of a storage tank, connectors and electronics, which enable the engine to use Natural Gas and/or gasoline, and allow the driver to choose which fuel he wishes to use (bi-fuel) or to convert to 100% NG. Natural Gas is much cleaner (less polluting) than gasoline and more economical, however it is not as widely available as gasoline. Users of natural gas drastically reduce air pollution and at the same time cut fuel costs as much as 70%, depending on technology, engine type and use, and local natural gas prices. The payback period for the cost of the conversion can be as little as 30,000 miles or less in terms of fuel savings, but considering the cost to the environment the payback is instantaneous! If users decide to become a single fuel user (no gasoline backup), they also can qualify for a tax credit of \$4000 or more, depending on the size of their vehicle and the cost of the conversion. For bi-fueled vehicles, it may be possible to qualify for half of the tax credit.

Fueling Stations

In addition to the car conversions, to fuel the vehicle we need compressed gas fueling stations, which will deliver natural gas at a pressure of 3600 psi for the storage tank on the vehicle. Since there are not many natural gas fueling stations in many areas of the country, motorists having bi-fueled vehicles driving away from their local Natural Gas Fueling station will be able to purchase and use gasoline. Since most fleet vehicles move in a restricted area they can easily use dedicated CNG vehicles and as part of our program, we will work with fleet managers to provide them their own fueling station.

Why Natural Gas

Natural gas is a much cleaner fuel than gasoline. Using CNG in your car is much better for the environment. The cleanest of the fossil fuels, natural gas still results in the release of CO₂ and nitrogen oxides when burned. In addition, particulate matter and reactive hydrocarbons are also produced but in

very small amounts compared to the combustion of other fossil fuels
(<http://www.naturalgas.org/environment/naturalgas.asp>) .

Here's what the US Department of Energy says about Natural gas fueled vehicles:

“Natural-gas fueled vehicles are functionally comparable to conventionally fueled vehicles.

- Horsepower, acceleration and cruise speed in natural-gas-powered vehicles are comparable to equivalent conventionally fueled vehicles.
- Approximately one of every five new U.S. transit buses is powered by natural gas.”

Source: U.S. Department of Energy, Energy Efficiency and Renewable Energy, Alternative Fuel Vehicles,
http://www.eere.energy.gov/afdc/afv/gas_vehicles.html

In Pakistan 14,000 vehicles are being converted to run on Natural Gas every month. Over 18% of all the vehicles on the road there run on natural gas!

Natural gas is not a renewable fuel, but we do produce in the US nearly all we use, as opposed to gasoline, which we have to import over 65% of. Furthermore, these vehicles will also be capable of running on Biogas as this comes to market, which is Carbon neutral and a renewable resource. In addition, the infrastructure of our converted vehicles and our fueling stations will provide a ready market and distribution source for the rapid entrance to the market of Biogas, which will be a stimulus for the development of that renewable fuel.

Natural gas in certain markets is less than one fourth the cost of the equivalent of gasoline. In other words when people are paying \$4 per gallon of gasoline they could be filling up with Natural Gas for one fourth the cost. However, the cost of Natural Gas varies tremendously across the country from \$.75 to \$2.75 an equivalent gallon. Part of our business plan consists of furnishing a low and consistent price for the converters.

Why it is Important to Support this Project

Gasoline prices are going to continually increase until usage diminishes. Petroleum production is diminishing year by year while demand is steadily increasing. In 2005, the US consumed twice as much petroleum as was produced, and each year the situation is getting worse. We must reduce our use of petroleum and switch to other alternative fuels. In so doing we can return the US to the greatness it had in the 50's when we produced more energy than we consumed. The US has had to import more and more energy every year since the 60's when it began to depend on OPEC and other foreign energy producers. Even though we had to import oil, there was plenty in the other countries to provide our

needs. Now however the world's production of oil has peaked and has actually diminished since 2006, at the same time as demand in the world continues to increase. As a result, we have an ever increasing spiral in oil prices, devaluation of the dollar, and a plethora of economic and other problems in the US and many other areas of the world. This will continue until we drastically reduce our energy use, replace oil with other sources of energy from the US, or both. In addition, we are causing great environmental problems with our present energy use. Our business will help to address all these issues.

