

PROPANE INSIDER

VICTOR G. CARRILLO, CHAIRMAN • ELIZABETH A. JONES, COMMISSIONER • MICHAEL L. WILLIAMS, COMMISSIONER

PROPANE IS 'KING OF THE HILL'

by Laylan Copelin

The State Energy Conservation Office just gave the Texas Railroad Commission its second stimulus grant for propane. Hank Hill would be proud.

Cartoon character Hank Hill, in the long-running series, "King of the Hill," aspired toward his destiny even as a child: "When I grow up, I want to sell propane and propane accessories — if my grades are good enough!"

He was always proud to be assistant manager at Strickland Propane. Indeed, Hank's wife, Peggy, knew where she stood: "With Hank, it's propane first, family second and friends third."

Like Hank, the Texas Railroad Commission has long promoted the virtues of propane — it's cleaner, cheaper and produced in Texas. Regardless how Hank's beer-drinking neighbors in the alley might feel about the federal stimulus, Hank surely would have mixed feelings because there's a lot of money being dedicated to his fuel of choice.

In August, the U.S. Department of Energy awarded about \$12.6 million to the Railroad Commission to deploy 882 propane vehicles and construct 35 refueling stations for its 40 partners that include school districts, cities and state agencies.

Then last month the State Energy Conservation Office (SECO), which is part of the Comptroller's office, gave the Railroad Commission an additional \$3.1 million — part of the \$11 million awarded to 14 government entities in Texas.

The SECO money will equip public fleets with alternative fuels — everything from propane to ethanol to electricity. (Sorry, Hank, some folks think the future is going to be plugged into a wall socket.)

The 14 governments are scattered from Laredo to Dumas to El Paso to Houston to the Dallas-Fort Worth area and beyond. Everyone, it seems, wants their public fleets to contribute to cleaner air.

The Railroad Commission is working in partnership with 18 public schools and universities as well as a rural transit agency. The partners contribute almost \$25 million to purchase 282 propane vehicles, mostly school buses. The \$3.1 million from SECO will help with two problems associated with propane — the need for more refueling sites and offsetting the higher initial cost of purchasing propane vehicles.

More than 1,750 propane-fueled school buses operate in Texas — about 5 percent

of the fleet, according to the Railroad Commission. Last year, 222 propane buses were added. Together, the two stimulus grants will double that number in 2010.

As for Hank, after a dozen years on TV, his last original episode aired Sept. 13 — just days after the first stimulus award to the Railroad Commission was announced. Maybe he thought he had done enough for propane.

Reprinted with permission from "On The Money: Texas Stimulus in Plain English," Texas Comptroller of Public Accounts.



Bob Barnett of Flying J, Scott Pierce and JD Galindo of Amerigas attended RRC Commissioner Michael L. Williams' Breathe Easy Propane Vehicle Tour in San Antonio, along with Sylvia Candelaria of Ferrellgas, Albert Herrera of Amerigas, and Gregg Radley of Ferrellgas. Nearly 50 fleet managers came to hear the Commissioner's presentation and ride and drive the vehicles.

AFRED HOSTS NATIONAL PROPANE TRAINERS' CONFERENCE

On January 11 AFRED's training section hosted the 2010 National Propane Trainers' Conference at the Railroad Commission's Alternative Fuels Training Center in Austin.

The meeting was organized by Steve Ahrens, Executive Director of the Missouri Propane Gas Association. Trainers from the states of Alabama, Indiana, Iowa, Kansas, Maine, Minnesota, Missouri, New Hampshire, New Mexico, North Carolina, Wisconsin, and Washington attended, along with Stuart Flatow, Vice President for Safety and Training with the national Propane Education and Research Council (PERC), Washington, D.C. and Courtney Gendron, Manager of PERC's Certified Employee Training Program.

AFRED instructors described the RRC-produced manuals, hands-on demonstrations and visual aids used in each of the Commission's 13 employee- and management-level LP-gas courses. Training Section staff also briefed attendees on the Commission's special engine-fuel courses and on the Regulatory Compliance for Managers classes AFRED offers in the spring after a legislative session, to help propane executives stay abreast of changes in the law.

Visitors also learned about AFRED's Propane Emergencies classes for volunteer and other fire departments, and about the nine Marketer Safety Meeting outlines posted on AFRED's web site for marketers to download and use in their in-house safety programs.

LPG Operations Director Jim Osterhaus and Technical Advisor Richard Gilbert were on hand throughout the meeting to field questions relating to Texas' LP-gas regulations, inspections and enforcement.

The attendees' response was overwhelmingly favorable. "What you guys are doing in Texas is what every state should be doing," one trainer told AFRED Director Dan Kelly at the break. "I'd love to move here and be part of this program."

