

ALTERNATIVE FUELS RESEARCH AND EDUCATION DIVISION

PROPANE ALTERNATIVE FUELS ADVISORY COMMITTEE

November 5, 2008

Minutes

- Members Present:** Larry Baty, Paul Biney, Bill Clinkscale, Marco Cruz, Dennis Dukes, Johnny Greenwood, Trini Hernandez, Don Lewis, Rick Maier, Gary Nelson, Don Paull, Mike Ross, Richard Sandifer, Matt Terry
- Members Absent:** Doug Garrett, Skeeter LaDue, Lorraine Urey
- Staff:** Heather Ball, Steve Jaeger, Dan Kelly, Carmen Ledesma, Thomas Petru
- Guests:** Lance Davis, Bill Van Hoy

Division Director Dan Kelly called the meeting to order at 9:02 a.m. in the Railroad Commission's Alternative Fuels Training Center, 6506 Bolm Road, Austin. All present introduced themselves.

Election of Officers

By unanimous votes, the committee elected Matt Terry chairman and Richard Sandifer vice-chairman for the 2008-2009 term. Mr. Terry assumed the chair.

Approval of Minutes

On motion of Mr. Baty (second by Mr. Hernandez), the minutes of the June 11, 2008, meeting were approved without amendment.

Director's Report

Dan presented "AFRED 101" to familiarize new members with the division's history and programs.

Dan also reported the division's fiscal 2008 work plan results. The presentation is posted under "Advisory Committee" on www.propane.tx.gov. Key points are:

Administration

- A 2008 Comptroller audit of AFRED's consumer rebate and forklift initiative programs showed zero defects.
- Consolidated training and LP-gas databases to speed processing of exam renewals.
- Maintained first-page ranking for AFRED web site on all major search engines.

Certification

- Administered 3,278 examinations; 58 percent administered outside of Austin.
- Rewrote all 30 LP-gas examinations, focusing on key safety practices and legal obligations.
- Published detailed study guides for all 10 employee-level LPG examinations.
- Met director's deadlines for issuing renewal letters, renewals, and cease-operations letters.

Research & Development

- Continued dehumidifier demonstration; secured grant for 10 more Texas demonstration sites.
- Secured CARB certification for low-NOx retrofit forklift fuel system for the GM 4.3L V6 engine.
- Completed field trials of propane cotton defoliator. Trials showed no reduction in lint quality, reductions in adult whitefly populations, and potential to increase the price growers receive.
- Won new grants to demonstrate dairy tri-generation and test overfill detection instrument on motor-fuel tanks.

Training

- Delivered 2,213 contact hours of training; trained 2,722 individuals.
- Trained 97 percent of individuals with May 31, 2008, training/continuing education due dates.
- Held seven 6.1 regulatory update classes; 271 propane company managers attended.
- Held two 80-hour classes for 37 new Category E managers.
- Held ten 16-hour classes for 108 new Category F, G, I and J managers.
- Held 27 firefighter training classes for 114 departments, 727 firefighters, and 96 marketer co-sponsors and their employees.
- Published revised *LP-Gas Safety Rules* book and updated course manuals to reflect the Commission's adoption of NFPA 54 (2006) and NFPA 58 (2008).
- Developed new hands-on demonstrations for piping and appliance courses.
- Helped develop training manual and taught pilot class on stationary engines under PERC grant.
- Taught 13 engine-fuel classes under State Energy Conservation Office grant.

Marketing

- Issued \$1.3 million of consumer rebates.
- Under TERP forklift initiative, replaced 492 forklifts, reduced NOx by 922 tons, and issued \$5.8 million in grants.
- Organized Chairman Williams's spring 2008 "Breathe Easy" tour promoting propane school buses; 143 school districts attended and submitted applications for 380 buses.
- Wrote \$1.3 million MPO-approved grant to buy 16 propane school buses for 8 school districts in the El Paso area.
- Worked with propane school bus distributor to arrange \$7,000 per bus reimbursement under the federal Alternative Motor Vehicle Tax Credit.
- Held 25 seminars for 637 builders with marketer co-sponsors.
- Created *Propane Builder* newsletter and distributed to 4,000 Texas homebuilders.
- Visited 90 percent of full-service marketers at their stores.
- Partnered with marketers at 28 trade shows; filled *Propane Source* orders for more than half of Texas' full-service marketers.

