



PROPANE EXCHANGE

February 2009 * West Virginia Propane Gas Assn.

www.wvpropanegas.org * 703.530-9772

Thanks to this issue's advertiser:

LPG Ventures

In This Issue

- Preparing for a DOT Compliance Review
- Stimulus Bill Contains Propane Provisions
- Prevent Corrosion in USTs
- Promote Propane Water Heaters

DATES TO REMEMBER

March 23-24, 2009	Spring Membership Mtg. Charleston, WV
April 4-6, 2009	NPGA SE Convention Atlanta, GA
June 9-10, 2009	Propane Days Washington, DC

Contact Us

wvpga@aol.com
www.wvpropanegas.com
703.530.9772

In Compliance...Or Out of Service? Are YOU prepared for a DOT compliance Review?

The focus of the Spring Membership Meeting is on this important topic. It is designed to help you meet the challenges of DOT compliance as well as reduce the likelihood of a DOT audit.

It takes place March 23-24, 2009 at the Marriott Hotel, 200 Lee Street, Charleston
www.charlestonmarriott.com

The speaker is Rick Gardner, a retired enforcement officer with over 20 years experience as a DOT Motor Carrier Investigator. Each person who attends will receive a Hazmat Motor Carrier Compliance workbook to use.

Also speaking is Malcolm Barrett, Chairman of the National Propane Gas Association. The focus of his remarks will include greenhouse gas requirements of the new administration and how propane can be part of the energy discussion (see *\$6.2M for National Energy Conversation Initiative* in January issue found at www.wvpropanegas.org).

Officials from the State Fire Marshal's Office and the Department of Weights & Measures have been invited to speak as well.

Additional information including schedule, registration form, prices and how to reserve an overnight hotel room are available at www.wvpropanegas.org.

Registrations received and paid by March 9, 2009 are eligible for lower prices.

News Flash:

My Marketing Assistant, a complimentary service from PERC, makes it easy and fast to create customized marketing materials for your propane business.

My Marketing Assistant can modify many of the print ads, news releases, fact sheets, and other items available on the Propane Marketing Resource Center (MaRC) website,

<http://members.propanecouncil.org>.

It also gives you access to marketing professionals to assist you with customer outreach.

To contact My Marketing Assistant, send an email to mymarketingassistant@collemcvoy.com

or call toll-free 1-866-907-1885.

NEWS FROM NATIONAL



Stimulus Bill Contains Propane Provisions

The American Recovery and Reinvestment Act of 2009, which became law in February, cuts income taxes, gives a tax break to first-time homebuyers, and provides for billions of dollars in spending. It also extends the tax credits for purchasing and installing qualifying energy-efficiency improvements — such as Energy Star-qualified propane-fueled home heating and water heating systems — to existing homes through 2010.

The law, better known as the Stimulus Bill, raises the amount of the tax credit from 10 percent of the cost of the improvements to 30 percent, and it eliminates the dollar caps on individual improvements. Instead, it sets an aggregate \$1,500 cap on all property qualifying for credit.

The propane engine fuel segment gets a boost from the Stimulus Bill, which increases the percentage and amount of the alternative fuel infrastructure tax credit. The tax credit for qualifying infrastructure improvements rises from 30 percent to 50 percent, and the credit cap goes from \$30,000 to \$50,000. The alternative fuel infrastructure tax credit is still set to expire at the end of 2010.

To learn more about the Stimulus Bill and how it might affect your propane retail business, go to the National Propane Gas Association website at www.npga.org.

Also check out the article *Tax Time is a Great Time to Sell Propane* in the January issue which may be found at www.wvpropanegas.org.

There is currently an industry effort to move NFPA 58's cathodic protection recommendations to the main text of the code.

How to Prevent Corrosion in Underground Tanks



The use of underground storage tanks ("UST") is becoming increasingly popular with marketers and their customers. This is especially true in new construction residential projects. Home builders and owners often prefer a UST to increase the aesthetic beauty of the property as it removes the tank from view. When installing a UST, however, that tank is subject to the corrosive materials contained in the soil. Consequently, marketers must remain cognizant that a tank which is out of sight cannot remain out of mind.

