January 2018

BUTANE-PROPANE NEWS

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Propane: The Green Fuel



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Thanks, Santa, for the Arctic Blast!

Many propane marketers were celebrating the New Year with frigid temperatures, a luxurious white landscape, and many additional degree days. Although the heating season began slowly, year's end brought much anticipation that possibly winter 2018 might be closer to normal than those in recent years following the Polar Vortex.

As weather forecasters were predicting just how low the Wind Chill would be for a large swath of the nation—many areas below zero for the start of 2018—propane marketers were facing long days and likely long lines to make sure their customers' tanks were filled. December ended with the Federal Motor Carriers Safety Administration issuing a regional hours-of-service (HOS) waiver for 37 states in the Eastern, Midwestern, and Southern portions of the country, as well as the District of Columbia. It seems like it has been a while since such a widespread HOS waiver was put in place.

Going hand in hand with the cold temperatures is a concern about supply. In late December, storages were off more than 18 MMbbl, or about 21%, from last year's total. Although exports had tapered off just slightly, product was still being exported at a rapid rate. With increased use of product during the cold snap, and should the frigid weather continue, the supply conundrum might take on a whole new meaning.

Looking for more information on the supply situation? Pat Thornton has provided a global outlook of prices, exports, and how OPEC's recent renewal of cutbacks will affect the energy markets, and propane in particular (see p. 23). The propane market is no longer local–a worldwide overview is required for a complete and in-depth supply picture.

From all of us at Butane-Propane News, we wish you a safe, healthy, happy, and prosperous 2018.

Vol. 50 No. 1

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BUTANE-PROPANE NEWS

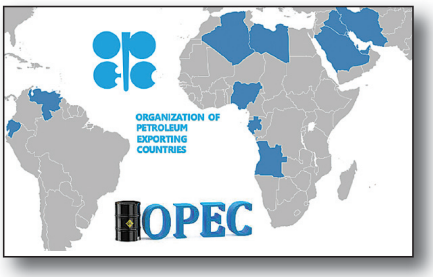
January 2018



18
Opportunity Expands for Propane Irrigation Systems.
Some new government mandates may actually drive customers to propane and away from energy sources that are more hazardous to the environment. Just how does propane irrigation fit into this puzzle?

21
Propane Mowers Notch Steady Market Share.
When is the best time of the year to talk with lawn and landscape professionals about switching to propane mowers? The answer, surprisingly, is not during the warm summer months. Find out why these professionals are adding more propane-fueled equipment to their lawn-care fleets.





23
OPEC Cuts, World Propane Demand Support Prices.
This heating season, all eyes are focused on wholesale supply issues that are the result of OPEC and non-OPEC production cuts, combined with strong demand for propane in the U.S. and overseas.

28
Without Social Media Use Policy, Companies Are Exposed to Risk.
It's not your father's way of doing business. As the Internet has revolutionized how business is conducted, social media has also transformed our culture. These new social platforms provide the means to communicate with customers, but not without risks. A clear social media policy is a necessity in this new age of doing business.



Departments

3 Beyond the Mains
6 LPG Marketplace
7 LPG Worldwide
10 Newsfronts
16 Propane and the Law
30 Autogas
33 PropanePAC News
34 People
35 Shopper's Mart
36 Calendar
39 Classified Advertising
45 Advertisers Index

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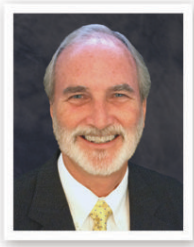
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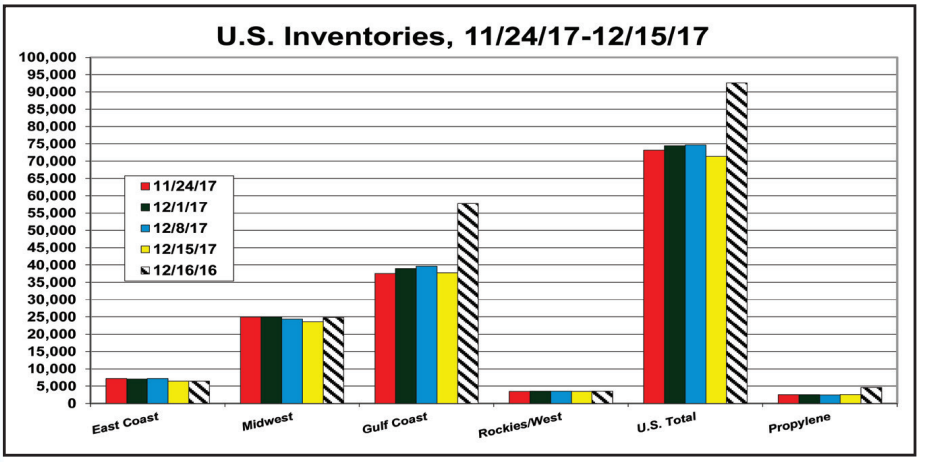
Ferrellgas

Mid-December Prices Hit a Soft Spot

MID-WEEK AVERAGE POSTED/SPOT PROPANE PRICES

(Cents per Gallon)

Date	Mont Belvieu		Group 140	
	POSTED	SPOT	POSTED	SPOT
11-16-17	109.418	98.625-98.875	98.200	95.25-95.75
11-21-17	111.730	98.875-99.125	99.850	96.375-96.625
11-30-17	111.793	96.50-97.25	98.450	91.00-92.00
12-7-17	110.668	97.375-97.625	95.450	91.375-91.875
12-14-17	106.600	88.625-89.00	90.650	82.375-83.25



CANADIAN INVENTORIES

(December 1, 2017)
Thousand Cubic Meters

Region	12-17	11-17	Change	12-16
PROPANE				
Propane—East	636.3	768.5	–17.2%	830.5
Propane—West	925.4	1155.6	–19.9%	787.6
Total Propane	**1561.6**	**1924.1**	**–18.8%**	**1618.1**
BUTANE				
Butane—East	399.6	478.0	–16.4%	299.4
Butane—West	382.6	491.8	–22.2%	505.9
Total Butane	**782.2**	**969.7**	**–19.3%**	**805.3**

Source: National Energy Board

U.S. RESIDENTIAL PROPANE PRICES

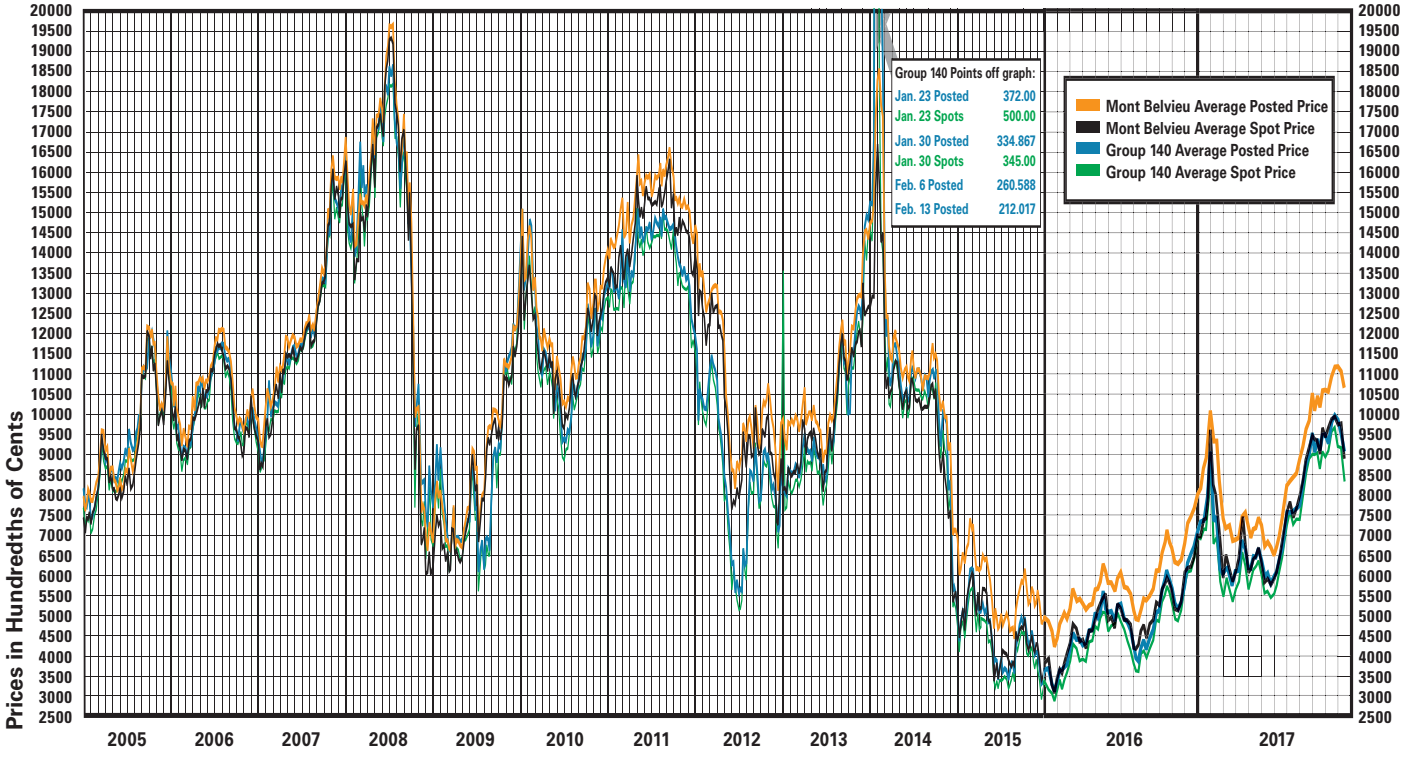
(Mid-Month, Cents per Gallon)

Region	Date		
	12-17	11-17	12-16
East Coast (PADD I)	318.3	308.8	291.7
Midwest (PADD II)	191.9	184.7	159.5
Average U.S.	246.1	238.2	215.7

Source: "This Week in Petroleum," Energy Information Administration

Mont Belvieu's posted price added several cents to reach 111.793 cents at the end of November. Early December the price backed off a cent, then tumbled to 106.600 cents/gal. mid-month. The Group began at 98.200 cents, and topped out at 99.850 cents, then slid to 95.450 cents in early December. Postings ended the period at 90.650 cents.

Spots at Belvieu approached 99 cents the second half of November before dipping to 96.50-97.25 cents. In December they rose to 97.375-97.625 cents then took a major fall to 88.625-89.00 cents. The Group peaked just after mid-month at 96.375-96.25 cents and headed downhill to finish November at 91.00-92.00 cents. Early December they moved to 91.375-91.875 cents, and slumped to finish mid-month at 82.375-83.25 cents.



MONT BELVIEU & GROUP 140 AVERAGE THURSDAY PROPANE PRICES

WORLD PRICES AND FREIGHT RATES

December 18, 2017

DELIVERED (CIF)

TERMINAL	PROPANE	BUTANE
Rotterdam	$566	$524
Mediterranean	$581	$625
Japan (Contract)	$595.5	$563.5
China (Contract)		
South China	$589.5	$557.5
Taiwan	$590.5	$558.5

PRODUCERS (FOB) CONTRACT PRICES

TERMINAL	PROPANE	BUTANE
Saudi Arabia	$590	$570
Abu Dhabi	$590	$570
Kuwait	$590	$570
Qatar	$590	$570
Algeria		
Bethouia	$560	$530
Skikda	$560	
North Sea (avg.)	$556.5	$503
Naphtha (cif) Rotterdam (12/18/17)	$581.25	

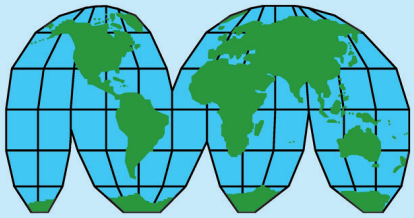
FREIGHT RATES

Arabian Gulf	
Far East	$32-34
Mediterranean	$34-36
NW Europe	$56-58 (via Suez)
U.S. Gulf	$57-59 (Suez out/Cape back)
Brazil	$58-60 (Cape both ways)
Algeria	
NW Europe	$36-38
Japan	$56-58
U.S. Gulf	$34-36
U.S. E. Coast	$37-39
Brazil	$36-38
Australia	
Japan	$56-58
Northwest Europe	
Japan	$60-64

All prices and freight rates listed above are based on metric tons and are quoted in U.S. dollars, except for Mont Belvieu prices, which are in cents per gallon. The prices fob Middle East terminals are official government established prices and do not include premiums or discounts for spot transactions.

fob: free on board

cif: cost, insurance, freight



Large Propane, Butane Markets More Active

The vital oil and gas pipeline that carries about 40% of mainland Britain's crude oil from the North Sea has been closed after cracks were discovered. As a consequence, the price of Brent crude oil rose to just over $65.50 (U.S.) per barrel, a level not witnessed since the summer of 2015. There has also been an explosion at an important gas transfer station in Austria, which is the main point of entry for Russian gas into Europe. As a result, U.K. gas prices hit their highest level in six years, threatening more costly bills this winter.

At the same time, OPEC and the 24 countries outside the oil cartel that control 60% of global production will continue to curb production in 2018 as they seek to shrink world stockpiles and prop up prices above $60 a barrel. They hope to accomplish this by pledging to keep 1.8 million barrels of oil per day off the market.

The large propane and butane markets were gradually becoming more active with the official arrival of winter. Propane prices were at $556 per tonne cif Amersterdam/Rotterdam/Antwerp (ARA) for large cargos. Butane prices were at $524 per tonne cif ARA. Propane increased by $25 per tonne from a month earlier and butane softened by $14 per tonne.

The coaster markets were a bit long in butane compared to a few weeks earlier and blenders were not as active as previously for ARA. The latest indications of propane swap deals are January 2018 $555-$559 cif Northwest Europe and February $548-$552 cif Northwest Europe.

North Sea prices for January were at $556.50 per tonne fob North Sea terminals for propane and at $503 per tonne fob North Sea terminals for butane. Both prices had risen since the end of last month—propane by $32 per tonne and butane by 50 cents per tonne.

In the Mediterranean, the demand for LPG was increasing, especially from crackers and for inland consumption. Prices for large, fully refrigerated cargos of propane were at $581 cif Lavera, south of France. Butane was at $625 per tonne cif Lavera. Both products had increased—by $14 per tonne for propane and $57 per tonne for butane.

Sonatach of Algeria set contract prices at $560 per tonne fob Skikda and Bethouia for propane and at $530 per tonne fob Bethouia for butane. Both products had risen in price. Propane added $35 per tonne and butane $2 per tonne since the beginning of December.

Saudi Aramco set contract prices at $590 per tonne fob Middle Eastern (M.E.) terminals for propane and at $570 per tonne fob M.E. terminals for butane, with both prices hardening. Propane was up $15 per tonne and butane by $20 per tonne.

In the Far East, Japan's importers had started buying replenishing cargos for January delivery. This could be one factor helping to drive up the premiums.

Examples of large shipping fixtures include the *Epic Barbados*, 7200 cu meter capacity, which was chartered by Total (Paris) to load 3600 tonnes of butane from Donges for delivery options Morocco. The *Navigator*, 22,500 cu

meter capacity, wasn taken by Petredec (Bermuda) to load a full tanker of LPG from Mongstat for delivery options Morocco. The *BW Denise*, 78,000 cu meter capacity, was fixed by SK Gas (Seoul) to load 44,000 tonnes of LPG from the Middle Eastern Gulf (M.E.G.) for delivery options east. The *G Swan*, 82,000 cu meter capacity, was chartered by HPCL (Mumbai) to load 44,000 tonnes of LPG from the M.E.G. for delivery options India. The *BW Tor*, 82,000 cu meter capacity, was taken by AMPTC (Kuwait City) to load 44,000 tonnes of LPG from the M.E.G. for delivery options east.