2009 Work Plan

The committee reviewed the division's 2009 work plan section by section. One amendment was adopted. Following discussion, on motion of Mr. Baty (second by Mr. Hernandez) the plan was approved unanimously. The plan as approved is posted under "Advisory Committee" on www.propane.tx.gov.

Marketing/Public Education

Marketing and Public Education Director Heather Ball reported as follows.

Technology Mini-Forums. Next year's Technology Mini-Forums around the state will be short events, each showcasing one type of newly commercialized propane equipment. The forums will focus on marketing, servicing and estimated propane load of the new equipment and will bring together manufacturers, technicians and marketers. Heather asked that marketers contact her if they are interested in showcasing a particular type of equipment in their area.

Homebuilder outreach. The Texas Association of Builders will resume their seminars after the legislative session, in June, July and August. The seminars will focus on green building measures. The next *Propane Builder Insider*, scheduled to be issued this winter, will focus on propane's green building advantages.

Federal \$0.50/gallon motor fuel tax credit. Congress has extended the \$0.50/gallon federal alternative motor fuel tax credit through December 31, 2009.

Texas Emissions Reduction Plan forklift and school bus grants. AFRED's \$24 million grant from the Texas Commission on Environmental Quality for propane forklifts, school buses and medium-duty trucks is generating paid applications at the rate of about \$1.5 million a month.

TERP propane school bus grants. 194 propane school buses have been ordered under AFRED's grant. Interest from school districts has been stimulated by high fuel prices. At Mr. Clinkscale's suggestion, AFRED will include in the *Propane Insider* a list of districts that have executed purchase orders for buses.

Earned media. Heather's list of which media have used AFRED's safety-related news releases is available to marketers by geographical area by request for their duty-to-warn files or other purposes.

Federal low-income energy assistance (LIHEAP). Mr. Cruz explained the funding and purpose of the federal Low-Income Heating and Energy Assistance Program, which he administers in Texas. The program can be used to help people recover from hurricane damage. Tanks, lines and appliances can be replaced under this program. About \$80 million will be available starting in January 2009, twice as much as in 2008. A list of local agency contacts will be published in the December *Propane Insider*.

Research/Technical Services

Research and Technical Services Director Steve Jaeger reported as follows.

Propane residential dehumidifier. Hurricane Ike has delayed installation of the 10 new demonstration dehumidifiers in the greater Houston area. The new propane desiccant units should have a longer life than electric units that use refrigeration to condense moisture out of the air. The propane units are currently priced at \$2,000.

Dairy combined heat and power. Later this month Steve will visit the site of the dairy where the CHP unit will be installed. The dairy is currently in the early stages of construction and is expected to be ready to install the CHP system late next spring.

Stationary engines manual. The stationary engine troubleshooting and maintenance manual that AFRED has helped develop under a Propane Education and Research Council subcontract is in the final stages of editing. The manual is addressed primarily to agricultural irrigation engines, but is also applicable to stationary generators.

Poultry house sanitizer. Former Advisory Committee Chairman Mike Welch (Welchgas, Linden, Texas) is testing a tiller appliance that will increase the depth to which heat from the sanitizer penetrates the litter. The work is being done with the help of a PERC grant.

Overfill Detection Instrument. Testing of ADEPT's instrument to gauge the fill level, emissions and value of fuel losses from motor-fuel tanks will begin next spring. AFRED is overseeing the tests under grants from the U.S. Environmental Protection Agency and PERC.

Certification

An agreement is in place with state contract vendor eStrategy Solutions to offer qualifying examinations at up to 22 additional sites in 2009 as an extra-cost option. Software and other materials are being prepared. AFRED will continue to offer walk-in examinations every business day at Bolm Road and in conjunction with training classes at other locations.

New Business

Mr. Maier and Mr. Sandifer said that the response to Hurricane Ike showed a need for additional training of federal, state, and local emergency response teams about propane systems and system components. AFRED will explore ways of doing so.

Next Meeting; Adjournment

The committee adjourned at 12:50 p.m. No date was set for the next meeting.



Carmen Ledesma