

Improving Safety & Reliability: One-Tank's Innovative Approach to Transforming Distribution & Growth

In the world of propane service and safety, few moments are as heart-stopping for a marketer as receiving the call that Rick Humphrey will never forget. It's a harsh reminder that in the blink of an eye, reputations can be questioned, and a single incident can leave a scar on a company's conscience.

Our story begins on a seemingly ordinary morning at the district office, when Humphrey picked up a call that would change the course of his career. On the line was an elderly lady from near Big Bear, California, reporting a gas smell in her home. Thinking quickly, Humphrey asked if she had a safe place to evacuate to. She mentioned her daughter's nearby house. Then the line went silent.

Humphrey and his team raced toward her location, overtaken en route by an ambulance and a firetruck heading in the same direction. They arrived to discover a heart-wrenching scene: The grandmother had been in a dark house, and upon her granddaughter's arrival and the innocent flick of a light switch, an explosion had been set off.

Determined to prevent such tragedies in the future, Humphrey embarked on a mission to pioneer a solution that would change lives and businesses.

Conquering Supply Shortages: How One-Tank & SkyTracker Revolutionize Inventory Management Industry movers and shakers encouraged Humphrey to manufacture SkyTracker, with the first units hitting the market in 2004. Among them was mentor Milford Therrell of Squibb Taylor and past chair of the National Propane Gas Association.

The feedback from the more than 480 propane dealers who responded to One-Tank's exploratory industry survey was overwhelmingly positive — more than two dozen expressed an interest in becoming shareholders. Nearly 1,000 years of collective industry monitoring knowledge went into the launch of SkyTracker, the first and only remote monitoring system to be built by propane dealers, for propane dealers.

By February 2005, the company was innovating at a rapid pace, notching more than 50 industry "firsts": on-site degree day logging, Julian day reporting, K-factoring, and temperature compensation as reviewed by California and National Divisions of Measurement Standards (August 2009).

Building on Rick Humphrey's innovations, the company faced another formidable industry challenge: the cyclical supply shortages that haunted marketers season after season. Triggered by a mix of inclement weather, fluctuating pipeline ratios, soaring export demands and lengthy terminal lines, these shortages became a recurring nightmare. Will-call customers, who typically represent about 40% of most marketers' customer base, were significantly affected — a situation exacerbated by the winter shortages of 2013-2014.

Brian Humphrey, inspired by the proactive approach of his father, devised a solution and introduced One-Tank with the dual purpose of addressing the immediate issue of supply shortages and providing a sustainable model to mitigate future risks. There was also an acute market need for more dependable entrants: The remote monitoring hardware industry didn't initially deliver on its promise to work in a wide range of environments and provide dependable data.

One-Tank transformed the way marketers viewed and managed their inventory by focusing on operational efficiency, offering a way to convert what was once seen as mere steel into an operational asset under the marketer's control.

The search for a better way since the day of that tragic explosion also proved out as marketers in the field reported dangerous events that were averted after One-Tank was adopted. In one case, a water heater incident occurred at National Gas Distributors in Knoxville, Tennessee — one of the first SkyTracker deployments.

According to Bill Anderson, SkyTracker reported that propane was being consumed at a customer's home, but the degree days and Julian day logs did not call for such usage on a July day. The service team found a water heater valve had stuck open. Damages were averted by SkyTracker in the course of ordinary remote monitoring.

At a Pebble Beach home, SkyTracker saved both the servicing dealer and their insurance carrier from a multi-million-dollar damage and injury suit. A hot tub dealer had installed a copper pipe for a kitchen range to a pool heater through a chemical shed. That safety violation was noticed and flagged by the SkyTracker unit, allowing the dealer and insurance carrier to avoid liability, which was transferred to the pool agent.



Protecting Margins Against Price Volatility Is a Major Concern

Respondents to One-Tank's Propane Industry Technology & Efficiency Survey came from every state in the nation except Hawaii, with many respondents servicing more than two states in a central area. Of those surveyed, most are operating small- to mid-size businesses, with 41% servicing between 1,000 and 10,000 tanks.