Very large gas carrier market players had been waiting for ADNOC (Abu Dhabi) to release its January acceptance, but when it arrived it turned out there were a few delays.

Iran Exports Fall Again

Iran's LPG export program extended its decline in December, even as the nation's South Pars gas field resumed production after two months of maintenance, trade sources tell S&P Global Platts. The initial shipment program shows about 199,000 metric tons of LPG were lifted in December, down from 220,000 tons in November. The December total takes shipments from Iran to about 3.33 million metric tons for 2017.

The latest export volumes are destined for China, Indonesia, Africa, and possibly South Africa, according to Platts. Before the July 2012 western sanctions on Iran, which were lifted in January 2016, the nation exported more than 400,000 metric tons of LPG a month, mainly to Asia.

S&P Global Platts comments that monthly Iranian shipments have been slipping since touching a year-to-date high of 423,000 tons in August because of reduced output at South Pars. The field returned from maintenance in mid-November, but condensate production remained low, which also kept LPG exports subdued.

Drewry Sees Small Vessels Leading Pack

Among the different size categories of LPG ships, the small vessel segment is expected to be the best performer in 2018, while handysize ships will be the worst, according to the latest edition of the *LPG Forecaster*, published by the global shipping consultancy Drewry (London). As growth rates vary among size segments, Drewry looked into the freight rate prospects of different categories and says it believes handysize vessels—12,000-25,000 cu meter capacity—will be the worst performers in 2018. Small LPG vessels—1000 to 5000 cu meters—will be the best. Fleet growth will be the main catalyst for their freight rate outlook.

Further, with the LPG fleet expanding at an annual average rate of 17% in 2015 and 2016, it is expected to grow by 9% in 2017. "However, ship owners can now breathe a sigh of relief as fleet growth is set to slow down to 5% in 2018 and 3% in 2019," Drewry reports.

An ample supply of ships will keep charter rates under pressure as the expansion of long-haul LPG trade will tend to favor very large gas carriers and medium gas carriers. Moreover, the olefin gases trade will not be strong enough to keep all handysize vessels employed. By contrast, fleet growth in the small LPG vessel category will be negative on the back of a thin orderbook and expected demolitions, which will support freight rates for this segment.

Zimbabwe Hikes Use of LPG

The Zimbabwe Regulatory Authority (Zera) says there has been rapid growth in LPG usage in the southern Africa country as it has emerged as a popular energy source, especially for domestic consumption when the nation struggled with hydro-electricity deficits over the past decade.

The *Herald* reports that between January and October 2017 LPG imports rose 86%. The market continues to switch to LPG as an alternative energy source on the back of its lower cost compared to grid electricity. By the end of October, imports stood at 2.8 million kilograms compared to the January total of 1.5 million.

Figures from Zera also show that in 2016 Zimbabwe imported 388% more than in 2010. Energy officials note that LPG is saving on grid electricity demand, a cheaper alternative than constructing new power plants. Zera chief executive Gloria Magombo said applications for establishing licensed wholesale operations are being processed at a quickening pace.

Distributors, Union Threaten Strike

Distributors of LPG in Pakistan and the Awami Rickshaw Union (ARU) were threatening to observe a countrywide strike in December against a price hike and imposition of new taxes on the importation of LPG. The strike threat came at a time when demand increases due to winter's arrival.

Both distributors and the union have rejected the new taxes, reports *Pakistan Today*. ARU chairman Majeed Ghauri told the newspaper the work stoppage would be held in six phases and culminate this month. It would eventually involve the complete lockdown of deliveries across the entire country.

Irfan Khokhar, chairman of the LPG Distributors Association of Pakistan, said that increasing taxes on LPG imports impacts importers dramatically and also slams consumers with higher prices. In addition, he pointed to domestic producers being granted a *de facto* monopoly at the expense of importers. "The government has imposed heavy taxes on the import of LPG that includes a premium bonus, signature bonus, regulatory duty, and a tax levy just to give benefits to the local LPG mafia," he asserted.

Sinopec Subsidiary Signs Saudi Deal

China Sinopec Fuel Oil Sales Ltd., a wholly owned subsidiary of state-owned Sinopec, has signed a one-year term contract with Saudi Aramco to buy LPG cargos for delivery in 2018, reports S&P Global Platts. The cargos will include both propane and butane and are expected to commence in the first quarter, and will be priced according to the company's monthly contract price on an fob basis. The total volume involved was not released.

This is Saudi Aramco's second direct sale of LPG cargos to China, sources tell Platts. The first term contract was with propane dehydrogenation plant operator Wanhua Chemical in 2016. That company has since renewed its annual contract. Saudi Arabia is the fourth-largest LPG supplier to China, mostly through trading companies and Wanhua, sending 1.12 million metric tons in the first 10 months of 2017.

However, Sinopec Fuel, whose core business traditionally has been oil product trading, currently has no significant LPG terminals or storage facilities in China. It is expected to cooperate with other LPG importers or its sister companies that have facilities for receiving LPG. China's LPG demand has seen significant growth, attracting new suppliers to the market.

Petrobras to Revise LPG Pricing Policy

Brazil's state-controlled oil company Petroleo Brasileiro SA (Petrobras) will review its pricing policy for LPG following a 70% price spike since June for the fuel, which is widely used by Brazilians for cooking, Reuters reports.

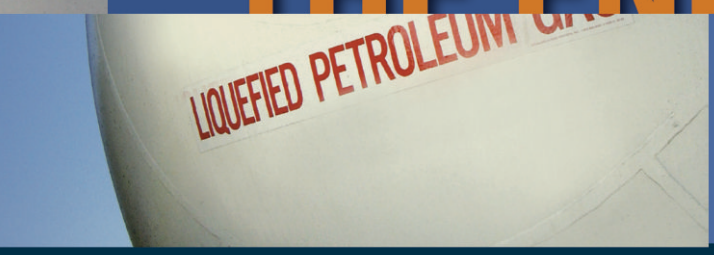
In a December statement. Petrobras said it would review its policy, which currently follows international prices since "reference markets in Europe have been highly volatile because of winter."

The company said an 8.9% price increase that went into effect in early December was the last under its existing policy, but did not elaborate on its plans or provide details for what it was considering for its replacement pricing program.



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Independent Technologies Buys EnerTrac, Integration Underway

Independent Technologies Inc. (Blair, Neb.) has acquired EnerTrac Tank Monitoring from Senet (Portsmouth, N.H.). Details of the transaction were not released. The move is seen by both companies as positive and complementary, and one that will deliver technology to a growing market. ''We are very excited about bringing the best of our two companies together,'' said Hank Smith, CEO of Independent Technologies.

The acquisition will allow the WESROC division of Independent Technologies to expand its product line while also enhancing its communication solutions capabilities. ''This is an exciting move that lets us significantly expand our hardware solutions, and on the communications side, we are able to offer a monitoring solution for any need or budget,'' Smith added.

The deal allows Senet to focus on its core network connectivity platforms and services for the build-out and management of the Internet of Things (loT) network. The purchase is said to be a proof point for the maturing LoRaWAN solutions market, illustrating the growth of a high-volume, low-power, wide-area loT solution.

Senet will provide network connectivity and build-out services to WESROC on an exclusive basis under the agreement. Plans for integration are underway. The two firms are contacting partners and customers to inform them of the acquisition and effect action plans.

''We're happy to welcome all EnerTrac customers to WESROC,'' said Boyd McGathey, WESROC COO. ''They can rest assured that WESROC's customer and technical support teams will provide uninterrupted assistance during this transition. With the addition of the Senet LoRa low-power, wide-area network to the existing WESROC cellular, satellite, and other communications methodologies, WESROC will be developing new monitoring hardware and services that will benefit both EnerTrac and WESROC customers.''

Dead River Co. Acquires Breggy Oil Service Inc.

South Portland, Maine-based Dead River Co. has acquired 71-year-old, family-owned Breggy Oil Service Inc. (Portland, Maine). Details of the transaction were not released. The purchase is part of a growth initiative forwarded by Dead River president and CEO Deanna Sherman, whose family-owned company has itself been in business for 108 years.

''We are actively looking to expand our business through acquisitions in New England and the surrounding areas,'' said Sherman. ''When acquiring other companies, however, it's important that we find home heating businesses whose values and commitment to customer service match our own. Breggy Oil Service is just such a company: family owned with a tradition of meeting its customers' needs and being part of the local community.''

''Since 1946, our family and our employees have been proud to serve our friends and neighbors,'' said Eileen Breggia, co-owner of Breggy Oil Service. ''Recently, we made the decision to retire and determined that it was in our best interest to merge with a company that shares our values, as well as our commitment to customer service and the community.''

Japan's 2017 U.S. LPG Imports To Hit Record, Top Middle East

As final tallies roll in, Japan's LPG imports from the U.S. are expected to have doubled in 2017 to a record high and account for about half of its total purchases, reports *Hellenic Shipping News*, citing shipping and government data. The surge comes as shale oil and gas output lifts overall U.S. production to rival that of Saudi Arabia and Russia.

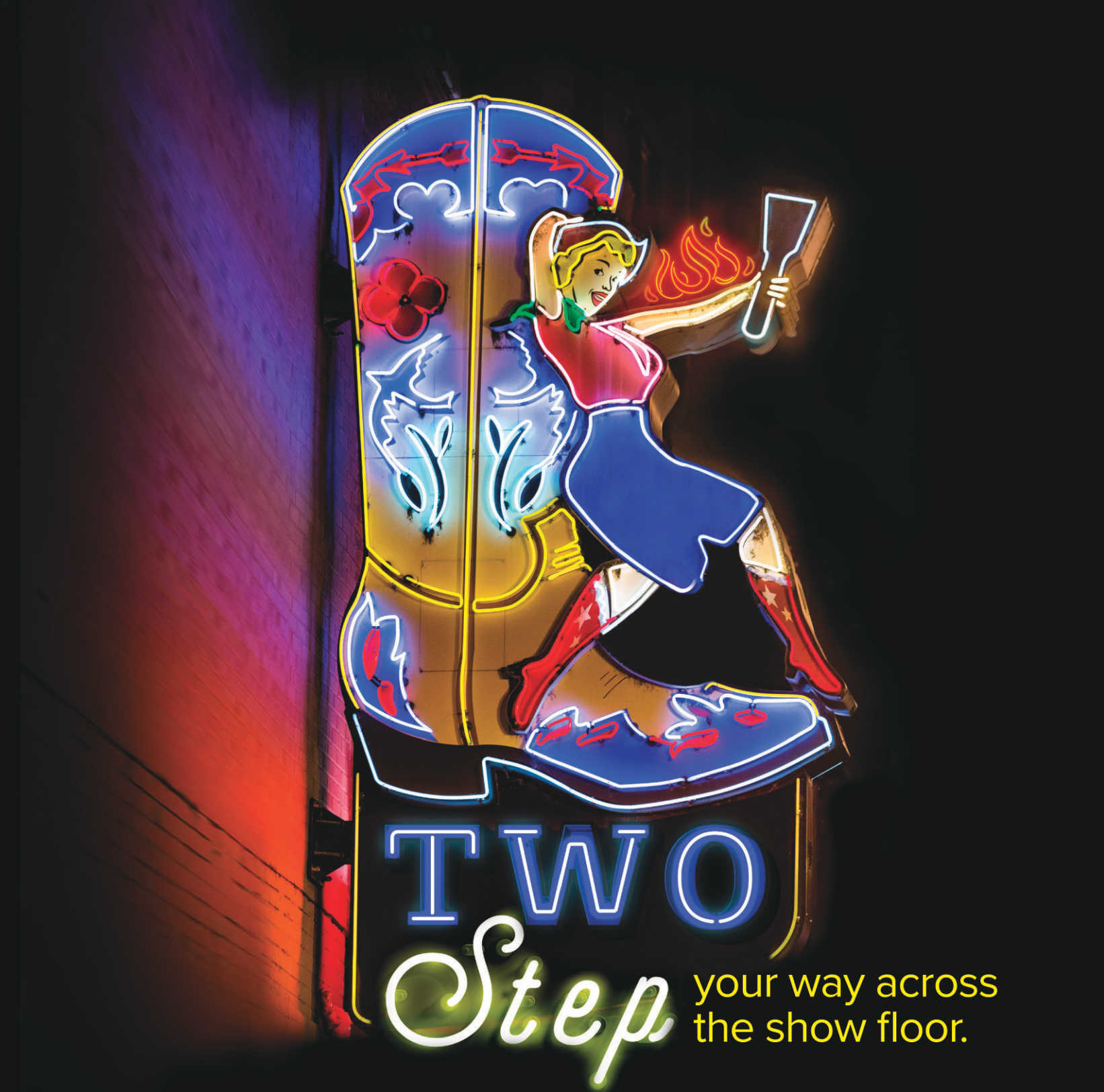
As with crude oil, American exports displace LPG from the Middle East, where the region's top producer of crude and LPG, Saudi Arabia, is losing market share, ''not least due to knock-on effects from the efforts led by [OPEC] to cut production in order to prop up prices,'' notes the magazine.

With the U.S. not participating in any cuts, its LPG exports to Japan could hit nearly six million metric tons by the end of 2017, shipping data show, virtually doubling the volumes within just one year. ''U.S. imports are good for Japan from the energy security and diversification points of view,'' said a senior analyst at Energy Economics, Japan (IEEJ). American LPG now meets half of Japan's total supplies, pushing the Middle East out of the top spot.

And with U.S. oil output soaring by 80% since 2010 to nearly 10 MMbbld and production expected to rise further, more American LPG is set to flood the markets. The U.S. Energy Information Administration (EIA) expects U.S. crude output to exceed 10 MMbbld this year, and many analysts forecast production could rise higher than EIA's outlook, potentially rivaling levels of top producers Russia and Saudi Arabia, who currently pump 11 MMbbld and 10 MMbbld, respectively.

Hellenic Shipping News recounts the wave of U.S. LPG shipments, primarily propane, has its roots in 2013 and 2014 when Japanese importers such as Astomos Energy and Eneos Globe rushed to sign a slew of multiyear contracts, hoping to benefit from cheaper American oil prices rather than be tied down to contract prices from the Middle East. The U.S. has become increasingly price competitive, with propane at the Mont Belvieu hub at 96 cents/gal., roughly $500 a metric ton, not including freight for the voyage to Asia. That compares to the current contract price from Saudi Arabia at $590 a ton fob (free on board).

Taking freight into account, Japanese government data shows U.S. LPG prices to be on par, or slightly below, the cost of Middle East supplies. Asia is the world's largest LPG importer, with China, India, Japan, and South Korea together taking a third of globally shipped LPG, according to trade data. Among the main suppliers of U.S. LPG are Enterprise Products Partners and Phillips 66. Major LPG shippers include Teekay, BW LPG, and Dorian LPG.



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AltaGas Commissions NGL Separation Facility

AltaGas Ltd. (Calgary) has commenced commercial operations at its North Pine NGL separation facility. The C$120-million project was completed ahead of schedule and about C$15 million under budget. The 10,000-bbld North Pine plant is connected to existing AltaGas infrastructure and is contracted through long-term supply agreements with Painted Pony Energy Ltd. (Calgary) for a portion of the total capacity.

The remaining capacity is expected to be filled with NGLs from other producers in the area. The facility also has access to the CN rail network, allowing for the transportation of propane, butane, and condensate to North American markets, including to AltaGas's Ridley Island propane export terminal upon its completion in the first quarter of 2019.

''The completion of our North Pine facility is another milestone in our northeast B.C. [British Columbia] strategy,'' said David Harris, president and CEO of AltaGas. ''It will soon be followed by our Ridley Island propane export terminal (RIPET), paving the way to new market alternatives for western Canadian gas producers. Once RIPET is complete, we will be able to offer producers a broad suite of midstream services and new market diversification, including premium netbacks through the strong propane demand and pricing in Asian markets.''

