



November 2006

Elizabeth A. Jones, Chairman ★ Michael L. Williams, Commissioner ★ Victor G. Carrillo, Commissioner

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FY 2007 as of 11-02-06

REBATE TYPE	REBATE AMOUNT	PAID	PENDING
Water heater--new construction	\$150	\$0	\$51,150
Water heater--electric replacement	\$300	\$0	\$8,700
Propane Star Home	\$550	\$0	\$25,300
Propane SuperStar Home	\$750	\$0	\$24,750
TOTAL CONSUMER REBATES		\$0	\$109,900

Rebate Reminders and Tips

Please contact AFRED's rebate coordinator Eileen Latham if you have questions about the program or need assistance in filling out the application: telephone (800) 64-CLEAR or (512) 475-2911; e-mail eileen.latham@rrc.state.tx.us or fax 512-463-7292.

Here are some tips for trouble-free applications and payments:

30-day window: Applications must be postmarked no later than 30 days from the date the propane is turned on to the appliances.

Supporting documentation: Applications must include a well-documented work order, GAS Check form, or Residential Safety Check Form listing the appliance names, model and serial numbers matching those on the actual application and showing that all appliances were properly inspected by a licensed propane company.

Confirmations: You are welcome to call our rebate section at (800) 64-CLEAR to verify that we received your application or to check on its status.

Submit originals only: No faxes or copies can be accepted.

Delivery-Fee Collections

Collections through October 27 totaled \$237,429, which is 8 percent lower than the 15-year average collections at this time of the fiscal year.

Regulator Safety

The regulator on your propane system lowers the pressure in your tank to the correct pressure for your appliances. Keep regulators clear of debris, leaves and other matter so that they can operate properly.

If your regulator is more than 15 years old, check with the manufacturer or your propane supplier about a recommended replacement.

First stage regulator
Second stage regulator

HOME Safe HOME
PROPANE SAFETY TIPS FOR THE HOME
RAILROAD COMMISSION OF TEXAS
(800) 64-CLEAR • www.rrc.state.tx.us

If you smell gas

If you smell propane in your home, camper or RV, you should IMMEDIATELY:

- Extinguish all cigarettes or other sources of ignition and leave the area.
- Move away without using any electric switches, appliances, thermostats or telephones.
- Close the gas shut-off valve on the tank or cylinder by turning it to the right.
- Call your propane supplier or fire department from a cell phone or neighbor's telephone.

Gas Shut-off Valve (clockwise)

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Lighting Propane Pilots

- Never light a pilot if you smell gas.
- In most situations it is best to have a trained propane technician light your pilots.
- If you light your pilots, follow the appliance manufacturer's instructions. If you have a problem lighting a pilot, notify your propane supplier immediately.
- If you still smell gas after lighting a pilot, turn off the gas valve immediately upstream of the appliance and notify your propane supplier.

Gas valve is in "off" position.

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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	NUMBERS OF GALLONS REMAINING:		
	20-GAL. TANK	30-GAL. TANK	50-GAL. TANK
10%	180	270	450
20%	160	240	400
30%	140	210	350
40%	120	180	300
50%	100	150	250
60%	80	120	200
70%	60	90	150

If GAUGE READS LESS THAN 20%, CHECK GAS FLOW!

*Numbers indicate the percentage of gas in the tank.

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Invoice holders are available from AFRED that illustrate propane safety tips. Call Eileen Latham at (800) 64-CLEAR to order.

Propane Homebuilders Honored

Congratulations to Chaparral Propane, Cowboy Country, Ferrellgas, Hill Country Propane, Sharp Community Energy and Sharp Propane for piping propane homes that have been named finalists for the Texas Association of Builders' (TAB) Star Awards. AFRED is working with the TAB this year to promote outstanding propane homebuilders. The winners will be announced at the Sunbelt Builders Show, November 16-18, at the Gaylord Hotel in Grapevine. If you would like to help staff the AFRED booth at the show, please contact Tracy Wells at (214) 728-9908.

Propane Vehicles Available Through State Auction

Marketers interested in buying used State of Texas propane vehicles through auction can visit www.lonestarauctioneers.com. The webcast and live auction are generally held monthly. Wes Welch of Welchgas reports he has found some good deals on propane vehicles through this venue. As an added bonus, these vehicles offer you and your customers a way to take advantage of the \$0.50/gallon federal motor-fuel tax credit, which took effect October 1.

Commissioners Urge Simplified Motor Fuel Tax Refund

Railroad Commission Chairman Elizabeth Ames Jones and Commissioners Michael L. Williams and Victor G. Carrillo have contacted the Texas delegation in Congress to urge support for H.R. 624 and S. 4026. These bills include a technical correction to the federal highway act that would allow propane companies to file for the alternative fuel tax credit as often as weekly. Congress will consider these bills when it reconvenes this month.