Fluctuating prices in propane forces many retailers to adapt, seek new strategies or rethink their approach. If you're among this group, you're not alone. We gave respondents an openended question: "How have the prices of propane over the past three years affected your business?" Here are some samples from what they told us in response:

- "A loss of sales."
- "Volatility of prices from one season to the next when thinking about pre-buy contracts."
- "We have had to adjust our margins."
- "Costs went up and prices went down."
- "Customers have voiced frustrations with rising prices."
- "Prices have pushed more customers to natural gas. I've also seen a correlation between willingness to buy contract and profit margins."
- "Cutthroat competition."
- "When wages do not increase for our customers as prices increase, it makes it hard for them to continue to buy. This pushes them toward natural gas as an option."
- "Our increased storage keeps us at a lower price point than our competitors."
- "We often try to purchase at the right time so we can offer our customers the best value."

• "We have had to adjust to have a higher profit margin to cover the rising costs of doing business."

The Mandate to Adapt Is Clear

The primary takeaway from our latest industry survey is undeniable: Adaptation to change is essential. In a landscape marked by rising competition and inflation, propane marketers face a crucial need to evolve to remain viable. Challenges such as new regulatory requirements, the shift toward electrification, and heightened customer expectations for value and safety are exerting significant pressure on marketers to maintain their market position. Many propane marketers are already planning to integrate remote monitoring into their business.

"Those who adapt to modern solutions are likely to gain a substantial advantage over competitors who lag in adapting to these changes," said One-Tank CEO Brian Humphrey.

Empowering Propane Businesses With One-Tank: A Leap Toward Efficiency & Customer Satisfaction

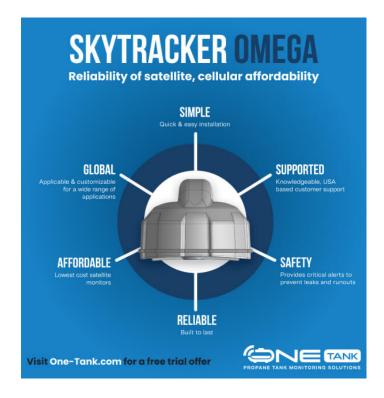
A recent survey by One-Tank revealed that 69% of propane marketers across the U.S. have less than a quarter of their tanks monitored, while only 20% monitor over half. This shows a significant opportunity for marketers to strengthen and expand their customer base by adopting modern, easy-to-use tank monitoring technology to leverage competitive advantage and improve operational efficiency and customer service. Blakeman Propane in Wyoming switched to One-Tank after facing issues with their previous monitoring system. They reported major improvements in operational reliability and user-friendliness.

"We use it as a selling tool. People love to be able to look at their phone and see the percentage in the tank," said Dean Skiver.

Clark Propane Plus in Kentucky experienced similar benefits after testing One-Tank, including reduced diesel costs and enhanced delivery efficiency. Their customers appreciated the ability to monitor tank levels through an app, prompting the company to consider monthly billing.

"This product cuts your cost for diesel fuel and makes you so much more efficient on deliveries. My customers love getting an app for their phone or computer so they can monitor their tanks," Manager Dewayne Carpenter stated.

Revolutionizing Propane Tank Monitoring: Satellite Tank Monitoring That's Affordable, Simple & Reliable Is Finally Here!



Introducing the SkyTracker Omega Series

Finding a tank monitoring solution that is high-quality, affordable and scalable was nearly impossible — until now. Now, the new SkyTracker Omega product series puts simple, affordable and reliable satellite tank monitoring in reach.

Affordability Without Compromise

One-Tank set out to make satellite tank monitoring accessible to all, and the SkyTracker Omega series accomplishes that vision. Enjoy the benefits of advanced monitoring without the hefty price tag.

Effortless Installation for Immediate Use

Gone are the days of laborious installations. The SkyTracker Omega is designed for instant plugand-play use, providing a hassle-free setup process. Just connect, configure and start monitoring your tanks with unparalleled ease.

