



PROPANE EXCHANGE

May 2011 * West Virginia Propane Gas Association

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DATES TO REMEMBER

June 14-15, 2011	Propane Days Hyatt Regency Hotel Washington, DC
June 20-21, 2011	Summer Membership Mtg. Bridgeport, WV
Sept 14-16, 2011	Annual Meeting & Legal Symposium Inn at Charles Town Charles Town, WV



SUMMER MEMBERSHIP MEETING

Building More Gallons in Your Business

ARE YOU SATISFIED WITH THE AMOUNT OF BUSINESS YOU HAVE...OR DO YOU WANT TO GROW?

There are many opportunities out there to grow the number of gallons of propane you sell each year. But do you take advantage of those chances?

Attend the Marketer Technology Training for a FREE day long hands on program that will show where you can grow your business.

Companies can send more than 1 representative. Branch managers, service, operations and CSRs are encouraged to attend.

It all takes place at the Best Western Inn, 100 Lodgeville Road, Lodgeville Road, Bridgeport, WV 26330, 304-842-5411 on June 21st. Space is limited to only 30 on a first come first serve basis.

Those who arrive the day before can enjoy golf at Stonewall Resort, attend the Board of Directors meeting and then enjoy a poolside cookout on June 20th.

For the full schedule with details, information for making an overnight hotel reservation if needed, and how to register for the FREE Marketer Technology Training seminar on June 21st, visit, www.wvpropanegas.org.

MARKETER TECHNOLOGY TRAINING



New Commercial Construction Research Highlights Key Areas for Propane Growth

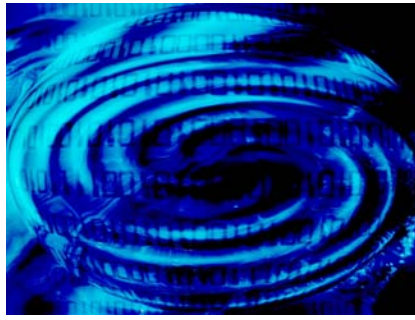
A new study conducted by ICF International, "Strategic Market Assessment for Commercial Sector Propane Sales," is now available on the Propane MaRC.

The study offers valuable insight into the decision-making process and propane knowledge of small and mid-size commercial builders, as well as national restaurant chains, lodging, school districts, big box retail chains, and health care facilities.

With nearly 20 percent of odorized propane sales from the commercial market, and modest growth expected over the next five years, the study provides a solid foundation for leveraging future growth.

If you would like to have a copy of the report emailed to you, contact the Association Office.

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Help WV Get "Your" Fair Share of Rebate Money

For over two decades the American Petroleum Institute, in cooperation with the Gas Processors Association, the National Propane Gas Association, and the Propane Education & Research Council has sponsored the survey of U.S. industry gas liquids and published the results in a report entitled, "Sales of Natural Gas Liquids and Liquefied Refinery Gases."

This is the only report that breaks down propane gas sales by industry category on a state and regional basis. These statistics are used by many companies in the industry as an aid for long-term planning

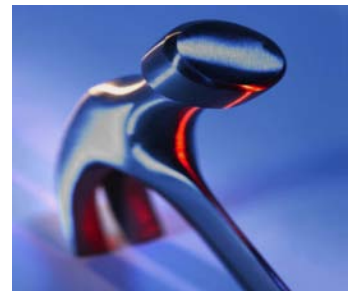
Under the Propane Education and Research Act, 20 percent of assessment collections or about \$7 million are eligible for rebate back to the states. Each state's allocation of rebate funds is based on the latest API data for residential, commercial, industrial, internal-combustion engine fuel, agricultural uses, and sales to retail dispensers that are compiled using responses to this survey.

Last month, a survey form and instructions covering the sales of propane in 2010 was mailed out. If you did not receive a copy or if you have questions so you may complete the form, contact Pamela Gibson at (202) 682-8528.

It is only by having each propane marketer complete and return this form promptly that WVPGA is able to apply for "your" fair share of money used to support training and education programs throughout the year.

New Presentation Ready for Use at Local Construction-Related Events

A new presentation, "*A Whole House Perspective on Energy Efficiency*," is designed to help train construction professionals on propane and introduce them to the online tools and resources at www.buildwithpropane.com. Available in PowerPoint format, the presentation can be customized to meet your needs.



You can also order **The Propane Planner**, 2nd edition, a 27-page book that supports the propane industry's training programs for construction professionals. The Propane Planner covers job site considerations, choosing and installing tanks and appliances, green builder certification, and other key topics from the training program.

Order Item # 008299 @ \$6.70 by contacting the Assn Office.