The proposed change would help marketers with motor-fuel customers who fill up at their propane outlet. For these sales, the propane marketer files for the \$0.50 per gallon motor fuel tax credit. Until a technical corrections bill is passed, marketers may have to wait for the refund until they file their income taxes.

Motor Fuel Tax Strategies for Marketers

Texas marketers are looking at a variety of strategies to help their customers access the excise tax credit. "We're going to issue receipts to our customers for motor fuel purchased at our locations," explains Tom Granberry with Welchgas. "We'll ask them to check back with us next year, when we get our tax refund. That helps reduce the uncertainty for us, until the law is fixed."

"Our customers like Alvin ISD are tax-exempt and have bulk refueling facilities, so they've already registered with IRS to file for the refund themselves. Alvin ISD is looking at a refund of \$150,000 per year," says Frank Hurley of Ferrellgas.

"Our forklift and bulk fuel customers can file directly for the refund," reports Tim Wood with Northwest Propane in Dallas. "For the rest, we're closely watching Congress to see what corrections they make in the refund process. Until that time, we're not comfortable making any promises to our customers."





PROPANE POINTERS

Propane Pointers: Tank Painting

Each month AFRED's hunting-dog mascot points to a section of LP-gas code or standards that the Safety Division's LP-gas inspectors often find violated. The "point" of these articles is to facilitate compliance by making marketers more aware of these issues.

This month's article covers a standard that RRC inspectors cited 501 times in the last two years. The standard is 16 TAC §9.141(a)(1), which addresses the painting of stationary aboveground ASME tanks.

ASME stationary tanks are required to be painted white, aluminum or any other heat-reflective color, such as light green or light blue. Darker, heat-absorbing colors such as black or navy blue are not permitted. A properly painted ASME tank will keep the pressure inside the container to a minimum and reduce the likelihood that LP-gas will be discharged into the air through the container's pressure relief valve. In addition to reflecting heat, painting also prevents corrosion damage to the container.

LP-Gas Safety Rule 9.141(a)(1) does not apply to DOT cylinders or to ASME motor/mobile fuel containers. Although such containers are not required to be painted a heat-reflecting color, they are required to be painted to retard corrosion.

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Railroad Commission of Texas - Alternative Fuels Research & Education Division
Examination Schedule November 2006 - January 2007

Walk-in exams every business day, 8 a.m.-12 noon, at 6506 Bolm Road, Austin 78721

Date	City	Facility	Address	Exam Start Time
11/06/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/08/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/09/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/09/06	Garland	RRC	1546 Rowlett Rd. Ste. 107	8:00 a.m.
11/09/06	Amarillo	TxDOT	5715 Canyon Drive	8:00 a.m.
11/13/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/16/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/16/06	Corpus Christi	RRC	10320 IH 37	8:00 a.m.
11/27/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/28/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/29/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/30/06	Houston	Gas Equipment Co.	11510 N. Petro Park Dr.	8:00 a.m.
11/30/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
12/04/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
12/05/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
12/06/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
12/07/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
12/14/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
12/14/06	Garland	RRC	1546 Rowlett Rd. Ste. 107	8:00 a.m.
12/14/06	Harlingen	TCEQ	1804 W Jefferson Ave.	8:00 a.m.
12/18/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
12/19/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
12/20/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
12/21/06	Corpus Christi	RRC	10320 IH 37	8:00 a.m.
12/21/06	Houston	TxDOT	7721 Washington Ave Main Bldg Conf Rm	8:00 a.m.
01/04/07	Garland	RRC	1546 Rowlett Rd. Ste. 107	8:00 a.m.
01/08/07	Austin	RRC	6506 Bolm Road	5:00 p.m.
01/09/07	Midland	RRC	10 Desta Drive	5:00 p.m.
01/09/07	Austin	RRC	6506 Bolm Road	5:00 p.m.
01/10/07	Midland	RRC	10 Desta Drive	5:00 p.m.
01/11/07	Midland	RRC	10 Desta Drive	8:00 a.m.
01/17/07	Kilgore	RRC	619 Henderson Blve	5:00 p.m.
01/18/07	Lufkin	TxDOT	1805 N. Timberland Dr.	8:00 a.m.
01/18/07	Kilgore	RRC	619 Henderson Blve	8:00 a.m.
01/23/07	El Paso	RRC	401 Franklin Ave Rm. 570	5:00 p.m.
01/24/07	El Paso	RRC	401 Franklin Ave Rm. 570	5:00 p.m.
01/25/07	Abilene	TxDOT	4250 N. Clack	8:00 a.m.
01/25/07	El Paso	RRC	401 Franklin Ave Rm. 570	8:00 a.m.
01/29/07	Austin	RRC	6506 Bolm Road	5:00 p.m.