Construction of the export terminal continues and crews are currently finishing the concrete outer wall for the propane tank. An eighth and final pour was completed in December. Fabrication for the inner steel tank roof is nearing completion, and installation of the inner steel tank will begin early this year. The balance of plant fabrication and civil work is on track and the initial modules are scheduled to arrive in the first quarter of this year. RIPET is ahead of schedule and on budget.

Face Off: U.S. and Middle East Compete for Asian LPG Market

Global trade of LPG, and more specifically propane, will change significantly over the next four years due to a supply surge, an export infrastructure buildout in North America, a growing surplus in the Middle East, and growing demand in Asia, forecasts ESAI Energy. The consultancy maintains that a snapshot of U.S. LPG exports by destination highlights that until now increased exports have flowed predominantly to Asia, especially China. However, it argues in a new analysis that the era of easy growth for U.S. exports to Asia will come to an end.

In the period to 2020, ESAI predicts that Asia's LPG deficit will increase more than North America's surplus export capacity. In addition, over the forecast timeframe greater plant LPG supply in Saudi Arabia and Iran, and higher refinery LPG supply, will cause the Middle East's surplus to increase as well.

Further, the end is in sight for the run on global LPG stocks. In 2018, the geographically widespread growth of LPG production from fractionation will gradually begin to pull the market out of deficit. Year-on-year declines in global stocks continued into the fourth quarter of 2017, driving up propane and butane prices relative to naphtha. These price shifts have priced some petrochemical demand for LPG, including propane use for propane dehydrogenation (PDH) units, out of the market.

ESAI Energy sees growth of LPG supply from fractionation accelerating, bringing supply and demand back into alignment. Iran's South Pars, Qatar's Barzan, and Australia's LNG projects will contribute to growth this year. In 2017, global supply from fractionation increased by only 60,000 bbld. Supported by widespread growth outside North America, supply from fractionation will grow 300,000 bbld this year. As supply growth accelerates, bullish propane and butane prices will tame petrochemical demand. According to ESAI Energy's global LPG balance, the year-on-year declines in global LPG inventories will slow or come to a halt by the end of 2018.

''Outside North America there have been no bright spots for LPG supply growth in 2017,'' explains Andrew Reed of ESAI Energy. ''Even South Pars, the one place outside North America where we anticipated new supply, failed to deliver. At the end of 2017 and in early 2018, new supply from South Pars and other projects will begin to have an impact. Between continued growth in North America and renewed growth elsewhere, the market will gradually rebalance.''

IEA World Energy Outlook Sees Globe in Transformation

The resurgence in oil and gas production in the U.S., deep declines in the cost of renewables, and growing electrification are changing the face of the global energy system and upending traditional ways of meeting energy demand, according to the International Energy Agency's (IEA) *World Energy Outlook 2017*. A cleaner, more diversified energy mix in China is another major driver of this transformation.

IEA forecasts that, over the next 25 years, the world's energy needs are met first by renewables and natural gas, as fast-declining costs turn solar power into the cheapest source of new electricity generation. Global energy demand is 30% higher by 2040, but still half as much as it would have been without efficiency improvements. The boom years for coal are over—in the absence of large-scale carbon capture, utilization, and storage—and rising oil demand slows down but is not reversed before 2040, even as electric-car sales rise steeply.

The latest *World Energy Outlook*, IEA's flagship publication, finds that over the next two decades the global energy system is being reshaped by four major forces: the U.S. is set to become the undisputed global oil and gas leader; renewables are being deployed rapidly thanks to falling costs; the share of electricity in the energy mix is growing; and China's new economic strategy takes it on a cleaner growth mode, with implications for global energy markets.

This year's *Outlook* includes a special focus on China, where economic and energy policy changes under way will have a profound impact on the country's energy mix, and continue to shape global trends. A new phase in the nation's development results in an economy that is less reliant on heavy industry and coal.

The shale oil and gas revolution in the U.S. continues, thanks to the remarkable ability of producers to unlock new resources in a cost-effective way. By the mid-2020s, the U.S. is projected to become the world's largest LNG exporter and a net oil exporter by the end of that decade. This is having a major impact on oil and gas markets, challenging incumbent suppliers and provoking a major reorientation of global trade flows, with consumers in Asia accounting for more than 70% of global oil and gas imports by 2040. LNG from the U.S. is also accelerating a major structural shift toward a more flexible and globalized gas market.

The *World Energy Outlook 2017* report asserts it is too early to write the obituary of oil. Global oil demand continues to grow through 2040, although at a steadily decreasing pace. And over the period, fuel efficiency and rising electrification results in a peak for oil used to fuel passenger cars, even with a doubling of the fleet to 2 billion. But other sectors, namely petrochemicals, trucks, aviation, and shipping, drive up oil demand to 105 MMbbld by 2040.

API Welcomes Trump Signing Pro-Growth Tax Reform into Law

American Petroleum Institute (API) president and CEO Jack Gerard welcomed President Trump's signature on H.R. 1 Dec. 22, which he said delivered pro-growth, pro-development economic reforms to the U.S. tax code for the first time since 1986.

"Today, with the stroke of a pen, the U.S. has finally adopted a modern tax code that will unleash economic growth in our nation, creating jobs and spurring investment," Gerard said. "With smart policies in place like a pro-growth tax code, the natural gas and oil industry can continue building on the millions of jobs we support and billions we invest into the U.S. economy each year. These reforms will also advance investments in new technology and innovation to protect the environment and help provide affordable energy for American consumers, manufacturers, families, and small businesses."

He also heralded the Trump administration's opening of access to the non-wilderness Alaska 1002 Area for exploration and development as a positive step for spurring economic growth. "The natural gas and oil industry has the technology and expertise, along with decades of experience, to safely explore energy resources in the Arctic while protecting the surrounding environment. Responsible





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access to the 1002 Area is also in our national security interest, with other nations like Russia, Canada, and Norway already actively exploring the Arctic region.''

Gerard added, ''We commend the administration's actions to strengthen our nation's energy security this past year by implementing a pro-growth tax code, streamlining regulations, and promoting a robust energy infrastructure system. We look forward to building on this progress in the new year and continuing our work to provide safe, reliable access to affordable energy.''

2 VLGCs From Gulf Coast Were Set for Late 2017 Delivery in NWE

According to S&P Global Platts, flows of LPG from the U.S. Gulf Coast to Northwest Europe (NWE) were expected to reach about 148,000 metric tons—1.73 MMbbl—in the first half of December. Landed volumes in November were about 188,000 metric tons, which included cargos delivered by two very large gas carriers (VLGCs). VLGCs crossing the Atlantic from the U.S. Gulf Coast to Northwest Europe more commonly serve the propane market in the region, where the fuel is used for inland heating during winter and as a petrochemical feedstock.

NWE traders and brokers have told Platts the arbitrage from the U.S. to Europe has been largely closed since mid-spring of 2017. As a result, the stream of vessels making the journey narrowed almost exclusively to term contract cargos, which are understood to be going toward petrochemical buyers. The market intelligence service notes that restricted supply helped support the cost-insurance-freight (cif) NWE large-cargo market for propane at unseasonal highs throughout the summer when prices typically fall on a lack of heating demand, despite what traders describe as weak buying interest for inland Europe.

Scheduled to arrive in December were two VLGCs—the *Providence*, which left Houston on Nov. 28 and was set to arrive in Flushing, Netherlands, on Dec. 11, and the *Crystal Marine*, which departed Freeport, Texas Nov. 30 and was expected in Flushing on Dec. 12, according to Platts. Three smaller vessels, the *Seasurfer*, *Gaschem Orca*, and *Kortrijk*, were set to be en route from Houston to Flushing with due dates during the first half of December.

PERC Donates $5000 to Miami-Dade County Parks Foundation

The Miami-Dade County Parks, Recreation, and Open Spaces Department is the first recipient of the Propane Education & Research Council's (PERC) inaugural Green Leadership City Award. As part of the award designation, PERC donated $5000 to the Parks Foundation of Miami-Dade County.

''The Green Leadership City Award aims to highlight public agencies that demonstrate a commitment to environmentally friendly and sustainable practices, and the parks department at Miami-Dade is a model agency for others to follow,'' said Tucker Perkins, PERC president and CEO. ''For nearly 10 years, the Miami-Dade parks department has maintained the community's green spaces with propane mowers, which reduce emissions and greenhouse gases that can be harmful for the public. They should be commended for that effort.''

''Using propane mowers has allowed our department to set a new standard of environmental stewardship for our community,'' said Miami-Dade parks director Maria I. Nardi. ''The financial benefits we've enjoyed because of lower fuel costs and an increase in crew productivity while operating with propane is just icing on the cake.''

In presenting the Green Leadership City Award, PERC anticipates more municipalities, counties, and public agencies will become aware of the benefits of switching to propane-fueled mowing equipment.

Miami-Dade County Parks, Recreation, and Open Spaces began using propane mowers in 2008. Currently, propane fuels 95% of its fleet. The mowers are used on the county's parks and sports fields, as well as at 122 residential communities in the county's special tax districts. The department also contracts with PortMiami and the Miami Police Department to provide landscape maintenance services.

Inter Pipeline to Construct First PDH, Polypropylene Complex

Inter Pipeline Ltd.'s (Calgary) board of directors has authorized the construction of a world-scale integrated propane dehydrogenation (PDH) and polypropylene (PP) plant, the first in Canada. The facilities, collectively referred to as the Heartland Petrochemical Complex, are estimated to cost C$3.5 billion in aggregate and will be located in Strathcona County, Alta., near Inter Pipeline's Redwater olefinic fractionator.

The Heartland Petrochemical Complex will be designed to convert locally sourced, low-cost propane into 525,000 metric tons of polypropylene a year, a high-value, easy-to-transport plastic used in the manufacturing of a wide range of finished products. Construction of the complex will continue in early 2018 with the completion scheduled for late 2021.

''Alberta is an ideal location to construct a world-scale propane-based petrochemical operation,'' said Christian Bayle, Inter Pipeline's president and CEO. ''Driven by attractive feedstock and utility costs, the Heartland Complex is expected to be one of the lowest-cost polypropylene producers in North America. This dynamic should result in attractive profit margins given the premium pricing this plastic currently receives in the North American market.''

''We're excited to see this new investment that will create thousands of good-paying, value-added jobs and help diversify Alberta's economy,'' said Margaret McCuaig-Boyd, Alberta's minister of energy. ''Moving ahead with this world-class facility shows our Petrochemicals Diversification Program is working to attract new investment....''

Renewable Propane Seen as A Sustainable Fuel Solution

The clean transportation and energy consultancy Gladstein, Neandross & Associates (GNA; Santa Monica, Calif.) writes that recent developments have led to new gaseous and liquid renewable fuels emerging as commercial products to replace conventional gasoline and diesel in transportation applications. They include renewable diesel, produced from an array of animal fats and vegetable oils; and renewable natural gas, produced from the natural decay of organic matter that results from normal activities of modern life—management of wastewater, solid waste, agriculture, food, and green waste.

In their search for new ways to produce cleaner and sustainable forms of energy, scientists have been exploring and developing processes to produce yet another valuable renewable alternative to a common fossil fuel—propane. This fuel is commonly used by millions of U.S. households as an alternative to natural gas for cooking, water heating, and space conditioning. In addition, nearly 50 million customers use propane to fuel their outdoor grills. GNA adds that propane has long been used as an excellent alternative vehicle fuel. It has good combustion characteristics, burns more cleanly than gasoline or diesel, and is easily stored on vehicles in low-pressure tanks at reasonable cost, and is easily obtained through a vast network of retailers or dispensed as autogas at vehicle fuel stations.

''Like all fuels and technologies, propane must continue to improve its market and environmental performance, and important new strides are being made by the propane industry and its stakeholders,'' GNA comments. ''Advanced propane engine technology has now emerged that provides very low emissions of nitrogen oxides (NO_x), the key precursor for formation of photochemical smog. In fact, one propane engine manufactured by ROUSH CleanTech was recently certified to meet California's Optional Low-NO_x Standard, at a NO_x level 75% lower than the current mandatory federal standard for engines.''

The consultancy observes this low-NO_x propane engine technology can now power on-road vehicles like school and shuttle buses. Moreover, it can also be transferred to off-road applications, where propane is particularly favored as an alternative fuel. This includes forklifts and remote agricultural uses of propane engines to power water pumps, irrigation equipment, and citrus crop heaters that protect against frost damage.

''In addition to these engine-related improvements for propane-fueled products that reduce criteria pollutants, fuel-related improvements are needed to reduce greenhouse gas (GHG) emissions and help transform America's transportation sector,'' notes GNA. ''This is where bio-propane can make a big difference. Conventional propane is a by-product of the production of oil and gas, as well as the oil refining process. When used in today's mainstream propane vehicles, it can provide very significant reductions of NO_x and other criteria pollutants such as particulate matter. However, fossil propane provides only modest GHG reductions relative to fossil gasoline or diesel.''

Fortunately, says GNA, numerous commercially proven processes can be used to produce renewable propane, which is chemically nearly identical to the conventional version. For example, during the refining process to make renewable diesel from organic waste, about 10% of the off-gas production is renewable propane. This process is already being used to produce significant quantities of commercial-grade renewable propane in Europe and Asia. Specifically, biofuels developer Neste Corp. is capturing renewable propane as a byproduct during production of renewable diesel from vegetable oils and waste animal fats at its facility in Rotterdam. Neste has modified this process and plans to produce about 160,000 metric tons of renewable propane over a four-year period, which will be used for transportation applications in Europe.

In California, AltAir Fuels in Paramount is using a similar process as Neste to coproduce renewable propane, while making commercial-grade renewable jet fuel. AltAir is now exploring the potential to capture this renewable propane off-gas and redirect it for use as an automotive fuel, which ideally would specifically power medium-duty vehicles equipped with newly certified low-NO_x engines. In California and around the world, other technologies to produce renewable propane are being developed that rely on microbial biosynthetic pathways. Scientists have genetically engineered the bacterium E. coli, introduced some common enzymes, and are using glucose as the feedstock to produce a form of renewable propane that can serve as a drop-in substitute for conventional propane.

GNA adds that one barrier faced by the propane industry, and is now being addressed, is how to make the production and end use of renewable propane more cost competitive. One key is to get renewable propane into California's Low Carbon Fuel Standard program as a low-carbon-intensity fuel that can generate credits. This will help monetize the low-GHG value of renewable propane and offset the current high cost of producing it, compared to conventional propane. This monetary value can help incentivize fuel producers, end users, and propane vehicle manufacturers to expand deployments in California of extremely low-emitting propane vehicles with very low GHG emissions.

''While there are challenges to address, it's clear that producing and using renewable propane in California could significantly help regulators address a variety of environmental and economic challenges,'' writes GNA. ''Agriculture is one of the state's leading industries, producing more than $47 billion in revenue in 2015. Managing operational wastes from this vital sector of our economy simultaneously presents significant challenges and major opportunities.'' Advocated is that byproducts from California's diverse agricultural economy be diverted to the production of renewable propane, then turned around and used as a substitute for fossil fuels in food production. ''Clearly, renewable propane can be one of the keys to help California develop a genuinely sustainable economy, where we routinely recover valuable clean energy by reusing materials previously regarded as waste.''



Philadelphia Food Truck Litigation Expands

By David R. Schlee

Over a year ago, this column discussed the lawsuits that have arisen from a tragic 2014 food truck explosion in Philadelphia (***BPN***, July 2016). That litigation has now expanded to include national propane distributor AmeriGas. Trial is set for June 2018 and is expected to last for three months. In the meantime, food truck explosions continue to occur, most recently in downtown Portland, Ore.