Cathodic protection is a proven method to protect the UST from corrosion. This method has been around for a number of years and is being used with increasing regularity in the propane industry. Cathodic protection prevents a UST from corroding by transferring corrosion from the tank to an anode by utilizing a galvanic protection or impressed current system. The galvanic protection method is typically used to protect smaller USTs like those seen in residential and small commercial applications. An impressed current system is usually used in larger commercial applications. Galvanic protection is the more popular and widely used form of cathodic protection. Consequently, this article will focus on the galvanic protection method of cathodically protecting a UST.

Galvanic protection anodes are typically prepackaged bags that are comprised primarily of magnesium. These bags are attached to the UST using a wire. This wire then transfers the corrosion from the UST to the sacrificial anode. The size and quantity of the anodes required to adequately protect the tank will be dictated by the container's size. Cathodic protection, however, must be maintained to remain effective.

During the cathodic protection process, the

When an individual successfully completes PERC's cathodic protection training program, that individual will receive a Certificate of Instruction for Cathodic Protection. PERC's Certificate of Instruction is a valuable method to document a marketer's employee training.

sacrificial anode is slowly consumed by the corrosive material. Therefore, marketers that engage in cathodic protection activities should periodically test the protection to ensure that it is still viable. Eventually, the cathodic protection will need to be renewed and new sacrificial anodes installed.

Cathodic protection recommendations were first added to NFPA 58 in the 2008 edition. These recommendations can be found at Annex K entitled Burial and Corrosion Protection for Underground and Mounded ASME Containers.

In 2008 PERC also created a new cathodic protection training program geared toward marketers. Our firm assisted PERC with the development of its training materials for this program. PERC's program provides a brief background on corrosion and recommendations regarding the installation and proper maintenance for cathodic protection. The program also contains a quiz to be taken at the end of training and skills assessment form. When an individual successfully completes PERC's cathodic protection training program, that individual will receive a Certificate of Instruction for Cathodic Protection. PERC's Certificate of Instruction is a valuable method to document a marketer's employee training.

The standards governing cathodic protection, however, are not uniform throughout the nation. Therefore, a marketer engaging in cathodic protection activities must be aware of the local rules and regulations that govern cathodic protection. There is currently an industry effort to move NFPA 58's cathodic protection recommendations to the main text of the code. Consequently, marketers should also remain abreast of any code changes that may affect their cathodic protection activities.

Cathodic protection, if installed and maintained properly, is invaluable to the service life and safety of a UST.

This article was written by **EUGENE M. LaFLAMME**, an Associate at McCoy & Hofbauer S.C. His practice focuses in the areas of civil litigation, fire & explosion litigation, commercial litigation, product liability, and insurance defense. He is a member of the Propane Gas Defense Association. **[e-mail: elaflamme@mh-law.us] Phone: (262) 522-7000**

Promote Propane Water Heaters

Propane water heaters cost 30% less to operate than electric ones.



Propane-fueled water heaters cost 30 percent less to operate than electric water heaters, and a traditional propane water heater emits 60 percent less carbon dioxide than its electric counterpart.

In other words, propane water heaters can save your customers money and help protect the environment. Share these important messages with your customers with the help of two bill stuffers.

One bill stuffer talks about conventional storage-type water heaters, and the other covers tankless water heaters.

Order the conventional bill stuffer (PRC 008103) and the tankless bill stuffer (PRC 008106) from your Association Office by emailing your request to wvpga@aol.com. Prices for either are \$7.75/100pk.



Plant Construction



VENTURES



Pre-cast Piers



Tank Sales

TANKS FOR SALE

2 – 61,000 gal ACF
Industries 1974

2 – 90,000 gal Trinity
Tanks 1973

26 – 30,000 ACF Industries
1960 -1968

12 – 30,000 Riley & Beard
1977

3 – 30,000 Beard ASME
1946

888.739.8764
www.lpgventures.com