To replace petroleum with cleaner and locally provided energy we must not only provide huge amounts of other sources of energy, we must in many cases build an infrastructure to provide, transport, and use these new forms. In doing this we will provide many local jobs and stop exporting our wealth to Saudi Arabia, Venezuela, and other countries, thus improving the value of the dollar and creating a strong economy once again. Natural Gas vehicles and fueling stations can also use Biogas as it comes available, thus encouraging its development.

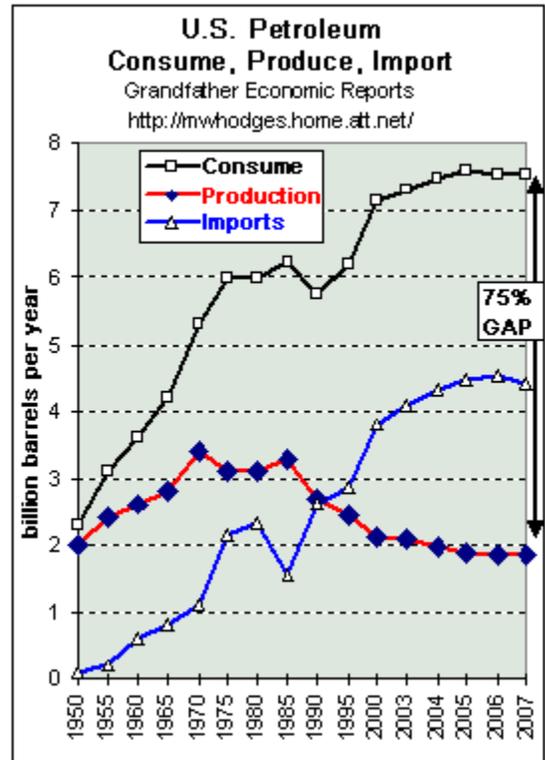
Our business will provide energy users with cleaner and more economical fuels, the technology to use them and the means of moving those fuels into the market and to the consumer. We ask for your support and interest in our efforts to cut fuels costs for vehicles, clean up the environment, and prepare the infrastructure for wholesale use of Biogas and other renewable fuels. Let's make the US great again!

Ray Merry

WHY SHOULD WE SWITCH FROM GASOLINE TO NATURAL GAS? ISN'T IT A FOSSIL FUEL TOO?

- I. **Gasoline comes from petroleum. We are running out of petroleum.** The world is using more and more and our production has reached a peak! The world oil market daily produces and consumes 76 million barrels daily. **The United States, with 5% of the world's population, is responsible for 25% of that daily petroleum consumption, or 20.7 million barrels (869 million gallons).** U.S. consumption is at a record high - - while U.S. oil production is at a 50-year low and declining, covering just 25% of our consumption needs - - a 75% gap, which is being met by imports from other countries.
- II. **On the other hand, the supply of natural gas is increasing every year!**

“The abundance of gas reserves already discovered, and the prospects for a large yet-to-find potential, give natural gas a lifetime probably in excess of 130 years, at the current rate of consumption.”



“Exploration successes. Since 1980, proven world natural gas reserves have grown at an annual average of 3.4% (compared with 2.4% for oil), due to an impressive string of gas exploration successes and better assessments of existing fields. Hence, the volume of proven gas reserves more than doubled over the period, from about 77 tcm in 1980 to some 177 tcm in 2006, growing at a roughly linear rate over time in the range of 4 tcm/yr. The life duration of proved reserves, as a ratio to current consumption, is in excess of 56 years.”