At about 5:30 p.m. on July 1, 2014, Olga Galdamez and her daughter, Jaylin Galdamez, were serving customers from a 25-ft-long food truck named La Parrillada Chapina. There was an explosion resulting in a street-wide fireball that engulfed the food truck and the surrounding area, critically injuring Olga and Jaylin. Twelve others were injured, some very seriously. Olga and Jaylin died several weeks later.

As is often the case these days, the dramatic explosion and ensuing fireball were captured on surveillance video. It can still be viewed on YouTube. Investigators appear to have traced the cause of the explosion to one of two 100-lb cylinders that were installed inside the truck. Such installations commonly provide propane to fuel the cooking equipment that is also inside the truck.

Leaking Cylinder

Investigation has also revealed that the food truck was taken regularly to one or more U-Haul retail stores in Philadelphia where the 100-lb cylinders were refilled with propane. It is not entirely clear whether the cylinders were refilled in place, removed from the truck and refilled, or whether there was an exchange of new cylinders. However, given the allegations of the lawsuits that have been filed, a cylinder exchange seems unlikely.

Other reports indicate that one of the cylinders began to leak, filling the truck with propane vapor. A flame from one of the grills inside the truck may have provided the source of ignition. Witnesses apparently told investigating detectives that they smelled gas before the blast. One of the cylinders was blown some 95 feet away into the backyard of a nearby home.

According to the lawsuit, the 100-lb cylinders used in the truck were "old, deteriorated, and damaged." It claims that the two cylinders were manufactured "in or about 1948" and that they were never inspected or requalified in the intervening 66 years since then.

A wrongful death lawsuit was filed by Uliser Galdamez against multiple defendants, including several U-Haul entities, as well as a company called Eri Vending Food Cart Inc., which allegedly was responsible for the design and installation of the cooking facilities in the truck. He claimed that the deaths of his mother, Olga, and sister Jaylin were caused by the negligence of the defendants.

1948 Cylinders?

According to the lawsuit, the 100-lb cylinders used in the truck were "old, deteriorated, and damaged." The suit further alleges that one of the cylinders "suddenly ruptured," resulting in the explosion and fireball. It claims that the two cylinders were manufactured "in or about 1948" and that they were never inspected or requalified in the intervening 66 years since then.

The complaint also states that the cylinders "did not possess the proper components that would allow a person filling the cylinders to know when the cylinders were full," and separately alleges that the cylinders did not have overfill-protection devices.

Overfill?

The complaint states that an overfilled propane cylinder "is an explosion risk," and claims that the cylinders were overfilled. It adds that they "did not possess the proper housing and components atop the cylinders to allow the cylinders to safely function," although no specifics are given regarding the components that are said to be missing. Finally, it contends that the cylinders "lacked a proper pressure-relief system."

Thirty separate allegations of negligence are specified against the U-Haul defendants. In addition, the complaint makes similar allegations against Eri Vending Cart Inc. and its owner, based on the installation of the cylinders in the food truck.

Multiple additional lawsuits have been filed. One such suit, *Lee et. al v. U-Haul Co. of Pennsylvania et. al*, filed by the owner and passengers of a vehicle that happened to pass by the food truck at the time of the explosion, claims that the two 100-lb cylinders in the truck were manufactured in 1948 and were 66 years old at the time of the explosion. The suit further claims that the cylinders "had never been requalified since [1948], as required by state and federal statute."

The Lee lawsuit alleges that the U-Haul retail stores to which the food truck was taken "consistently refilled the propane cylinders notwithstanding the old, deteriorating, and damaged condition in which they existed and lack of requalification." It alleges a "sudden rupture" of one of the cylinders, resulting in the explosion and fireball, and alleges 18 separate claims of negligence on the part of the U-Haul entities, all arising from the refilling and alleged lack of inspection/requalification of the cylinders.

The Lee lawsuit also alleges that Eri Vending Cart Inc. "outfitted" the food truck with the two propane cylinders, and was therefore also negligent for failing to properly inspect them at the time of installation.

The complaint also states that the cylinders "did not possess the proper components that would allow a person filling the cylinders to know when the cylinders were full," and separately alleges that the cylinders did not have overfill-protection devices.

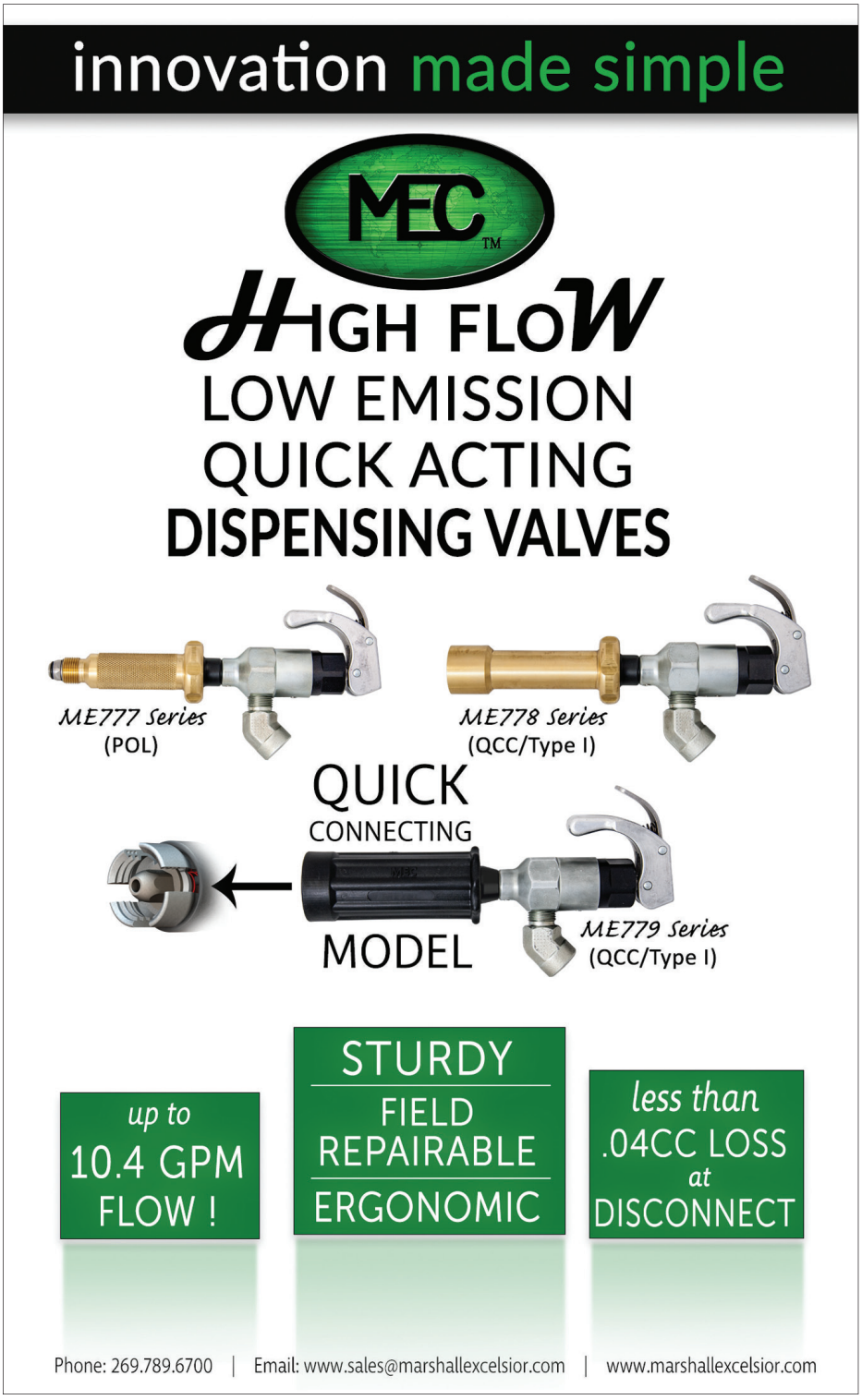
Amended Complaint

In the Galdamez suit, an amended complaint was filed to name six separate U-Haul entities, as well as five AmeriGas entities and parent company UGI Corp. Eri Vending Cart Inc. continues as a defendant. The plaintiffs now assert 49 separate claims of negligence against the U-Haul entities relating to the filling, inspection, and sale of the cylinders involved in the incident. Not to be outdone, the plaintiffs then launched 50 separate claims of negligence against the AmeriGas entities. The claims range from alleged failure to properly inspect and maintain propane filling stations to alleged failure to train and warn those involved in the cylinder-fill operations.

The amended complaint alleges that in 1995 AmeriGas and U-Haul "entered into a contract whereby AmeriGas would install, repair, service, and maintain propane equipment and propane filling stations at U-Haul retail locations throughout the United States." It contends that the propane cylinders involved in the incident were filled at one of these locations.

U-Haul, AmeriGas, and Eri Vending all deny the allegations against them, and a three month trial is scheduled for June 2018.

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Opportunity Expands for Propane Irrigation Systems

While new government regulations are often an annoyance to the propane industry, some new mandates may actually drive customers to propane and away from energy sources that are more hazardous to the environment. Aside from the recent Volkswagen settlement bringing national attention to the environmental advantages of propane, the fully implemented Environmental Protection Agency (EPA) Tier 4 emission standards for off-road engines are also increasing awareness of its positive aspects. Tier 4 emission standards, which put stringent restrictions on diesel engines that require deep reductions in pollutants and particulate matter, went into full effect in 2015. In addition, California has elevated its standards, and they are more rigid than those of the federal government.

These requirements are making propane an easy-to-implement, more cost-effective alternative to diesel fuel for irrigation engines.

As Tier 4 regulations began to take effect seven to eight years ago, the Propane Education & Research Council (PERC) started to work with engine manufacturers. Recognizing the new regulations would make operations more difficult for diesel fuel models, Cinch Munson, PERC's senior vice president of business development, emphasizes, "It is important [for all to] hear about the cost-effective solutions that propane engines for irrigation systems can provide." He adds that savings can often range from 30% to 50% considering all that is involved in buying and operating irrigation systems. Propane has a real opportunity as Tier 3 engines are completely sold out in most regions and the more expensive Tier 4 diesel engines have become the only option. Munson stressed the importance of building relationships with irrigation engine dealers because they often are the primary contact with a farmer and are able to suggest a propane engine as an option.



Experience from the Field

Every region of the country has different factors to consider regarding irrigation. "For us, electricity is cheap at around 11 to 12 cents per kilowatt hour," said Bill Moore, who has been the alternative fuels sales manager at Conger LP Gas (Tifton, Ga.) for more than six years. Conger serves 28 counties in its region. "Electricity will be the go-to option most of the time, especially for farms along highways with easy access to electricity." The opportunity for propane comes when farmers have fields where electricity is not easily accessible. Running lines more than a hundred extra yards rapidly becomes expensive. "This is where propane makes sense—especially when diesel engines are becoming much more expensive due to compliance with Tier 4 emissions standards that do not affect cleaner-burning propane."

Whereas a Tier 3, which is now almost completely obsolete, 125-hp engine costs approximately $17,000 for a propane model and $19,000 for a diesel, those numbers change dramatically moving to a Tier 4, 125-hp diesel, which will cost about $29,000, according to Moore. While a Tier 3, 200-hp diesel engine still had an advantage at $22,000 versus $28,000 for a propane engine, the comparable Tier 4 diesel engine is much higher at $45,000 to $49,000.

Propane also has advantages in nearby Alabama where farmers often need to pull water from rivers because there are fewer ponds. In addition, wells have to be dug deep in order to access groundwater. Wells, at 600 to 700 feet, in many cases are cost-prohibitive to drill. Therefore, propane is the most viable option, especially because it does not contaminate water like diesel and gasoline.

Conger LP Gas is the only retail propane company in Georgia that sells propane engines for irrigation systems. Like Munson, Moore suggests that retailers who aren't interested in selling engines should at least build a relationship with area ag equipment dealers. "They are typically just like retail propane companies as smaller, family-owned businesses. They have long-standing relationships with the farmers." Moore also attends meetings in various counties held to educate agricultural producers. This way he can take his message directly to farmers. "I can often sponsor the meetings and have a table to display my engine and speak for five to 10 minutes."



Across the country in Northern California, where regulations are far more stringent and electricity rates are about double those in Georgia, Shari Pedersen, sales and marketing manager at Allied Propane Service (Dixon, Calif.), also believes relationships are important in building new business in the agriculture industry. "I grew up in this area and have a lot of contacts in the ag field," she said. "Once we overcame some hurdles such as EPA approval and who will warranty these products, we were able to get some propane irrigation systems out into the field. From there it was word of mouth." The word of mouth has spread faster in recent years due to an extended drought coupled with electric rates growing exponentially. "Farmers were ready to go off the grid when propane systems became economically advantageous." Like Moore, Pedersen stresses that her new ag irrigation business didn't happen by accident. She, too, did a lot of homework and became well versed in the irrigation systems available to be able to sell them. She credits Greg Gilbert, an air quality consultant with Autumn Wind Associates who also consults with the Western Propane Gas Association, and Munson at PERC for helping her in the process.

Delta Liquid Energy of Paso Robles, Calif., with multiple locations in the region, also recognizes the work of Munson, Gilbert, and their organizations. Robert Jacobs, vice president of business enterprises and a past chairman of the PERC Agriculture Advisory Committee, is certain that without PERC all the platforms from engine manufacturers now available for propane irrigation would not exist. "The irrigation systems have been a wonderful addition to our book of business. This provides summer load. The business does not come easy, and service and support are critical to the customer relationship if there are any issues with the engines."

Munson and others agree that changes in the ag industry sometimes come slowly, especially when money is tight. "[This is] especially true in the Midwest right now, where commodities like grain, corn, and soybeans are really low in value. Farmers were in no hurry to pay more to dry the product and get it to market. Some are storing it to see if the market will rebound," he said. "PERC promotes ag programs in all regions regardless of the commodity or financial situations at given times. It is important that all keep hearing about the cost-effective solutions available to them." Beyond irrigation, Munson pointed out new efficiency in grain dryer technology, water heat, and building heat. He said organic acres are expanding significantly, although flame weeding used by organic farmers doesn't require a lot of gallons. Irrigation is garnering the most anticipation of significant growth for propane use in agriculture. "Manufacturers are talking about moving to bigger propane engines. They see that propane engines for irrigation are the way of the future." Munson also noted that some retail marketers incorrectly discount the value of ag customers because the margins are typically lower. "You can still sell about as many gallons for one propane irrigation engine as you would to heat 10 homes." he said.

Looking Ahead

While Moore believes that electricity will hold on to the greatest market share for irrigation engines in Georgia, he sees plenty of opportunity for propane over diesel where electric lines are unavailable or impractical. Participants in a 2013 PERC Propane Farm Incentive Program who received up to $5000 toward the purchase of new propane-fueled farm equipment, including irrigation engines and grain dryers, were required to share real-world per-



formance data with PERC. Those who purchased propane irrigation engines reported reducing their fuel cost per hour by nearly 56% compared to diesel models.

Justin Osborne, president of Industrial Irrigation Systems based in Hastings, Neb., agreed that EPA is putting diesel at a disadvantage. He noted that there is increased interest in propane due to rebates, and said he believes PERC has done a fantastic job of educating the ag industry about the possibilities with propane. Bill Heese, sales account manager at Husker Power Products, also based in Hastings, Neb., reviewed that his company started as a diesel engine distributor. "We're not anti-diesel," he said. "Customers understand we promote propane irrigation engines because they are on the upswing." He observes that farmers are not only accepting of new technology to make their farms run more cost-effectively and efficiently, they are demanding it. "Our newest propane irrigation systems provide every benefit farmers have come to expect from electric irrigation systems. We have a wide range of sizes and many aspects of the system can be controlled remotely."