Uncompromised Safety for Peace of Mind

Safety is at the core of the SkyTracker Omega series, featuring advanced text/email alert systems for gas leaks and stuck float gauge detection, alongside the myriad advantages of virtual metering. Omega delivers not only efficiency, but the safety of your operations and assets.

Reliability You Can Count On

Affordable doesn't mean cheap in quality. The Omega series stands as the most cost-effective satellite monitoring solution without skimping on reliability. Crafted for long-term durability, these monitors deliver consistent and accurate tank monitoring, offering peace of mind.

Global Coverage for Universal Peace of Mind

With the SkyTracker Omega, geographical boundaries are no longer a concern. Our global coverage guarantees that regardless of where your tanks are, they remain within our monitoring realm, ensuring safety and efficiency across the board.

Support That Makes a Difference

The Omega series is backed by unparalleled support from the knowledgeable, friendly customer service team based in the United States. Assistance is just a call or click away.

Transform Your Business With SkyTracker Omega

Discover how our comprehensive, proven solution can revolutionize your operations, giving you a competitive edge with a larger, more satisfied and profitable customer base.

SkyTracker Pulse & SkyTracker Omega: A Closer Look

SkyTracker Pulse

Direct-to-satellite monitor designed for ASME & DOT tanks with remote ready dials. Includes GPS tracking, alert notifications, gas leak and stuck float gauge detection, virtual metering capability, eight-plus year battery life, and more.

SkyTracker Pulse delivers tracking and sensing for actionable pictures of tank levels, driving better service and operational savings.

The unit is easy to deploy, install and configure, with a plug-and-play design that immediately connects to online dashboards for data visualization. Never miss a critical alert from the field — check device status, configuration, tank updates, battery levels and more from any desktop or mobile device. GPS tracking provides an extra layer of data and reliability.

Available for residential, commercial, and mobile tiers and tested in a wide variety of outdoor applications with adverse conditions. Warrantied and watertight with a polycarbonate housing to support long-term deployment and optimal total cost of ownership.

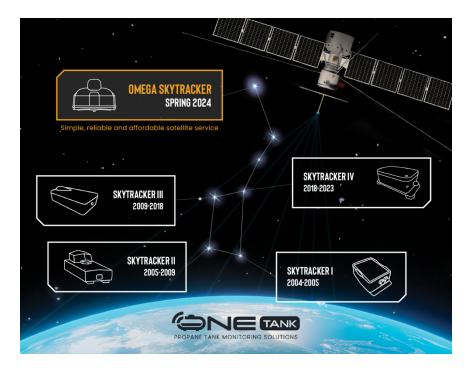
SkyTracker Omega

SkyTracker Omega is designed to be "last tank monitor you'll ever need." With the "Pulse" being its first adaptation, Omega contains all the same capability but also much, much more. Omega is designed to scale with your business so you won't have another distracting or expensive technology project on your hands when your services evolve.

Offering both satellite and cellular connectivity, SkyTracker Omega can connect to a variety of applications and sensors that the Pulse cannot. For bulk storage tanks, RF sensors, refined fuels, lubricants, diesel, or anything else you can dream of, Omega can do it.

Secure satellite and cellular data travels from the unit's powerful transmitter (no external phone line or power supply needed) so your team can monitor and manage issues with alerts via mobile (SMS), pager or email, or 24/7 on the One-Tank website.

Both Pulse and Omega are compatible with most industry-standard gauges, dials and equipment.



Making the World Safer & Less Complicated for Customers & Marketers

Propane marketers of all sizes across the U.S. are turning to new solutions to protect themselves from market volatility, supply chain ups and downs, and other market pressures. In an unpredictable world, they're seeking ways to control the variables.

More safety and better service for customers, streamlined operations and better margins for marketers — all without big, complicated technology projects that are too disruptive for the day-to-day.

While the terrain may be changing, the tools that help marketers adapt are leveling the playing field in their favor.

Ready to Make the Switch?

Learn how at <u>One-Tank.com</u> and join the ranks of businesses setting new standards in a new era for propane tank monitoring.