Conference organizer Steve Ahrens agreed. "All the trainers were impressed with the experience," Ahrens said. "I'm glad I'm not in charge of the 2011 meetings, since it will be hard to top what Texas put on for us."



Propane trainers from 12 states and the District of Columbia got a detailed look at the Commission's propane training and continuing-education program.

CLARIFICATION: CATEGORY E REQUIREMENTS UNCHANGED

An article on p. 12 of the January 2010 issue of Texas Propane states that the requirements for Category E certification have changed to require one week of management training instead of two weeks.

This statement is not accurate. The requirements have not changed.

At its December meeting the AFRED Advisory Committee approved a staff proposal that would offer marketers another option. Under the proposal, if adopted by rule, individuals who completed five specified Railroad Commission 8-hour courses during the two-year period immediately preceding a regular 80-hour course could receive credit for the first 40 hours of the course. The specified courses would be 2.1, Dispenser Operations; 2.3, Bobtail Operations; 3.1, Residential System Design; 3.2, Residential System Installation; and 3.11, Residential System Inspection. These five courses are substantially equivalent to the first week of the 80-hour course.

Individuals who completed these five courses within two years, attended the second week of the Category E course, and passed the qualifying examination would be certified as Category E managers. The Commission will consider the proposal later this year.

OUT-OF-GAS CALLS

The Railroad Commission requires all propane gas companies to perform a leak test when refilling an empty tank, to ensure the integrity of the propane piping system. The Railroad Commission has free tank decals and bill stuffers for marketers to remind their customers of this requirement, and to explain that customers will save time and money by putting their account on automatic fill.

KEEP FULL. BE SAFE.

The Railroad Commission requires all propane gas companies to perform a leak test when refilling an empty tank, to ensure the integrity of your propane piping system. Your propane supplier may have to charge for this service, so you'll save time and money by putting your account on automatic fill.

IF GAUGE READS	NUMBER OF GALLONS REMAINING:		
	150-GAL. TANK	250-GAL. TANK	500-GAL TANK
80%	120	200	400
70%	105	175	350
60%	90	150	300
50%	75	125	250
40%	60	100	200
30%	45	75	150

IF GAUGE READS LESS THAN 20%, ORDER GAS NOW!

Numbers indicate the percentage of gas in the tank

RAILROAD COMMISSION of TEXAS
WWW.PROPANE.TX.GOV

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MARKETERS MAKING NEWS

PROPANE INDUSTRY PARTNERS WITH AFRED



Joe Green of Green's Blue Flame, Jackie Mason of PROCOT and Frank Hurley of Ferrellgas worked the PROCOT booth at Houston Clean Cities' Advancing the Choice event. AFRED's Susan Shifflett was on hand to give a presentation on the benefits and incentives to use propane as a motor vehicle fuel.



Jean Smith, Scott Westmoreland, Gene Brown, John Ames, April Welch, Wes Welch, Bill Henderson, Sherry Wright, David Adkins, Courtney Wright and Johnny Lee gathered with AFRED rep Tracy Wells to celebrate Welchgas' 60th anniversary.

LP-Gas Safety Rule §9.129 sets out the Commission's requirements for the manufacturer's nameplate and markings on ASME containers. Marketers should pay special attention to §9.129(e), which requires nameplates on ASME containers built on or after September 1, 1984, to be stainless steel and permanently attached to the container by continuous fusion welding around the perimeter.

A special exception to the continuous welding requirement for certain motor/mobile fuel containers is found in §9.129(g), which allows a nameplate to be raised at least 1/4 inch but no more than 1/2 inch from the container surface.

LP-gas safety inspectors have found recently installed ASME containers built after September 1, 1984, with nameplates that were not stainless steel and were not attached by continuous welding around the perimeter of the nameplate. These containers were purchased from an out-of-state vendor who was selling reconditioned tanks in Texas that did not meet the requirements found in §9.129. All containers that did not meet the requirements found in §9.129 were removed from service.



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CONSUMER REBATE REPORT

The Consumer Rebate program rules require that applicants record the model and serial number of appliances that are due rebates on the application form. The rules also require a leak test by a certified technician from a company licensed by the RRC and that the serial numbers of the appliances be recorded on the leak test form. By noting the serial number of the appliance on the form, the marketer is verifying that the appliance exists and was leak tested using an approved procedure.

Marketers may use their own leak test form or the Safety Check form provided by the RRC (available at www.propane.tx.gov). The appliance serial numbers should be clearly noted on the form.