Gilbert, who is widely regarded as having a wealth of knowledge about California's air quality regulations, said he believes propane has all the benefits to take sizable market share from both electricity and diesel for quite a while in California. He agrees that farmers, especially those among the younger generation, are demanding better technology, although he cautions against counting diesel out forever. Gilbert expects a large amount of money will be directed to improving diesel systems to make them more user-friendly and lower their cost per unit.

He comments that while electricity pollutes, it gets a pass since its emissions are released at power plants. In California, he associates propane irrigation systems with more freedom. Users of propane systems have the freedom to move the engines around, the freedom to choose their gas company, the freedom to use the system regardless of peak and off-peak timeframes that affect electric systems, the freedom from diesel systems that can't increase or decrease speed, the freedom from diesel vessels that are required to catch spillage, the freedom from the concern the someone can siphon off the fuel and, of course, the freedom from excess spending. "Propane is plug and play." *—Pat Thornton*

Did Buying Habits for Midwest Crop Dryer Gas Change?

BPN asked several Midwest propane marketers if the threat of higher prices this winter caused farmers to lock in propane volumes earlier in the year, or make any other changes such as adding storage.

Henry Jessen, president of Johnson Propane in Battle Creek, Iowa, said, "It's really our job to handle the storage concerns for our customers and the fire marshal is concerned about too much propane on farms. We did not have very many lock-in volumes any earlier than normal. Commodities are just not supporting much investment activity right now."

John Stonehill, president of Frankfort Bottle Gas in Frankfort, Ind., agreed. Little has changed with ag buying habits. "The biggest change I am seeing is several farms around here are putting in tiling systems to cut down on flooding," Stonehill said. "We've had some flooding around here in some sections."

Applebee Oil in Ovid, Mich. sent a letter to 70 of its agricultural customers in June warning that prices were likely to be 15 to 18 cents above year-ago levels, or higher. "For a while it was raining every other day, so we thought it would be a big dryer gas year," company president Shane Applebee said. "Slowly, we heard from about a third of those we reached out to." There did not end up being significant dryer gas demand in Michigan in the fall, as it turns out.



Propane Mowers Notch Steady Market Share

While December and January are usually busy months in the propane industry, Jeremy Wishart, director of off-road business development at the Propane Education & Research Council (PERC), points out it is also the best time of the year to be talking to lawn and landscape professionals about switching to propane mowers. Decisions will be made between now and April or May, he said. "By the time the mowing season starts again, it is likely too late."

Wishart has witnessed the evolution of propane lawn mowers from holding virtually no market share six years ago to now capturing 5% for models with 36- to 72-in. decks. While market growth has been steady and incremental, he said he believes it may be heading for a major growth spurt. "The propane school bus market is growing rapidly now, but it had very steady incremental growth beginning about 10 to 12 years ago. The propane mower market growth only started upward about six years ago," he said. "The growth in propane school buses is now exponentially higher and I think the same thing will happen with propane lawn mowers as larger players see the benefits."

In 2011 there were only three original equipment manufacturers (OEMs) when PERC launched a dealer demonstration program and encouraged manufacturers and dealers to push propane mowers. Until then, OEMs typically buried propane mowers at the back of their catalogs and produced propane models only by special request. PERC sought to convince OEMs to aggressively promote the benefits of propane-fueled alternatives, and not just grudgingly offer them as a specialty. The council funded production of 300 mowers to jump start the market. The jump start continued with the Propane Mower Incentive Program that offered an incentive of $1000 toward the purchase of a new propane mower, $500 toward a conversion kit, as well as additional incentives offered in some states. Several lawn and landscape companies became early adopters of propane, which promised a positive beginning.

"I thought there was a mistake in calculating numbers at the end of the year," said Doug Duschene, owner and CEO of Bozeman Site Services (Bozeman, Mont.) after his company's first year operating propane lawn mowers. "The savings were so significant." Duschene started researching propane mowers several years ago and was immediately interested in how much pollution could be reduced. Initially several employees were intimidated by the challenge of switching to a new system since traditional fuel had been working well. Now, the company culture has changed for the better, not only due to cost savings but also due to time savings.

Employees are now able to serve their customers over four days a week instead of five and have three-day weekends. They advise other companies to not be intimidated in making the switch to propane mowers, to realize they will not compromise equipment reliability, and to understand it will be a cost-saving endeavor after the initial investment.

"Today there are 14 OEMs of propane mowers and a lot more businesses spreading the word," Wishart said. "Change is always tough, but as companies hear others talk about the cost savings, time savings, and less damage to the environment, they become more interested." He noted that as more and more companies in large metropolitan areas and cities like Chicago have made the switch, other companies in surrounding areas learn about it. Landscape companies like to hear about ways to save money,



and articles describing benefits such as fewer maintenance issues like dirty air filters, fouled spark plugs, and water fouling the fuel get their attention. "The next thing you know, companies near Chicago and up in Milwaukee are investigating propane mowers," Wishart said.

Sebert Landscaping in Chicago is one company that is all-in with propane lawn mowers. "Now it has become a way of life," says Ralph Meyer, the fleet manager who is also in charge of all equipment purchases. "I'd like to see the whole landscaping industry move to using propane." Meyer initially bought three propane mowers to compare with his company's diesel-powered units. He found that carbon emissions were 25% lower. "We wanted to be more environmentally friendly but certainly like the cost savings, no spilling in fuel transfer, no venting, and lower maintenance. At this point, 70% of our fleet of 300 mowers runs on propane."

Mike Trump of Trump Lawn and Landscape in York, Pa. is also pleased with its move to propane mowers. "It seems like more people would jump on board," he said. Trump was initially attracted to the green aspects of propane mowers, but also certainly appreciates the savings for the fuel. While there were initial concerns, employees now like the fuel containers that are easy to put on and take off. "They like not always having to run to get gas and having no mess."

"There were roadblocks in the early days that are no longer presenting as much of a challenge," Wishart outlined. "With more manufacturers, the benefits are being promoted and sales are growing. In addition, the manufacturers have taken it upon themselves to be proactive in training equipment dealers and technicians to be able to service propane mowers."

Landscapers and other grounds maintenance professionals are also initially concerned about propane prices versus diesel prices, he said. "Diesel prices are posted at every gas station, but propane prices are more of a mystery, and initially many think in terms of grill cylinder costs. Once they get the real quotes and understand they can usually lock in a contract price, they become more interested."

In Louisiana, Rotolo Consultants now has 90% of its mowers running on propane. Sustainability, performance, and profitability are three things they consider to be positives, according to Brandt Martin, vice-president of operations. Martin likes the fact that propane is provided in portable containers that his staff can just attach to the machine. "It works better to have a self-contained canister that lasts all day. The endurance on a 43-lb cylinder has proven to give us 8.5 hours of mowing operations," he said. The company has been so pleased with the benefits of propane that it has now also switched to a fleet of 70 service trucks running on propane.

—Pat Thornton



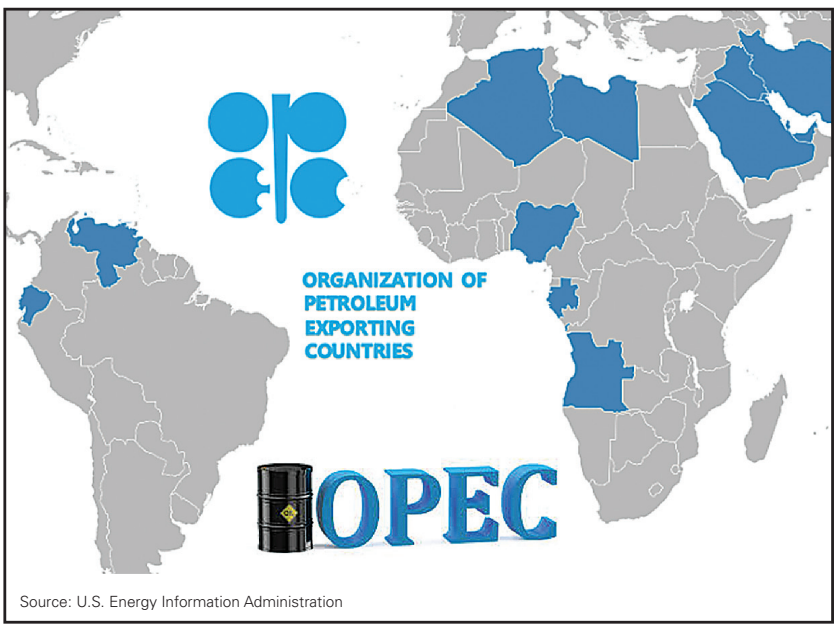


Photo courtesy of BW LPG

OPEC Cuts, World Propane Demand Support Prices

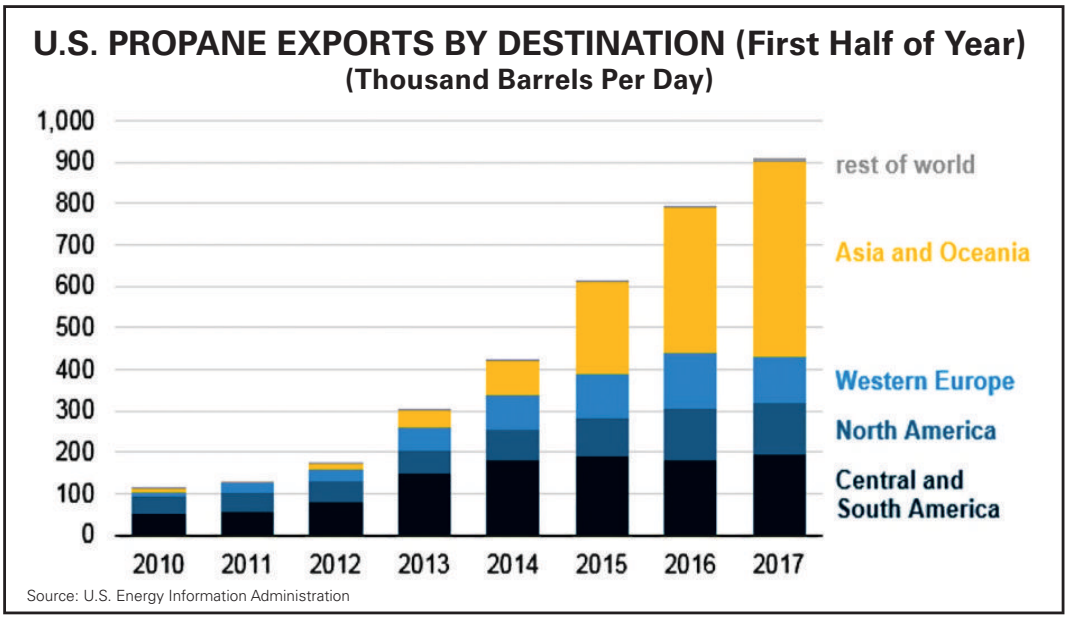
The heating season is well underway and continued OPEC and non-OPEC crude oil production cuts, combined with strong demand for propane in the U.S. and overseas, have all eyes focused on wholesale supply issues. While OPEC and non-OPEC countries confirmed their expected plans on November 30 to keep their output curtailment strategy in place through the end of 2018, propane has more of its own fundamentals also supporting it this season. In late November, we saw propane top 100.00 cents/gal. for the first time since November 2014. Crude futures back then were at around $75/bbl. Propane was trading near 47% of crude, a far cry from the 76% in late November 2017.

By mid-December 2017 propane had backed off to 68% of crude, with Mont Belvieu propane at 93 cents/gal. and crude oil at $57/bbl. Mont Belvieu propane prices over $1 per gallon caused some shipping cancellations in late November and brought exports down to just 681,000 bbld for the week ended Dec. 1. A week earlier exports stood at 1.127 MMbbld. While the sharp drop off in exports was the key factor in a 1.316-MMbbl build the last week of November, stronger U.S. production and slower domestic demand were also in play. Petrochemical use slightly under 300,000 bbld in October and November was at the low end of that sector's typical requirement, and the heating season started off a little stronger than the previous two.



Source: U.S. Energy Information Administration

By December 20, the Energy Information Administration (EIA) was reporting propane exports ramping back up to 1.2 MMbbld. With 71.3 MMbbl in primary U.S. storage, propane was a full 21.2 MMbbl behind previous-year levels on the heels of a 3.3-MMbbl draw. Of that drawdown, 1.9 MMbbl were depleted from the Gulf Coast. The 500,000 bbld shifts from week to week underscore



just how unpredictable propane exports can be. And keep in mind the Mariner 2 East pipeline, which will facilitate more exports from the East Coast, is not yet operational. It will likely be commissioned by next winter. Once in place, U.S. export capacity for propane will be nearly double what has shipped this year.

Hurricane Harvey

Hurricane Harvey added drama to what was already shaping up to be a winter of uncertainty. Knocking exports down to under 200,000 bbld for two weeks in September, Harvey did allow U.S. propane inventories to enter the season at 82 MMbbl, which was above the target of 80 MMbbl many hoped for. Harvey's impact, especially the inability to export much propane, made it the first storm in the U.S. to rattle propane prices throughout the world. With propane mostly inaccessible from the Gulf, Japan and other countries that rely on U.S. imports instead sourced it from the Middle East at a premium. Japan has strict guidelines requiring 40 days' supply be always in place. But Gulf exports bounced back quickly since world prices remained higher than the U.S. and shippers took advantage of the opportunity to profit from the going market.

With U.S. export capacity as high as it is, we often see an uptick in exports occur in tandem with propane trading at a higher percentage to crude oil. Last winter, despite the mild temperatures, we had a 50-MMbbl drop in U.S. propane from the beginning of December to the end of January, mostly due to strong export levels. Propane, which had been trading at levels below 50% of crude oil, suddenly moved up as high as 70% in early 2017. As the heating season came to an end, propane faded back closer to 50%.

With lower inventory levels and concerns about strong demand for exports, propane has been near the 75% mark of crude for most of the first half of the winter season. Capacity and the economics of shipping favor increased exports as time goes on. Consider that the Panama Canal was widened last year and now 35% of the expanded traffic traversing is represented by propane cargos, mostly on very large gas carriers (VLGCs). The widened canal has dramatically shortened shipping routes to Asia, and more competition from a robust buildout of VLGCs has cut freight rates. Demand from Asia, Europe, Central America, South America, and other regions of the world is expected to remain strong.

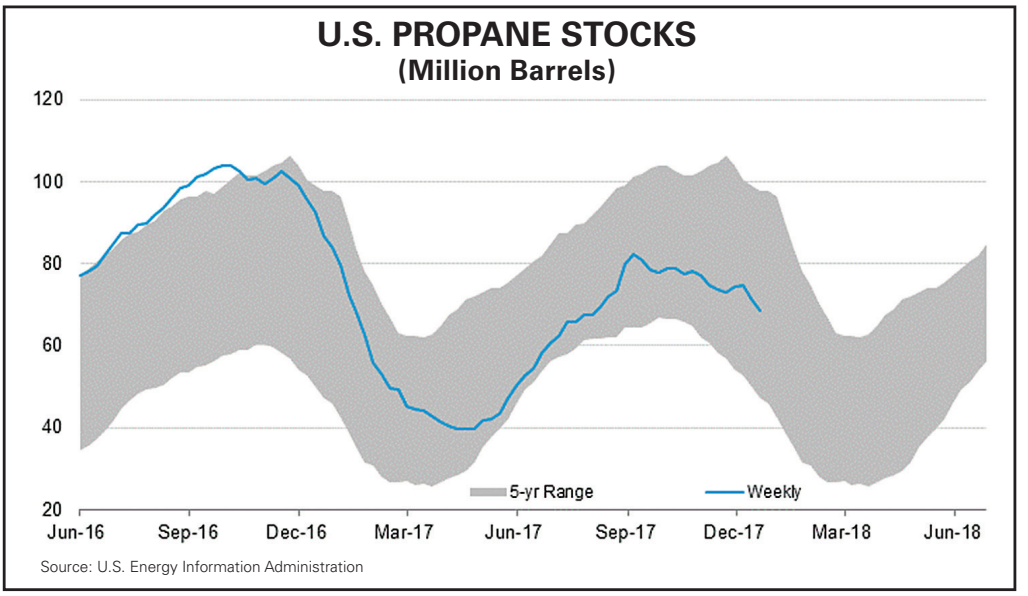
Extended Cuts

The outcomes of OPEC meetings are never certain. Pundits and prognosticators always have their predictions, but the last few years have proven that no one can be certain what direction the Saudi-led producer group will choose. And since output levels lead interest, no one knows until later just how compliant members will be with their agreed-upon production quotas. Until last year, OPEC had not agreed to production cuts for eight years. At November meetings in 2014 and 2015, OPEC could not reach a production curtailment agreement. Members focused instead on expanding individual market shares, which drove collective production levels higher. As EIA data shows, OPEC raked in a record $920 billion in 2012, earned $753 billion in 2014, and garnered $341 billion from oil export sales in 2016. The price of crude oil fell to $27/bbl in February 2016 and spent most of the year in the mid $40/bbl range. Oil economics help show how a crude cartel and other global producers frequently in conflict, or even at war, can still gather and agree to strategies of mutual concern.

