



DegreeDays

News from the Virginia Propane Gas Association

Spring Meeting in Williamsburg a Success!



VAPGA members and guests came together March 26-28 at the Williamsburg Lodge in historic Colonial Williamsburg for the 2023 Spring Meeting! It was a busy few days, and we had a great turnout of 80 Marketer and Supplier attendees from 53 different companies. We have seen a consistent increase in meeting attendance over the past few years, and we are extremely appreciative of everyone who continues to attend our events and be engaged with the association. VAPGA was also pleased to welcome 11 first-time attendees to the meeting—a good reminder to invite a coworker or industry contact to join us at our next event!

Sunday began with our traditional golf outing and captain's choice tournament at The Golden Horseshoe's famed Gold Course. After several bad weather days at our golf events last year, we lucked out with a beautiful spring Virginia day. We had a full tee sheet, with 32 golfers participating. Congratulations to the winning team of Kevin Lloyd (Augusta Petroleum Cooperative), Nicole Sullivan (Anderson Propane), John McKenzie (Woodgate Petroleum), and Andrew Bruton (AmeriGas). A special shoutout is also due to the Supplier Committee, who sponsored beverages and snacks during the round and a few beverages in the clubhouse afterwards.

continued on page 5 >

Summer Meeting



July 16–19, 2023

**Marriott Virginia Beach Oceanfront
Virginia Beach, VA**

INFO

ROOM RESERVATION LINK

Registration will open
in early or mid-May.
Room reservation link will stay
active until June 16 or
if rooms sell out.

Fall Meeting



October 1–3, 2023

**The Greenbrier Resort
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President's Message



It was wonderful to see so many familiar faces last month in Colonial Williamsburg. In speaking with many of you during and after the meeting, I believe the venue is a "keeper," and we will hopefully return to it soon.

The part I love the most about when we all gather together as a group is the sharing of knowledge and fellowship. In Williamsburg, we welcomed many individuals joining us for the first time, and that is what it is all about! There is no better way to learn about our industry than from our peers. Whether you are a seasoned member sharing your wisdom with the newer generation, or you just joined a company and still learning the ins and outs of propane, if you leave with at least one nugget of knowledge or made a new industry connection, we have been successful.

The sunshine and excellent accommodations helped boost the enthusiasm of the meeting, but what indeed helped set it apart was the great lineup of speakers. We were treated

to the Virginia Home Builders Panel, where Craig and Dan outlined the trends they now see in the housing market and offered suggestions on how our industry can better engage with the builders in your local market. Following a PERC update by Twana, the General Membership spent an hour learning about Digital Strategies from Erika Guess. The day wrapped up with our own team of experts, Mike O'Connor, Dennis Cruise, and John Fields bringing us up to speed on Safety, Legislative, and NPGA happenings. Again, I think everyone left the room learning something valuable they could take back to their home office.

This spring promises to offer a handful of association events, ranging from a Bobtail Rodeo next month to Propane Days in Washington this Summer, with more info listed throughout the pages of this newsletter. Please look them over, and if your schedule allows, join us at all that you are able.

But if our paths do not cross again until July in Virginia Beach, I wish you all a very successful, healthy, and joyous spring.

Meaghan Kutinski, 2022-2023 President

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> Spring Meeting, continued from page 1



Monday brought a jam-packed day of speakers, committee meetings, and industry updates—including a home builders panel and Q&A with Craig Toalson (CEO of the Homebuilders Association of VA) and Dan Sandoval (President of Republic Home Builders). We were also joined by NPGA staffer, Twana Aiken, who provided an update on all things NPGA.

Each committee also met on Monday, generating great discussion and ideas to help support the association's efforts. If you attended any of the committee meetings and are interested in being more involved, please let that committee chair know so you can be kept in the loop on the committee's ongoing meetings and activities. An email address is available for each committee chair under the VAPGA leadership banner on page 19 in this newsletter.

After a productive day, meeting attendees and their guests were ready for some fun on Monday night. The Monday Reception & Dinner was filled with cold drinks, good food, and lots of laughs. An open bar and delicious dinner buffet provided a great cap to our first meeting of 2023.

Many thanks to all attendees, volunteers, and hotel staff who made the event a success. VAPGA continues to work to improve our meeting experience, and we continue to be thankful for the support around these events. We are well underway in planning for the 2023 Summer Meeting in VA Beach this July, and there are a few updates in this newsletter as well as additional information to come in the next few weeks! If you plan to attend, book your room today!

Make a PAC Donation Today!