2007 Survey of Energy Resources World Energy Council
2007 Natural Gas

- III. **Natural Gas Vehicles are cleaner and pollute less.**

Many cities have converted their buses and other vehicles to Natural gas because they are much less polluting. By switching from petroleum to Natural Gas, we get a breather, and at the same time,

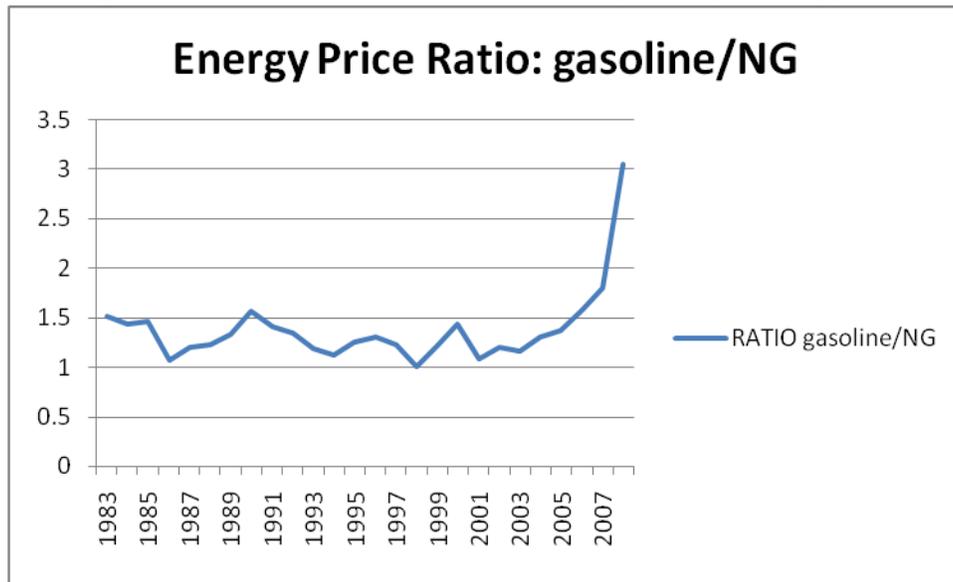
Fossil Fuel Emission Levels			
Pounds Per billion of BTU Energy			
Pollutant:	Natural Gas	Oil	Coal
Carbon Dioxide	117,000	164,000	208,000
Carbon Monoxi	40	33	208
Nitrogen Oxide	92	448	457
Sulfur Dioxide	1	1,122	2,591
Particulates	7	84	2,744
Mercury	0	0.007	0.016

Source: EIA - Natural Gas Issues and Trends 1998

we get a cheaper fuel and prepare an infrastructure for other gaseous fuels, either Biogas, or Hydrogen, which are renewable. Natural Gas is mostly Methane, which can be produced by renewable processes from Biomass, garbage, refuse, and waste from other fuel conversions.

IV. Natural Gas is Cheaper

This graph shows the ratio of the price of gasoline over the price of natural gas in actual energy units. You can see from this graph that for many years they had about the same ratio, gasoline was about 1.5 times as expensive per BTU, which means energy wise there was a 50% gain by buying natural gas, but lately, gasoline is much more expensive than natural gas, in fact now it is about three times as expensive per energy unit, and increasing!



This demonstrates that the prices of the two are not tied together, as some people think. Natural gas is largely supplied by sources in the US (over 96%), whereas most of our petroleum is imported. Thus the chances are slim that once you change to natural gas the price advantage will disappear. In fact the price advantage will probably only get better since oil production is currently diminishing every year while demand is increasing.

V. By Converting to Natural Gas, We Will Create an Infrastructure for the Emergence of Biogas.

Biogas can be created from garbage dumps or landfills, sugar based crops, and oil based crops. Biogas is a renewable fuel. It is chiefly Methane, the main ingredient of natural gas. Thus, the infrastructure of fueling stations, delivery points, and natural gas vehicles can switch to Biogas, a renewable fuel, as it becomes available. This provides an economic driver for the rapid expansion of the Biogas Industry.

What Some Leaders Say about Natural Gas Vehicles:



“... We see NGVs as playing an important role, especially in targeted markets where the benefits of natural gas can have the biggest impact. Every dedicated NGV in use displaces 100 percent of the petroleum that vehicle otherwise would use. Therefore, a growing NGV market is good for America since it helps reduce the amount of oil we need to import.”