The agreement last November was to cut production by 1.2 MMbbld to 32.5 MMbbld. There were a few exceptions to quotas due to unique circumstances that had already slowed output in some countries, but OPEC-led producer group members each agreed to volumes they would cut to meet the reduction targets. Saudi Arabia, the de facto leader of OPEC with double the output of the second-highest OPEC producer, Iraq, produced nearly 11 MMbbld in 2016. Meanwhile, Russia was producing 11.2 MMbbld by November of 2016. As part of last November's agreement, Saudi Arabia agreed to the biggest cut of 486,00 bbld to 10.058 MMbbld. Russia, which originally was willing to freeze production levels at 11.2 MMbbld, ultimately agreed to a cut of 300,000 bbld. While there were concerns about OPEC compliance in early 2017, Saudi Arabia helped make up for it with deeper cuts. During the first few months of the agreed-to quotas, crude oil prices moved higher and spurred a recovery in American drilling that challenged the OPEC goal of balancing the market. Nonetheless, compliance among producer group members was reported at an impressive 120% by fall 2017.

Both Russia and Saudi Arabia made statements in

October supportive of extending supply cuts from March 2018 to the end of 2018. Relations between the two countries were improving and they were reported to have signed more that $4 billion in arms and energy deals. The market gained confidence in an extension and factored its likelihood into trading decisions. Despite this, concerns did arise as several oil company chief executives in Russia were said to be unhappy with the cap on supply and wanted Russia to break up its pact with Saudi Arabia. There were also concerns continued reductions could boost the ruble and harm Russian exports. Some Russian officials said they believed extending the cuts would raise values to a level to further encourage additional U.S. output, which ultimately would push prices lower and give the U.S. more market share. Despite those concerns, Russia stayed onboard and the cuts are scheduled to run through the end of this year.



Planning for the Future

With a 5.2-MMbbl draw on U.S. crude stockpiles reported in December 20 EIA data, there was talk of OPEC needing a possible early exit strategy from cuts. Such a strategy will be on the June 2018 meeting agenda. At the time cuts were extended, the Saudi Arabian energy minister, Khalid al Falih, said, "When we get to an exit, we are going to do it very gradually….to make sure we don't shock the market."

With OPEC serious about keeping production levels lower and balancing the market, propane production in the U.S. is ready to jump on the nearest ship and leave the country, and with inventory levels already about 12% lower than the five-year average, it is again important to have a solid supply plan. As always, strong relationships with trusted wholesale providers who have assets close to your operation are paramount. Make sure wholesale suppliers understand your marketing plan. The ones who work closely with you to meet your unique needs are the ones worth staying with, even if they are occasionally a penny or two higher than someone else. *—Pat Thornton*

Texas Best Global Jurisdiction for Oil and Gas Development

Canada's independent Fraser Institute has once again identified Texas as the most attractive jurisdiction in the world for oil and gas investment, reclaiming the top spot from Oklahoma in an annual global survey of petroleum-sector executives. After Texas, Oklahoma was ranked second. The study was released Nov. 28 by the public policy think tank.

"Texas and Oklahoma have, for years, been seen as the most attractive jurisdictions in the world for oil and gas investors—proof that sound regulatory policies and stable environmental protections help attract scarce investment dollars even when commodity prices are down," said Kenneth Green, the Fraser Institute's senior director of natural resource studies and co-author of the *2017 Global Petroleum Survey*.

This year's survey ranks 97 jurisdictions worldwide based on their barriers to investment—taxation, costly regulatory obligations, and uncertainty over environmental regulations—and on the size of oil and gas reserves. This year, six U.S. states are included in the top 10 jurisdictions around the world. They include Texas, 1; Oklahoma, 2; North Dakota, 3; West Virginia, 5; Kansas, 6; and Wyoming, 9.

The 10 least attractive jurisdictions for oil and gas investment are Yemen, France, Cambodia, California, Indonesia, Ecuador, Iraq, Libya, Bolivia, and lastly, Venezuela. Among the 15 jurisdictions with the largest petroleum reserves worldwide, Texas is No. 1. Following are the United Arab Emirates; Alberta, Canada; Kuwait; and Egypt. Among regions, Europe finished second to the U.S., followed by Canada and Australia. Globally, every region except Africa, Canada, Latin America, and the Caribbean experienced declines in investment attractiveness, according to the Fraser survey.

"With oil and gas investors losing confidence around the world, it's crucial for policymakers to pursue sound regulatory and tax regimes—and perhaps most importantly, stable environmental protections—that attract, not deter, petroleum investments," Green said. The Global Petroleum Survey is sent annually to petroleum industry executives to help measure and rank barriers to investment in oil- and gas-producing regions. A total of 333 individuals completed the 2017 survey, providing sufficient data to evaluate 97 jurisdictions.

10 Things That Can Put You Out of Business

By Frank B. Thompson

Remember the movie "How to Lose a Guy in 10 Days"? It starred Kate Hudson and Matthew McConaughey. The film's premise is that failure to meet another person's expectations results in the dissolution of the relationship.

I repeatedly hear propane marketers voice concerns about being put out of business because of a claim. The concern is that the insurance company that pays the claim will cancel their insurance, and in trying to find a replacement policy they will be unable to pay the greatly increased cost.

These concerns are partially correct, but there are other things that can put a marketer out of business besides a large claim. So here is my list of 10 things that put you out of business:



1. You have a natural disaster such as an earthquake, earth movement, or flood. In California, as well as other parts of the U.S., earthquakes are an ever-present danger. The fact that an earthquake can occur is not the question; it's when and how large. Most marketers in earthquake-prone areas don't buy earthquake or earth movement insurance. And the standard fire policy, even with enhancements, excludes coverage.

The same is true with flood insurance. Flood is normally excluded under the standard fire policy, so marketers in a flood zone without insurance are risking their companies. Stan Rull of Rull Brothers Propane (Bunker Hill, Ill.) explained to me what it was like when the Illinois River breached its levee in 1993. They had seven to 10 days' warning, which allowed them to either secure residential tanks or remove them. However, they had to empty the propane out of their 30,000-gal. bulk tank that was located near the river and fill it with potable water in order to keep it from floating away. This required many hours of hard work and considerable expense to preserve the company's assets.

2. Many marketers are underinsured. Marketers, when shopping for insurance, may use prior years' property insurance values that have not kept pace with inflation or utilize a price they paid for a building or bulk tank they bought years ago. Therefore, they don't meet the coinsurance requirements shown on their policy and would not receive enough insurance proceeds to rebuild.

3. You're an entrepreneur and live life your way. We love the entrepreneur, but being in the propane business does not mean you have to reinvent the wheel. You can save yourself and our company time, energy, and hard-earned cash by joining the various state propane gas associations and the National Propane Gas Association. You have the benefit of training, forms, and using standardized procedures that are accepted by the industry, as well as achieving representation for your company before national, state, and local legislators.

4. You do most of your business by a "good old boy" handshake and rely on verbal communication because you can trust the other party. Recently I came in contact with several propane marketers that set tanks without a written lease agreement. That spells disaster. A written tank lease agreement establishes ownership of the tank. The tank lease agreement should also require the homeowner's insurance company to be responsible in the event the tank is lost or destroyed.

5. You buy propane without knowing when the ownership changes to your company. The ownership of propane normally changes at the flange. The common carrier that hauls for you never takes ownership of the propane, therefore your company owns it while it is being transported. The common carrier is required to carry $5 million of insurance coverage, but a severe loss above that figure puts your company at risk because you own the propane.

6. You don't carry enough liability insurance. A million dollars doesn't go very far in today's litigious society. Burn claims are settled for six to 15 times medical expenses. Death claims are at the mercy of an unfriendly jury. My rule of thumb is to carry at least enough umbrella insurance to cover the worth of your company.

7. You take the shortcuts and live close to the edge. Every once in a while I hear a marketer say, "I am going to gamble." One thing that I tell marketers never to gamble is excluding themselves from workers' compensation insurance if they are active in the business. The reason is simple: You are the one who is most likely to have an accident and the one who is most important to

NPGA Pushes for DOT Regulatory Rollback

With a divergent, pro-business administration arriving in Washington, D.C., an executive order soon followed from President Trump calling upon departments and agencies to reconsider regulations that burden the production and transportation of domestic energy, like propane. In response, the National Propane Gas Association (NPGA) submitted a list to the U.S. Department of Transportation (DOT) for it to review and reevaluate.

NPGA called upon DOT to suspend and repeal several burdensome regulations, among them the Federal Motor Carrier Safety Administration's (FMCSA) entry-level driver training requirements. The association also proposed regulation modifications to streamline efficiency, and echoed its proposal for prospective hours-of-service waivers and expansion of the short-haul operation exemption.

"In response to the requests, NPGA wanted to submit comments for high-priority items," said Sarah Reboli, director of regulatory affairs. "Some of the concerns are issues we had already raised earlier in the calendar year." One, the short-haul operation exemption, was written decades ago. It stipulates that drivers who operate within a 100-air-mile radius, among other factors, are not required to maintain record of duty status (RODS) reports. NPGA is seeking an expansion of the radius from 100 to 300 air-miles based on improvements in highway accessibility and commercial vehicle technology.

"Bobtails are able to go farther today and make it back in a day," Reboli observed." NPGA estimates an increase to 300 miles would eliminate $11 million in annual recordkeeping costs for the propane industry. "An expansion of the air-mile radius would allow marketers to serve more customers and grow gallons," Reboli said. "We met with DOT this [past] summer and they seem willing to make modifications. We will be meeting with them again."

The association also called on DOT to approve its petition to permanently return to the 12-year requalification period for DOT-specification cylinders following volumetric expansion testing. In addition, it raised concerns about jurisdictional propane pipeline systems, and participated in the latest meeting of the National Academy of Sciences' Transportation Research Board (TRB). The board was charged by Congress to perform a comprehensive study to determine whether it is appropriate to increase the threshold for these types of systems, which now fall under DOT's 49 CFR Part 192 regulations. The current regulatory threshold is 10 or more customers, or two or more when a portion of the system is located in a public place.

At the meeting, testimony was heard from several propane industry representatives who shared data relating to cost impacts and pipeline safety. The data was gathered from small, medium, and large marketers operating jurisdictional propane pipeline systems, especially in the New England region, which has seen strict enforcement of the current regulations. Of interest to TRB is the safety of the systems and propane installations in general should the existing threshold be increased.

NPGA demonstrated there is extremely limited incident data for jurisdictional systems, and that they pose no greater risk than non-jurisdictional systems, emphasizing safety will not be compromised if the threshold is elevated. TRB is working on completing a final report to Congress with recommendations by this summer.

NPGA is also seeking modification of Part 173 of federal regulations that impose requirements on shippers to ensure sufficient odorization. Finally, association requested that DOT define internal baffles installed in MC-331 cargo tanks as lightweight attachments, this to clarify conflicting interpretations and a requirement for special permits by the department. *—Pat Thornton*

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the business. Your injury or disability absent the proper insurance coverage could be catastrophic. Remember that workers' compensation covers all medical bills, long-term disability and, in the event of death, burial expenses, and a lost-wage component for your spouse.

8. You can lose your business by not having or completing paperwork. The marketer that says he is doing GASChecks and fails to complete the form with signature(s) is risking his company when he files it away, forgets it, and there is a loss.

9. You don't buy cyber insurance. The insurance industry is well aware of the serious risk your company's computer software is under because of sophisticated hackers. Cyber terrorism is a very real threat, and even the most payment card industry-compliant systems are being hacked. The hacker that gets into your system and takes all your customer information can sell it to a competitor, as well as damage your customers' credit and your reputation. This can put you out of business.

10. You don't buy employment-related practices liability. Employee/employer relationships have changed. All employees have perceived rights that can easily be trampled on by an unthinking employer or manager. No company should be without an employment practices liability insurance policy.

The goal for all marketers should be to go home at the end of the day with a clear conscience, knowing that you have done the best you can for the safety of your customers, your employees, and your family. Don't forget to kiss your significant other and the kids and tell them that your love them. Isn't that the way the movie ended?

Frank B. Thompson is a chartered property and casualty underwriter based in Phoenix. He is the owner of PT Risk Management, an independent insurance company specializing in writing propane and petroleum risk policies throughout the U.S.



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Without Social Media Use Policy, Companies Are Exposed to Risk

The Internet has revolutionized the way business is conducted, and continues to change our lives with each passing day. Social media has also transformed our culture, perhaps equally or more profoundly than the invention of print, radio, and television.

A recent Pew Research Center study found that two-thirds (67%) of Americans report getting at least some of their news on social media—and two in 10 reporting they do so often.

Today, social channels have grown to serve a variety of personal and professional purposes. These platforms provide an avenue to build a brand image, communicate with and cultivate loyal customers or, better yet, serve as brand advocates. However, a business without a clear social media policy in place 1) risks damage to its brand, 2) faces potential risk from the unintended consequences of a misinterpreted post, 3) risks removal from a social media platform due to site policy violation, 4) risks its site getting hacked, or 5) could even face legal challenges if a post misrepresents the truth or breaks the law. In today's information age, social media is laden with potential business liabilities that make having a social media policy in place a prudent business practice.

A social media policy shouldn't just focus on making sure your team doesn't mess up. When there are clear guidelines in place confusion is eliminated and they help employees understand what they can or cannot do on social media. A social media policy can help empower employees to participate more enthusiastically.

A review of social media policies from a variety of companies reveals that there is no one-size-fits-all solution. Some social media policies are lengthy and explicit; others are short and give wide latitude to what may be posted online. *Forbes* magazine asserts that in a world where information is shared instantaneously, it is essential that businesses develop a comprehensive policy that includes guidelines, best practices, and training tips for employees.

It is important that companies ensure their social media policy meets the lawful guidelines as outlined in Section 7 of the National Labor Relations Act, upheld by the National Labor Relations Board (NLRB). Employment and labor law consulting firm Littler Services outlines important "Takeaways for Employers" as a result of the NLRB's August 18, 2016 decision in *Chipotle Services LLC*. These takeaways provide useful guidance for drafting rules commonly seen in a social media policy, as well as the enforcement of policy guidelines.

The board's decision in *Chipotle* provides a roadmap for employers when drafting a policy. The following are key takeaways:

1. Employers should avoid broadly prohibiting employees from using the employer's logo or name in non-work-related social media communications. Such action may be deemed to infringe upon employees' Section 7 rights. Instead, employers should consider narrowly tailoring any restrictions on the use of the corporate logo to prevent improper use.
2. Although the administrative law judge ruled that the prohibition in Chipotle's social media policy on harassing or discriminatory statements did not violate the act,

employers should still consider defining these terms by referencing harassment or discrimination policies.