Rebate Update

REBATE TYPE	REBATE AMOUNT	FY 2009 THROUGH 12/27/08	FY 2010 THROUGH 12/27/09
		Number of Applications	
Water heater–new construction	\$200	842	615
Water heater–electric replacement	\$350	74	79
Propane Star Home	\$600	172	124
Propane SuperStar Home	\$800	91	44

DELIVERY FEE COLLECTIONS

Fiscal 2010 LPG delivery-fee collections through Friday, January 29, totaled \$804,301. This total is exactly the same as collections at the same time last year.

AFRED EVENTS CALENDAR

At the request of the AFRED Advisory Committee, the *Propane Insider* will publish a calendar of upcoming AFRED events each month. If you have questions or suggestions, please e-mail heather.ball@rrc.state.tx.us or call 512-463-7359. To view a schedule of upcoming training classes, go to www.propane.tx.gov, click on "Training & Certification," and select "Class/Exam Schedule."

Event	Location	City	Time	Date	Contact	Phone
Green is Mainstream Propane Homebuilder Workshop	4172 S. Jackson	San Angelo	2-5	2/25/10	Bobby Wood	325-669-4995
Bryan College Station Home Show	Convention Center	Bryan	TBD	2/26-28/10	Susan Shifflett	713-628-9915
Green is Mainstream Workshop	2023 Alpine Road	Longview	2-5 pm	3/4/10	Susan Shifflett or Tracy Wells	713-628-9915 or 214-728-9908
Green is Mainstream Workshop	1504-A West Grande Blvd.	Tyler	9 a.m. - Noon	3/5/10	Susan Shifflett	713-628-9915
AFRED Advisory Committee	5606 Bolm Road	Austin	9 a.m. - Noon	3/10/10	Dan Kelly	512-463-7110
Golden Triangle Home Show	Convention Center	Beaumont	TBD	3/5/10	Susan Shifflett	713-628-9915
Rio Grande Valley Livestock Show	Convention Center	Weslaco	TBD	3/12/10	Rudy de la Garza	956-245-0715
Green is Mainstream Workshop	5816 W. Plano Parkway	Plano	2 - 5 p.m.	3/16/10	Tracy Wells	214-728-9908
Green is Mainstream Workshop	TBD	Victoria	9 a.m. - Noon	3/20/10	Susan Shifflett	713-628-9915
Victoria Builders Show	Convention Center	Victoria	TBD	3/20/10	Susan Shifflett	713-628-9915
Green is Mainstream Workshop	201 West Hillside, #3	Laredo	10:30 a.m. - 1:30 p.m.	3/30/10	Rudy de la Garza	956-245-0715
Green is Mainstream Workshop	4398 Crawford Drive	Abilene	9 a.m. - Noon	4/6/10	Bobby Wood	325-669-4995
6.1 Regulatory Compliance Update Class for Owners and Managers	Texas Commission on Environmental Quality, 1804 W. Jefferson Avenue	Harlingen 78550	9 am -3 pm	4/7/10	Rudy de la Garza	956-245-0715
6.1 Regulatory Compliance Update Class	Camellia Room at the Tyler Rose Garden, 420 South Rose Park Drive	Tyler 75702	9 am -3 pm	4/14/10	Susan Shifflett or Tracy Wells	713-628-9915 or 214-728-9908
6.1 Regulatory Compliance Update Class	Rinnai Training Facility, 7700 Bent Branch Drive, Suite 120	Irving 75063	9 am -3 pm	4/15/10	Tracy Wells	214-728-9908
6.1 Regulatory Compliance Update Class	Amerigas Training Facility, 1376 Beach Airport Road	Conroe 77301	9 am -3 pm	4/21/10	Susan Shifflett	713-628-9915
Green is Mainstream Workshop	4223 85th Street	Lubbock	TBD	4/27/10	Bobby Wood	325-669-4995
6.1 Regulatory Compliance Update Class	William B. Travis Building, Room 1-100	Austin 78701	9 am -3 pm	4/28/10	Pat Wilson	512-971-0108
6.1 Regulatory Compliance Update Class	TX Dept. of Transportation, 5715 Canyon Dr. (off I-27 North)	Amarillo	9 am -3 pm	5/5/10	Bobby Wood	325-669-4995
Green is Mainstream Workshop	1401 Broadway, Suite B-1	Marble Falls	11 a.m. - 1 p.m.	6/8/10	Bobby Wood	325-669-4995
AFRED Advisory Committee	5606 Bolm Road	Austin	9 a.m. - Noon	6/9/10	Dan Kelly	512-463-7110
Green is Mainstream Workshop	230 Southwest Parkway East	College Station	TBD	6/16/10	Susan Shifflett	713-628-9915