—**Spencer Abraham**, *Secretary of Energy/U.S. Department of Energy*



“...(CNG vehicles enjoy) much better mileage, are much cleaner – as much as 95% lower emissions (than petroleum-fueled vehicles), and because it’s not dependent on foreign oil, it helps break the flow of our funds going overseas to support unstable, often hostile regimes.”

—**George E. Pataki**, *Governor, State of New York, announcing a public-private partnership promoting the use of alternative fuel vehicles statewide.*



“...The reality is that hydrogen-powered vehicles are probably 15 to 20 years away from being able to be mass-produced for the general public. We can’t afford to wait 15 or 20 years to address our nation’s air quality and energy security. By developing a CNG fueling network and driving clean-burning CNG-powered vehicles today, we are addressing each of these important issues right now.”

—**Michael Scarpino**, *Clean Cities Regional Manager/U.S. Department of Energy*



“...I think it’s very important that we not forget the role that natural gas vehicles can play in cleaning up emissions in the near-term. It’s going to be quite awhile before you see either hydrogen or electric vehicles become price-competitive and give the kind of range and performance that consumers expect.”

—**David Garman**, *Assistant Energy Secretary For Efficiency & Renewable Energy/U.S. Department of Energy*



“We have been working over 10 years at the natural gas vehicle business...a CNG-fueled heavy duty refuse truck is the equivalent of taking 325 vehicles off the road. Our company fuels about 500 heavy-duty refuse trucks per day in Los Angeles alone — that’s the equivalent of taking more than 150,000 vehicles off the road.”

—**Andrew J. Littlefair**, *Chairman, Natural Gas Vehicle Coalition
President & CEO, Clean Energy*

Comparisons of Fuel Energy Prices and Sample Savings from Conversion to Methane or Propane

This is a sample from our spreadsheet, which calculates savings from conversions, at present gas prices of \$4/gallon. As the cost ratio of gasoline goes up, savings will increase.

Fuel Conversion Savings Worksheet

Ray Merry, Rays Consulting, for Green Energy Fuel Conversions

Energy Source	Unit	Cost	Energy-MJ	Cost\$/MJ	\$/Gal
Oil	Barrel	\$ 130.00	6100	\$ 0.0213	\$ 3.10
Gasoline	Gallon	\$ 4.00	121	\$ 0.0331	\$ 4.00
Natural Gas	Therm	\$ 1.15	105.5	\$ 0.0109	\$ 1.31
Propane	Gallon	\$ 1.75	96.53761028	\$ 0.0181	\$ 1.75

Input your annual fuel cost below

Annual Fuel Cost:	\$ 2,300.00
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How much can I save if I switch from gasoline to

New Fuel	Cost Now	New Cost	Savings	% Savings
Natural Gas	\$ 2,300.00	\$ 758.40	\$ 1,542	67%
Propane	\$ 2,300.00	\$ 1,261.23	\$ 1,038.77	45%

Fuel	Cost to Install	Payback Years.
Natural Gas	\$ 2,400.00	1.56
Propane	\$ 2,400.00	2.31

Equivalent Storage				
Gasoline Gallons	15.0	20.0	30.0	40.0
NG Cubic Feet	7.7	10.2	15.3	20.4
NG pounds	84.9	113.2	169.8	226.4

Sample from Worksheet to convert miles to savings given mpg mileage

Input your annual miles driven per year below

Annual Miles:	15,000	Gasoline \$/gal	\$ 4.00
		CNG \$/gge	\$ 1.31

How much can I save if I switch from gasoline to

Mileage: mpg	Cost \$/yr now	Cost \$/yr CNG	Savings \$/yr	% Savings
5	\$ 12,000.00	\$ 3,956.87	\$ 8,043	67%
10	\$ 6,000.00	\$ 1,978.44	\$ 4,022	67%
15	\$ 4,000.00	\$ 1,318.96	\$ 2,681	67%
20	\$ 3,000.00	\$ 989.22	\$ 2,011	67%
25	\$ 2,400.00	\$ 791.37	\$ 1,609	67%
30	\$ 2,000.00	\$ 659.48	\$ 1,341	67%
40	\$ 1,500.00	\$ 494.61	\$ 1,005	67%

*gge = energy equivalent of one gallon of gasoline