3. Policy language that is general or establishes subjective standards, such as "confidential" or "inaccurate information," could raise a red flag for the board and reviewing courts unless accompanied by examples that make it clear to employees that policy does not extend to protected speech.
4. Employers should not expect that a disclaimer saves an otherwise overbroad provision in a social media policy, especially if that disclaimer is only general in nature and appears at the end of the policy.
5. Employers should consider consulting with counsel when drafting or updating their social media policy.

In addition to being a fun and rewarding method for sharing information, social media presents certain risks, and ultimately the business is responsible for what is posted on its channel.

The Society for Human Resource Management shares a sample social media policy that has been ruled lawful by NLRB. The sample policy addresses posting guidelines and enforcement actions that will be taken if the policy is not followed. It clearly outlines rules that employees must adhere to when using social media at work. These common sense rules include the following:

- Be respectful;
- Be honest and accurate;
- Post only appropriate and respectful content;
- Retaliation is prohibited, and;
- Observe guidelines for how employees must interact with media contacts.



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The key for business leaders is to have a social media policy and make sure that employees are familiar with it. Employees need to understand that a policy is necessary to shield their company from potential brand damage, legal action from a misguided post, or any number of unpleasant scenarios. The following social media guidelines are shared from the policies of several noteworthy businesses:

Coca Cola: Only subject matter experts should respond to negative posts. Employees may come across disparaging posts about the company or its brands, or see third parties trying to spark negative conversations. Unless they are a certified online spokesperson, they must avoid the temptation to react themselves. An employee should pass the post along to official market spokespersons who are trained to address such comments.

Ford Motor Co.: The social media policy consists of five core principles. 1) Be honest about who you are. 2) Clarify that your opinions are your own. 3) Show respect and humility in all communications. 4) Show good judgment in sharing only public information, and 5) Be aware that what you say is permanent.

Platte County (Mo.) Economic Development Council: When in doubt—don't post. Our platform will not be used for political or religious purposes. Post responsibly, positively, and without malice. Do not reference coworkers, colleagues, or partners without permission.

To keep your brand safe, *Forbes* Human Resources Council highlights eight social media recommendations from human resource professionals that should be addressed in an employee social media policy:

1. **Educate Employees About Social Media**. This includes, but is not limited to, the social media site's terms of use, conditions, and limitations.
2. **Remind Employees of Blurred Personal/Professional Lines**. How one represents one's self on a "personal" social media account can often bleed into their "professional" interests. This may result in a negative professional consequence.
3. **Present Views in a Professional Manner**. Remember, employees are ambassadors for your organization. Make sure they post in a professional manner, avoid controversial views, and understand the social conventions practiced on different platforms, i.e., posting birthday photos on Facebook vs. LinkedIn.
4. **Respect Professional Boundaries**. Respect professional boundaries of coworkers. A post about a coworker could be misconstrued as "cyberbullying," which makes for a hostile work environment.
5. **Keep Workplace Issues or Conflicts Confidential**. Remind employees that they are representatives of the company. Any complaints or concerns can be properly addressed and mediated without an online audience of customers, partners, or competitors.
6. **Clarify Whose Opinion Is Expressed**. Always use a clarifying statement when the post expresses an employee's personal opinion, "The opinions expressed on this site are my own and do not necessarily represent the views of my employer."
7. **Represent an Employer Across All Platforms**. A social media policy should apply to all platforms, and to everything employees post online.
8. **Non-disclosure of Confidential or Proprietary Information**. Businesses should clearly state that employees should not disclose company information that is confidential or proprietary. There should be a defined department or person to contact should a question arise about what information falls into those categories. And, tie-in your code of conduct policy so that it is understood that violations could result in discipline or separation of employment.

Today, social media is an essential part of business that continues to transform lives. Remember, a social media policy is a living document that needs to be revisited each year and updated accordingly. Additionally, legal counsel and review may prove beneficial in drafting a social media policy that is lawful and legally binding. —*Andrea Young*



Autogas Fueling Nearly 600 Nestlé Waters Delivery Trucks

Environmental stewardship is driving Nestlé Waters North America's deployment of more than 400 additional medium-duty ReadyRefresh by Nestlé beverage delivery trucks fueled by propane autogas. The company now operates nearly 600 of the alternative fuel trucks, which make up about 30% of its total North American fleet.

"Becoming a better steward of our environment is a priority for Nestlé Waters," said Bill Ardis, national fleet manager of the ReadyRefresh business unit. "We've been running propane autogas vehicles since 2014, beginning with five Class 5 vehicles. Based on the proven emissions reduction compared with our older diesel units, and lower fuel and total cost of ownership, we knew this was the right application for us within the alternative fuel space. With propane being domestically produced, it's proven to have a more stable cost per gallon, while the fueling and maintenance infrastructures are much more cost effective than other alternative fuel options."

ReadyRefresh's additional Ford F-650 and F-750 delivery trucks are equipped with ROUSH CleanTech (Livonia, Mich.) autogas fuel systems that provide 55 usable gallons of fuel "without compromising our standard delivery methods," said Ardis. The Ford 6.8-liter, V-10, three-valve engine is certified to 0.05 grams per brake horsepower/hour for nitrogen oxide. The engine is 75% cleaner than the current Environmental Protection Agency standard and 99% cleaner than diesel vehicles built before 2007.

ReadyRefresh's heavier-duty trucks fueled by propane autogas reduce nitrogen oxide and particulate matter when compared to diesel models," said Todd Mouw, vice president of sales and marketing at ROUSH CleanTech. "Propane autogas is an affordable, abundant American fuel that allows industry leaders like Nestlé Waters to reduce their operating costs while helping to preserve the environment in which they work."

Nestlé's vehicle operators also cite additional benefits for autogas, including a quieter engine, powertrain performance equivalent to current diesel delivery vehicles, easy fueling, and simple operations. "Many of our drivers have provided positive feedback for the propane vehicles," said Robert Austin, supply chain director of the ReadyRefresh business unit. "We are excited about this strategic endeavor that will ultimately drive awareness, efficiency, and sustainability. Our new fleet will ensure that ReadyRefresh is poised to meet our consumers' needs and the delivery of our great brands while improving our environment."

ROUSH CleanTech notes that propane autogas is the leading alternative fuel in the U.S. and the third most commonly used vehicle fuel following gasoline and diesel. More than 90% of the U.S. propane supply is produced domestically, with an additional 7% coming from Canada. Nestlé Waters North America continues to make strides to create a more sustainable future through its use of alternative fuels. In 2016 the company was recognized by its parent company, Nestlé Worldwide, for its commitment to alternative fuel vehicles in the U.S. The company will continue to replace older delivery vehicles with autogas alternatives to reach its goal of operating 52% on propane by 2019.

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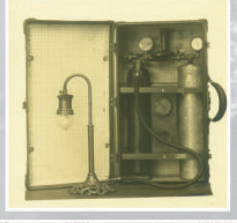
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NPGA Invites Congress to the Dance

By Peter Ferrell

We all remember our high school dances, those socially awkward mixers generally held in poorly decorated school gymnasiums complete with hand-made signs, streamers, and balloons. A deejay or local garage band would serenade the crowd. Boys and girls would initially find themselves cloistered around the venue, finding social security among like-minded friends—jocks with jocks, nerds with nerds, cool-kids with cool-kids, etc.

If Congress is the high school dance, and members of Congress of various political parties and caucuses are the cliques of awkward friends, then the National Propane Gas Association (NPGA) is the cool garage band attempting to get everyone on the dance floor. In 2018, NPGA hopes to hit the right chord with representatives and senators as it seeks to obtain a legislative fix to the infamous "crane rule" that has haunted the industry for years. Republicans and Democrats, who have little incentive this election year to work together, will need to be convinced to mingle over this issue and hopefully dance.

In the House, the Health, Education, Labor, and Pensions subcommittee has jurisdiction over the crane rule issue. This is a junior committee, one that is populated usually by first-term members from both parties. For Democrats, these members generally represent districts that are urban and diverse and are supported by unions and other groups seeking to preserve the labor status quo. GOP subcommittee members tend to be junior within their caucus, too, using their time to build relationships (and donor networks) that can vault them to a more prestigious committee.

The industry's largest legislative successes in Congress have all been bipartisan in nature, with each side of the aisle agreeing on both the merits and substance of what our members have asked for. Propane is used in every congressional district in the country, so there is a familiar story to tell even to representatives who have little or no exposure to the industry. With a dynamic lobbying effort, complimented by an engaged and active grass-roots voice, solving the issue of the crane rule is possible.

To get involved with the industry's grass-roots advocacy, contact Peter Ferrell at *pferrell@npga.org*.

Peter Ferrell is director, political and industry affairs, of the National Propane Gas Association.



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LYNN SHEETS
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WESROC Monitoring Solutions (Blair, Neb.) has added two new employees to its team. **Derek Montgomery** has joined the firm to manage and grow accounts in the Great Lakes region. Montgomery brings a wealth of industry experience to his new position. Upon joining the industry in 1988, he spent his first 10 years performing every role from cylinder dock filling, cylinder/bulk driver, Level 5 service tech, and eventually working his way to becoming an operations manager. For the last 19 years, Montgomery has been in propane sales, focused on adding clients in Ohio and Michigan.

Mike O'Brien has been named to manage and expand the accounts in WESROC's northeast region. O'Brien also has a great deal of experience and knowledge of the industry, having spent 11 years in propane sales and five years in business consulting. He is acknowledged by his peers as being passionate about helping businesses achieve their financial goals by reducing expenses and increasing sales.

Lynn Sheets has joined **K & K Management Solutions** (Avon, Ind.) as vice president of business strategy. In his new role, he will work closely with the company's Valued Partners to provide customized management services to create and manage new business strategies to help them increase ROI, productivity, and efficiencies to ensure consistent and sustainable bottom-line improvement. Since joining the industry in 1974, Sheets has gained wide-ranging energy-related business experience with cooperatives, and propane and petroleum marketers. As the petroleum manager at Key Cooperative/SCE in Iowa for 13 years, he was a K & K Management Solutions' Energy-Force Enterprise Valued Partner. An active member of the industry, he has been recognized as CHS Propane Marketer of the Year (2004 and 2008), and has participated on the Iowa Propane EFI Board (2002-2006), IPGA Governmental Relations Committee (instrumental in the passing of the state PERC), Iowa Propane Gas PAC, and NPGA Benchmarking Council.

The **Colorado Propane Gas Association** has elected its officers for the 2017-2018 term. **Randy Crane** of Comfurt Gas (Buena Vista) will serve as president; **Bryant Gimlin** of Hill Petroleum (Greeley), vice president; **Skotty Morris**, Monte Vista Coop (Monte Vista), secretary; and **Cathy Buxton** of Wallace Gas and Oil (Lamar), treasurer.

Tom Blackwood of Simmons Energy Solutions (Decatur) will serve as president of the **Arkansas Propane Gas Association** for 2017-2018. **Drew Craft**, Craft Propane (Jonesboro), was elected vice president; and **Donnie Rhea**, AmeriGas Propane LP (Plumerville), treasurer. **Tommy Vanaman** of Synergy Gas (Beebe) is past president.

Directors include **Marcus Felker**, Danmar Propane (Crawfordsville), District 1; **Sherrill Hayes**, Heritage Propane (Batesville), District 1; **Brad Hamilton**, Ferrellgas (Hot Springs), District 2; **Ed Williams**, Pinnacle Propane (Mountain Pine), District 2; **Billy Prince**, Pinnacle Propane (Greenbrier), District 3; **Gregg Luebbering**, Tyson Gas (Springdale), District 3; **Ray Still**, Southern LP Gas (DeQueen), District 4; and **Tom Byrd**, Ceba Gas Inc. (Murfreesboro), District 4. At-Large Members include **Jim Burcham**, Sungas Propane (Damascus); **Ken Dewitt**, AmeriGas (Wynne); **Mark Porth**, CHS (Lawson, Mo.); and **David Perkins**, Dealers LP (Marshall, Mo.).

Craig Fisher of **Gas Equipment Co.** (Orlando) has been elected president of the **Florida Propane Gas Association** for the 2017-2018 term. Serving with him are **Sam Hodges**, Suburban Propane (Sarasota), first vice president; **Robbie Robertson**, Thermotane Propane (Sanford), second vice president; and **Brian Powers**, Indiantown Gas Co. (Indiantown), secretary/treasurer. **Greg Blazina** of Florida Public Utilities Co. is immediate past president.

Board of directors with terms expiring in 2018 include: **Todd Lawrence**, Farmers Cooperative; **Debra Lynch**, AmeriGas; **Don Lynch**, AmeriGas; **Donnie Moore**, CUI; and **Jerry Melendy**, Coker Fuel. Directors with terms ending in 2019 include: **Kevin Bahr**, Bahr's Propane Gas & A/C Inc.; **Ken DePrinzio**, Total Comfort Gas; **Jim Daus**, Tri State Distributors; and **Finbar Doyle**, Suburban Propane. **JD Bain**, Ferrellgas; **Mack Hacker**, Suburban Propane; **Patti Mulligan**, Sams Gas; and **Steve**

Romano, Gas Equipment Co. will serve on the board until 2020.

Raleigh Garrett, G&S Gas (Milledgeville), will serve as president of the **Georgia Propane Gas Association** for the new term. Also elected were **Pete Cates**, TruFlame Gas (Waynesboro), president elect; **Steve Pearson**, Mountain Gas (Cleveland), vice president; **Mark Holloway**, Modern Gas (Albany), secretary; and **Lynda Humm**, Georgia Gas Distributors (Sandy Springs), treasurer.

Dan Balmer of Penn Valley Gas Inc. (Telford), has been elected to serve as the 2017-2018 president of the **Pennsylvania Propane Gas Association**. Serving with him are **Harold Sweet**, Star Group LP (Douglassville), president elect; **Beth Donovan**, AmeriGas Propane, vice president; **Mark Delehanty**, Independence Propane (Green Lane), treasurer; and



CASEY FRAYKO
Advanced Digital Data

Hugh Rich III, Richgas Inc. (Kane), secretary.

Advanced Digital Data, Inc. (ADD Systems; Flanders, N.J.) recently expanded its sales team with the addition of **Casey Frayko** as a full-time inside sales representative. He brings with him four years of sales experience, having worked as a salesman for a waste-water equipment company.

Jeff Ruffner, EnergyUnited Propane LLC (Statesville), will serve as president of the **North Carolina Propane Gas Association** for the 2017-2018 term. Also on the executive board are **Billy Foust**, Williams Energy Group (Tarboro), chairman; **Joe Phillips**, Creedmoor Fuels (Creedmoor), chairman-elect; **Scott Prewitt**, Blossman Gas (Swannanoa), vice-chairman; **Angi Harris**, Gardner Marsh (Raleigh), secretary; and **Jeff Wade**, Rand Wade Oil Co. (Snow Hill), treasurer.