FMCSA Reopens Hours of Service Comment Period



On May 9, 2011, the Federal Motor Carrier Safety Administration (FMCSA) announced that it is reopening the comment period on the proposed hours of service regulations through June 8, 2011. The agency is taking this step in response to public comments received from NPGA and other industries doubting the research and data used by FMCSA to justify its proposed changes to the regulations.

Because NPGA and other stakeholders have raised serious questions regarding the lack of research and data, FMCSA is placing four additional studies in the rulemaking docket providing opportunity for public review and comment on the additional studies.

According to FMCSA's study, Large Truck and Bus Crash Facts 2008: FMCSA-RRA-10-043, March 2010, improvements to our nation's highway safety is undeniable. This study found between the years of 2004 and 2008, that the safety performance of the overall trucking industry has significantly improved, with truck related injuries and fatalities declining as much as 19%.

During the proposed rulemaking comment period, NPGA stated: "Given the substantial reduction in overall truck related fatalities and injuries, we can only conclude that the current HOS provisions are working quite well and to change the regulations before the impact of the 2003 regulations can be fully analyzed has the potential to err on the side of reduced safety benefit."

NPGA went on to say, "We see no statistics that support the current proposal to amend the HOS regulations. We believe the trucking industry and our nation's highway safety would be best served if the NPRM is withdrawn."

As a result of the May 9th announcement, it is highly unlikely that FMCSA will meet their July 26 2011, deadline for publication of a final rule as set forth in the Court settlement binding the agency to "review and reconsider" the current regulations.

It is believed that the agency has communicated with the other parties in the case to extend the July 26 deadline and that both parties anticipate the additional studies will be sufficient to justify the agency's proposal.

NPGA will carefully review the new studies and submit comments to FMCSA accordingly. For more information on this development, please contact Bob Elliott at relliott@npga.org

"...We see no statistics that support the current proposal to amend the HOS regulations. We believe the trucking industry and our nation's highway safety would be best served if the NPRM is withdrawn.' "

Current Changes to Leak Test Requirements

In the 2009 edition of NFPA 54, the scope of a leak check dramatically changed. Until this edition of NFPA 54, a leak check that was conducted on new and existing gas systems after an interruption of service was a way to test the integrity of the gas lines up to the control valve on all attached appliances for a potential leak under normal operating pressures.

The 2009 edition of NFPA 54 takes a subtle but significant diversion from the traditional scope of a leak check. Section 3.3.64 defines a leak check as “[a]n operation performed on a gas piping system to verify that the system does not leak.” Section 8.2.3 defines when a leak check needs to be performed as follows: “Immediately after the gas is turned on into a new system or into a system that has been initially restored after an interruption of service, the piping system shall be checked for leakage. Where a leak is indicated, the gas supply shall be shut off until the necessary repairs have been made.”

The term “piping system” is defined in the Code at Section 3.3.100.6 as follows: “All piping, valves, and fittings from the outlet of the point of delivery from the supplier to the outlets of the equipment shut off valves.”

By this definition, the leak tests that are contemplated in the Code as of 2009 only extend to the manual shutoff valves upstream of the various in-line appliances. This appears to be an acknowledgement that appliance manufacturers recognize that some small leakages in appliance gas control valves may exist but these minor leaks do not present a fire or explosion hazard.

This new Code provision is at odds with CETP training on the leak test and Gas Check procedures that both provide procedures for conducting leak checks to the appliance control valves. It is also in conflict with at least the most recent editions of NFPA 54. For states that have not adopted NFPA 54 as of yet, the quandary will be if your company typically follows the most recent edition of the new Code as a custom or practice of the company. From my experience, this is not uncommon in the industry. Companies with multi-state operations typically look to the newest Code so that there is uniformity across the company in how it deals with this and other safety and procedural issues in the day-to-day operations of the business.

This new approach to leak checking may not create more risk of fire or explosion if the leak is minor. By minor, I mean less than that needed to create a fire or explosion. Practically speaking, if after this new leak check is performed and the appliance is put back into service, no leak check is needed to the appliance control. If pilot lights are lit following this leak test, a potential leak at the control and a defectively operating control would be missed by the person reinitiating gas service.

Certainly there are two sides to the issue when discussing the leak check as defined in the 2009 edition of NFPA 54. The time to be aware of this change is now. As a company you need to decide how you will conduct your leak checks on new systems or after a system is returned to service after an interruption of service. Make sure the members of your gas service and delivery team are all in the loop on how your company will perform these test.

Success to you!

John V. McCoy is the president of McCoy & Hofbauer, S.C. and specializes in the representation of propane companies. He can be reached at 800-599-8300 or jmccoy@mh-law.us.

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