Register online for exams at www.rrc.state.tx. Click on "Training & Certification." No examinations will be given out after 9:00 a.m. or 5:30 p.m.

PROPANE ASSISTANCE FOR LOW-INCOME CUSTOMERS

By Marco Cruz

Texas Department of Housing and Community Affairs

The Comprehensive Energy Assistance Program, or CEAP, serves low-income Texans through a network that includes local community action agencies and other nonprofit entities. CEAP agencies give priority to eligible households with one or more persons age 60 or above, to individuals with disabilities, and to families with young children under six years of age. CEAP agencies also give priority to households with the greatest energy burden.

If you have low-income clients who may be eligible for energy assistance, encourage them to contact their local CEAP agency. Please note that CEAP assistance is contingent upon eligibility of individual households and availability of funds. You can order bill stuffers through AFRED at (800) 642-5327 or at www.propane.tx.gov.

Vendor Agreement

Please ensure that your company has a vendor agreement on file with each CEAP agency serving the counties in your territory. For example, if you serve customers in both Travis and Williamson counties, you need two vendor agreements, one with the Travis County Human Services Department and the other with Williamson-Burnet County Opportunities, Inc. Contact the program director for each CEAP agency to ensure your vendor agreement is on file. You can access the list of CEAP agencies at www.tdhca.state.tx.us/pdf/ca/06-CEAPsubgrantsByCty.pdf.

How CEAP Works

Your low-income customers need to contact the local CEAP agency serving their county to request CEAP assistance. The agency will first determine if they meet the federal poverty income guidelines. In general, the income for a family of four may not exceed \$25,000 per

year. Criteria used to determine eligibility include the household's income, the household size, the energy consumption and/or the economic vulnerability of the household, and the availability of funds. Eligible clients will be asked to provide a propane usage history in order to estimate the number of gallons needed to meet the household's needs.

The CEAP program is not an entitlement program and does not guarantee that everyone who applies will be found eligible and/or receive assistance. CEAP agencies are required to make payments directly to the authorized propane vendor on behalf of eligible customers.

CEAP Program Components

- Elderly and Disabled Assistance** - Eligible clients may receive up to 100 percent of their current bill (including arrears) and up to three additional payments per program year. Eligible clients will be asked to provide a propane usage history in order to estimate the number of gallons needed for the remaining months for which they are determined eligible.
- CoPayment** - Clients are enrolled for a minimum of 3 and a maximum of 12 months. Eligible customers may receive up to 100 percent of the first bill (including arrears). Eligible clients will be asked to pay a portion of the bill for the remaining months for which they have been determined eligible. Eligible clients will be asked to provide a propane usage history in order to estimate the number of gallons the Agency may provide assistance.

Vendor agreements must be renewed every one to two years.

- **Replacement, Retrofit and/or Repair of Heating/Cooling System** - Clients' services may include an evaluation of heating and cooling systems, cleaning and tuning, repair and upgrade of existing components, and replacement of unsafe heating systems including space heaters. Maximum assistance is up to \$4,000 per year.
- **Energy Crisis** - Clients may be assisted when there has been extraordinary events or situations resulting from extreme weather conditions, fuel supply shortages, and/or the price of energy has created problems in meeting basic household expenses (particularly bills for energy). CEAP agencies may purchase emergency fuel deliveries and install or replace inoperable appliances due to the severe weather that may result in health hazards.

Tank rental/lease fees are considered "customer service fees" and can be covered by the CEAP program.

In addition to these benefits, many of the local CEAP agencies also operate weatherization programs, which provide energy efficiency measures such as insulation, caulking, weather-stripping, energy-related repairs, and water heater replacements. If you have customers in need of weatherization services, please ask them to contact their local weatherization agency or call (888) 606-8889 from a land-line telephone to be automatically routed to the agency serving their county.

You can negotiate with local agencies on payment terms, such as pre-pay or payment within specified number of days.

Updated information on the program is available on the Internet at www.tdhca.state.tx.us.

AFRED HAS MATERIALS TO HELP MARKETERS



Help is on the way!

You may be eligible for assistance with your propane energy bills!

Your local community services agency is applications for a comprehensive energy assistance. If you are having trouble paying your bills, or need for replacement or repair of your heating/cooling help.

HOW TO READ YOUR PROPANE TANK GAUGE

IF GAUGE READS	NUMBER OF GALLONS REMAINING:			
	150-GAL TANK	200-GAL TANK	250-GAL TANK	500-GAL TANK
80%	120	160	200	400
70%	105	140	175	350
60%	90	120	150	300
50%	75	100	125	250
40%	60	80	100	200
30%	45	60	75	150
20%	30	40	50	100
10%	15	20	25	50

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



Numbers indicate the percentage of gas in the tank.

Look at the gauge attached to the tank with numbers from 5 to 95. (Don't be confused by the pressure gauge, with numbers from 0 to 200).