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BPN's Propane Industry Calendar

For up-to-the-minute meeting and convention information, use the telephone number listed, or additional listings can be found at www.bpnews.com

2018

Jan. 9-11—NAHB International Builders' Show, Orange County Convention Center, Orlando, Fla. (202) 266-8610

Jan. 16-17—2018 National Trainers Conference, Embassy Suites, San Antonio Riverwalk Downtown, San Antonio. (202) 452-8975

Jan. 16-18—Argus Americas LPG Summit, Hilton Americas, Houston. *conferencesales@argusmedia.com*

Jan. 18-19—National Propane Gas Association Benchmarking Council Groups A-F, Embassy Suites West Palm Beach Central, West Palm Beach, Fla. (916) 531-2231

Jan. 22-24—AHR Expo, McCormick Place, Chicago. *info@ahrexpo.com*

Jan. 23-25—Minnesota Propane Association Winter Convention, Mystic Lake Convention Center, Prior Lake. *roger@mnpropane.org*

Jan. 25-26— National Propane Gas Association Benchmarking Council Groups G-L, Embassy Suites West Palm Beach Central, West Palm Beach, Fla. (916) 531-2231

Feb. 11-13—National Propane Gas Association Board of Directors Meeting, The Fess Parker, Santa Barbara, Calif. (202) 355-1335

Feb. 13-15—World AG Expo 2018, International Agri-Center, Tulare, Calif. (800) 999-9186

Feb. 14—Propane Education & Research Council Meeting, The Fess Parker, Santa Barbara, Calif. (202) 452-8975

Feb. 15—Deadline for submitting National Propane Gas Foundation Scholarship Applications

Feb. 19-21—The ARA Rental Show, Ernest N. Morial Convention Center, New Orleans. (800) 334-2177

Feb. 22-23—2018 PACEshow, Kansas City Convention Center, Kansas City, Mo. (785) 233-9655

Feb. 22-28—NRECA Annual Meeting, Music City Meeting, Nashville, Tenn. (877) 766-3226

March 4-6—National Propane Gas Association Spring TS&S Committee Meeting, Hilton Savannah DeSoto, Savannah, Ga. (202) 355-1335

March 5-7—Energy Utility & Environment Conference, San Diego Convention Center, San Diego, Calif. *info@euec.com*

March 6-9—The Work Truck Show 2018, Indiana Convention Center, Indianapolis. (800) 441-6832

March 7-8—LPG Europe Summit, location tba, Lisbon, Portugal. *mkielerska@acieu.net*

March 8-10—HPBA Expo 2018, Music City Center, Nashville, Tenn. (703) 522-0086, ext. 113

March 13-15—M-PACT Show, Indiana Convention Center, Indianapolis. (217) 241-0507

March 27-28—New York Propane Gas Association Spring Conference & Annual Meeting, The Desmond Hotel, Albany. (518) 383-3823

April 5—Propane Education & Research Council Meeting, location tba, Atlanta. (202) 452-8975

April 6-8—National Propane Gas Association Southeastern Convention & International Propane Expo, Georgia World Congress Center, Atlanta. (202) 466-7200

April 15-18—GPA Midstream Convention, Austin Marriott, Austin, Texas. (918) 493-3872

April 24-26—Manufactured Housing Institute 2018 National Congress & Expo, Paris Hotel, Las Vegas. *info@mfghome.org*

April 26-27—National Propane Gas Association Benchmarking Council Meeting (Groups A-F), Wyndham Bayside, San Diego, Calif. (916) 531-2231

April 30-May 3—ACT Expo 2018, Long Beach Convention Center, Long Beach, Calif. (888) 993-0302

May 3-4—National Propane Gas Association Benchmarking Council Meeting (Groups H-M), Wyndham Bayside, San Diego, Calif. (916) 531-2231

May 10-11—PERC Advisory Committee Meeting, Marriott St Louis Grand, St Louis. (202) 452-8975

May 15-17—International School of Hydrocarbon Measurement, Cox Convention Center, Oklahoma City, Okla. (405) 831-8609

May 16-18—Western Propane Trade Show & Convention, Silver Legacy Hotel & Reno Events Center, Reno, Nev. (916) 447-9742

May 23—Michigan Propane Gas Association Propane Safety Awareness Day, State Capital Lawn, Lansing. (517) 487-2021

May 31-June 1—AEGPL Congress, Grimaldi Forum, Monaco. *info@aegpl2018.com*

June 3-6—2018 Presidential Summit, Mid Year Board of Directors Meeting and Propane Days, Renaissance, Washington, D.C. (202) 466-7200

June 6-7—Canadian Propane Association Leadership Summit & Golf Tournament, Brookstreet Hotel, Ottawa, Ont. *info@propane.ca*

June 11-14—2018 Mid-States Show, Branson Hilton Convention Center, Branson, Mo. (800) 601-9332

June 11-14—NFPA Conference & Expo, Mandalay Bay Convention Center, Las Vegas, Nev. (800) 344-3555

June 13-15—Global Petroleum Show, Stampede Park, Calgary. (888) 799-2545

June 18-21—North Central Convention & Trade Show, La Crosse Center, La Crosse, Wis. *dgrooms@iapropane.org*

June 20-22—2018 Tri-State Meeting, Sands Casino Resort, Bethlehem, Pa. (717) 441-6040

June 26-28—Colorado-New Mexico Convention, Courtyard By Marriott & Pueblo Convention Center, Pueblo, Colo. (303) 424-0870

June 27-28—North Dakota Propane Gas Association Meeting & Convention, Rough Rider Hotel, Medora. (701) 223-3370

July 11-12—Propane Education & Research Council Meeting, location tba, Minneapolis. (202) 452-8975

July 14-18—Virginia Propane Gas Association Annual Meeting, Hilton Virginia Beach Oceanfront Hotel, Virginia Beach. (866) 881-6309

July 18-20—Pacific Propane Gas Association Conference, The Hotel Alyeska, Girdwood, Alaska. *ppga@kdafirm.com*

Aug. 4-6—Crossroads Propane Expo & Conference, FW Convention Center, Fort Worth, Texas. *info@txpropane.com*

Aug. 8- 9—Northeast Propane Show, DCU Center, Worcester, Mass. *Caryn@pgane.org*

Aug. 12-15—South Carolina/Georgia Southern Connection Convention, The King & Prince and Golf Resort, St. Simons Island, Ga. (803) 865-2284

Sept. 9-11—2018 Fall TS&S Committee Meeting, Crown Plaza Indianapolis, Indianapolis. (202) 355-1355

Sept. 13-14—National Propane Gas Association Benchmarking Council Meeting (Groups A-H), Embassy Suites, Baltimore. (202) 466-7200 ext. 335.

Sept. 17-20—Gastech Exhibition & Conference, Fira Gran Via, Barcelona. *info@gastechevent.com*

Sept. 20-21—National Propane Gas Association Benchmarking Council Meeting (Groups I-M), Embassy Suites, Baltimore. (202) 466-7200 ext. 335

Sept. 23-25—Manufactured Housing Institute 2018 Annual Meeting, Pasea Hotel & Spa, Huntington Beach, Calif. *info@mfghome.org*

Sept. 30-Oct. 2—National Propane Gas Association Board of Directors Meeting, The Four Seasons Downtown, Houston. (202) 355-1335

Oct. 2-4—31st World LPG Forum, Hilton Americas Houston, Houston. *eassous@wlpga.org*

Oct. 17-19—World Engineering Congress 2018 Conference and Expo, Charlotte Convention Center, Charlotte, N.C. (770) 447-5083 ext. 226

Oct. 24-26—Pacific Propane Gas Association Conference, Eagle Crest Resort, Redmond, Ore. *ppga@kdafirm.com*

Nov. 8-9—Propane Education & Research Council Meeting, location tba, Savannah, Ga. (202) 452-8975

Nov. 11-13—Air Conditioning Heating & Refrigeration Institute Annual Meeting, J W Marriott Starr Pass, Tucson, Ariz. (703) 524-8800

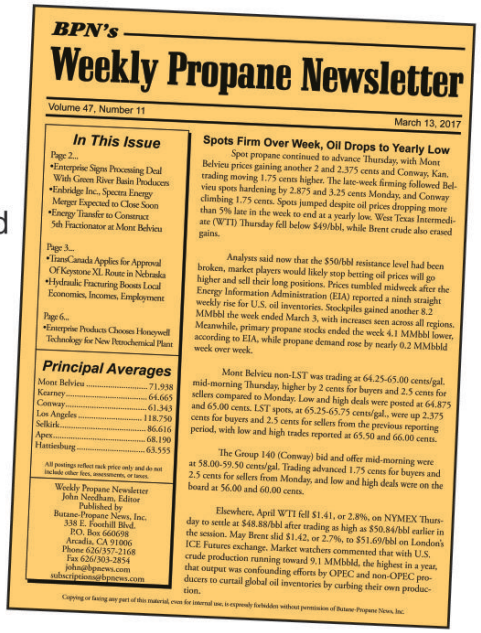
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In This Issue
Page 2...
•Enterprise Signs Processing Deal With Green River Basin Producers
•Enbridge Inc., Spectra Energy Merger Expected to Close Soon
•Energy Transfer to Construct 5th Fractionator at Mont Belvieu
Page 3...
•TransCanada Applies for Approval Of Keystone XL Route in Nebraska
•Hydraulic Fracturing Boosts Local Economies, Incomes, Employment
Page 6...
•Enterprise Products Chooses Honeywell Technology for New Petrochemical Plant

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Spots Firm Over Week, Oil Drops to Yearly Low

Spot propane continued to advance Thursday, with Mont Belvieu prices gaining another 2 and 2.375 cents and Conway, Kan. trading moving 1.75 cents higher. The late-week firming followed Belvieu spots hardening by 2.875 and 3.25 cents Monday, and Conway climbing 1.75 cents. Spots jumped despite oil prices dropping more than 5% late in the week to end at a yearly low. West Texas Intermediate (WTI) Thursday fell below $49/bbl, while Brent crude also erased gains.

Analysts said now that the $50/bbl resistance level had been broken, market players would likely stop betting oil prices will go higher and sell their long positions. Prices tumbled midweek after the Energy Information Administration (EIA) reported a ninth straight weekly rise for U.S. oil inventories. Stockpiles gained another 8.2 MMbbl the week ended March 3, with increases seen across all regions. Meanwhile, primary propane stocks ended the week 4.1 MMbbl lower, according to EIA, while propane demand rose by nearly 0.2 MMbbld week over week.

Mont Belvieu non-LST was trading at 64.25-65.00 cents/gal. mid-morning Thursday, higher by 2 cents for buyers and 2.5 cents for sellers compared to Monday. Low and high deals were posted at 64.875 and 65.00 cents. LST spots, at 65.25-65.75 cents/gal., were up 2.375 cents for buyers and 2.5 cents for sellers from the previous reporting period, with low and high trades reported at 65.50 and 66.00 cents.

The Group 140 (Conway) bid and offer mid-morning were at 58.00-59.50 cents/gal. Trading advanced 1.75 cents for buyers and 2.5 cents for sellers from Monday, and low and high deals were on the board at 56.00 and 60.00 cents.

Elsewhere, April WTI fell $1.41, or 2.8%, on NYMEX Thursday to settle at $48.88/bbl after trading as high as $50.84/bbl earlier in the session. May Brent slid $1.42, or 2.7%, to $51.69/bbl on London's ICE Futures exchange. Market watchers commented that with U.S. crude production running toward 9.1 MMbbld, the highest in a year, that output was confounding efforts by OPEC and non-OPEC producers to curtail global oil inventories by curbing their own production.

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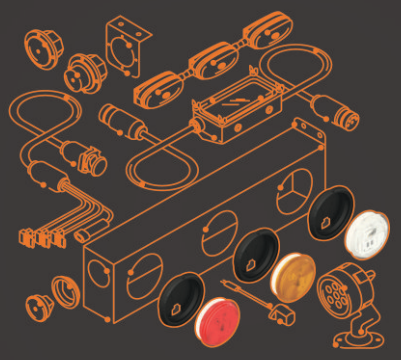
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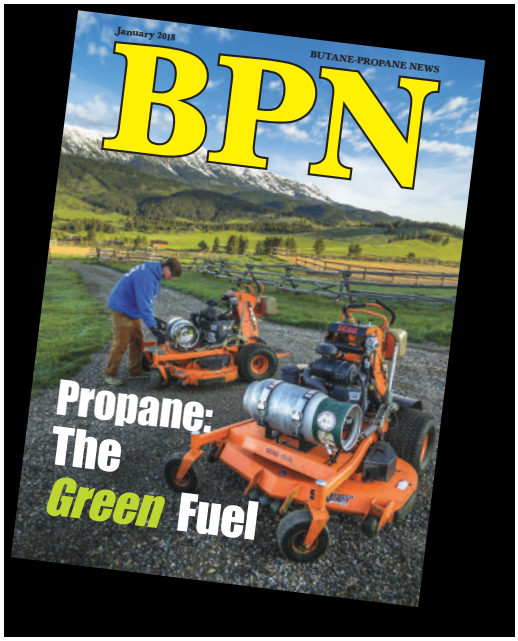
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Sense of Adventure, Love of Learning Led to Propane Career

Jennifer Jackson, regional vice president of the ThompsonGas–Mid Atlantic region, was born and raised in Montana. At age 19, she and her roommate loaded up her car and drove to Florida. "We wanted to go somewhere warm, and it [Florida] was called the Sunshine state," she said.

Jackson sold vacuum cleaners door-to-door to make rent while looking for something else to do. "I always had two jobs. I loved hands-on learning, and I like to make money." she said. "Selling vacuums was an adrenaline rush. I loved the skillset required to be successful at that type of sales. It's not without challenges. For me that's the adventure, trying something new and seeing where it takes you."

Women in Propane

Her resourcefulness, sense of adventure, and love of learning led Jackson, a single mother, from Pensacola to Raleigh, N.C. where she went to work for Ferrellgas.

"Ferrellgas had a position in customer service. I didn't know anything about the propane industry. I learned everything I could very quickly, and I was very intrigued by the propane industry," she said. "It's very rewarding to be in an industry where your customers get to choose you."

Four years and several positions later, Jackson was promoted to general manager. "It was pretty fantastic. I was excited for the opportunity to lead a team and grow the business. It fuels my passion." After nearly seven years with Ferrellgas, she took a short break from the propane industry and spent time managing a credit and criminal background company. "But propane gets into your system. It's hard to get into and not go back," she said.

At the same time she was ready to make a change, ThompsonGas acquired a propane company in North Carolina and hired her as an area manager overseeing six locations in the state. "I was excited for the new opportunity to get back into selling propane."



Founded in 1946, ThompsonGas is one of the top 16 propane companies in the U.S., providing propane services to residential and commercial customers nationwide. Today, as a regional vice president located in Frederick, Md., Jackson is responsible for all locations in Virginia, West Virginia and Maryland. "It hasn't been without challenges. It's a role I've never had before—adjusting to lead the management team rather than managing the operational team," she said. "I'm fortunate to work with some of the best mentors in the industry."

Mentors have been an important part of her career at both Ferrellgas and ThompsonGas. "I definitely feel like this industry has more of a team spirit and family feel than any other industry. It's extremely competitive, but everyone wants to see the propane industry grow and succeed."

Soon after she joined ThompsonGas, George Koloroutis, the company's CEO and one of her mentors, suggested Jackson and several other talented team members attend the National Propane Gas Association's Women in Propane Council (WIP) meeting at the Southeast Convention. It was the first she'd heard of the organization, but she quickly became involved and joined the Knowledge Exchange, a mentoring program.

"I was really inspired by what they (WIP) were trying to do and the inspiration given out," she said. "My recommendation to everyone is try and do both alternately—be the mentee and the mentor. It's fantastic to have your time to work on your goals and to be a mentor offering support to another's success. We all have goals to work on, but we also have a lot of talent and knowledge to share."

This year she is committing even more time to chair the Knowledge Exchange. The time spent in the program varies. Mentees are paired with mentors and set their own schedules to meet or talk once a week or twice a month. Jackson said she prefers to set up calls during lunch or at night so duties don't interfere with her primary role. "Anytime you're in this industry and willing to learn more, it's an advantage. The more you know, the more of an asset you become," she said. "This industry is full of really talented people who want to see their peers succeed."

Right now, the Knowledge Exchange is setting goals to increase the number of participants and sponsors. WIP is excited to gain more members locally, getting involved on a state level to grow the organization and continue to inspire and support those in the industry.

"I am blessed to work alongside a fantastic team at ThompsonGas," Jackson said. "Every challenge is an opportunity to better adapt and grow as a person. I continue to ask myself, 'so, now, what goal will you set next?'"

—Karen Massman VanAsdale

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