The mission of VAPGA's PAC is to distribute contributions to candidates for the state legislature who, by their acts, demonstrate support of the propane industry and the private enterprise system. Your donations help VAPGA gain visibility and leverage access to promote our industry. Now more than ever, we need your support to combat the electrification and fuel ban efforts that threaten our industry. Please consider making a donation to the PAC today.

If you'd like to make an investment in the future of Virginia's propane industry, contact **Zach Eisenman**, Executive Director, or **John Phillips**, VPAC Committee Chair.

In addition to PAC donations, please let us know if you would be interested in hosting and/or meeting with a legislator this fall.

Thank You for Your Generous PAC Donations

These donations were made at the 2023 Spring Meeting. We appreciate your support!

Ken Dubay	Marshall Excelsior Company	\$525
Trent Johnson	Bergquist	\$250
Elizabeth McCormick & John Phillips	Phillips Energy	\$1,000
Nicole Sullivan	Anderson Propane	\$1,000
Steve McCoy	Blossman Gas	\$1,000

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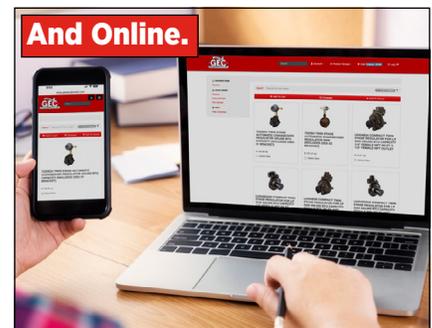
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Steve Barton

Gas Equipment Co. TV - www.youtube.com/GasEquipmentTV

High Propane Production, Elevated Inventory Mark Winter's End

By Brian Richesson, Editor in Chief, LP Gas Magazine

U.S. production of propane from October 2022 through March 2023 reached record highs, according to U.S. Energy Information Administration (EIA) weekly data.

EIA estimates that propane production during that stretch averaged 2.4 million barrels per day (bpd), up 14 percent (295,000 bpd) from the previous five-winter average.

Despite high levels of propane exports, the high production and modest heating demand increased propane inventories. As of March 24, U.S. propane inventories were 56.2 million barrels, up 67 percent (25.1 million barrels) from the same week last year.

The high propane inventories led to a forecast decline in average winter propane prices. In its March winter fuels outlook, the EIA expected propane prices to average \$2.71 a gallon for the 2022-23 winter, down 4 percent (10 cents a gallon) from its October forecast.

Less consumption due to fewer-than-expected heating degree-days and declining fuel prices also reduced EIA's forecast expenditures for propane and heating oil.

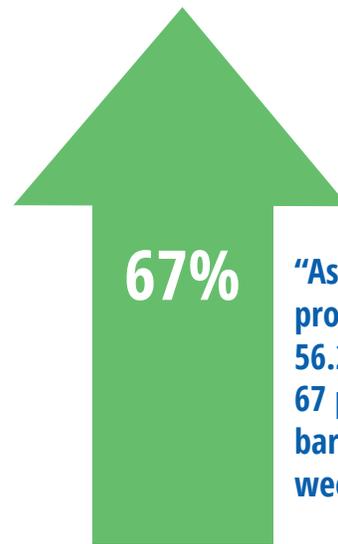
Here's a look at PADD activity, based on a March presentation by RBN Energy's Todd Root to the Propane Supply & Logistics Committee of the National Propane Gas Association, and Canada:

PADD 1

East Coast propane exports, destined primarily to Europe, were an area of concern from a supply standpoint in the middle of last year, reaching about 180,000 barrels per day in June, says Todd Root of RBN Energy. But they moderated in October as the heating season began, allowing inventory levels to stay at healthy levels for much of the winter. Several marine cargoes imported into the East Coast helped support inventory levels, Root adds. "PADD 1 inventories look very good, and we expect them to stay at the top of the [five-year] range," he says. "We do expect exports to pick up and [inventories to] move back into the middle of the range as we move through the summer."

PADD 2

Canadian propane imports by rail have trended downward over the years, and "we expect that to continue with the



"As of March 24, U.S. propane inventories were 56.2 million barrels, up 67 percent (25.1 million barrels) from the same week last year."

increased domestic demand in Canada and the increased exports overseas from their terminals," Root says. RBN projects inventories above the five-year range, at least until mid-year.

PADD 3

Propane inventories are high, but RBN Energy expects exports to remain strong. "The [arbitrage] is going to dictate that. It's going to be about economics," Root says of exports. The pull from Asian markets has been robust.

PADD 4-5

RBN Energy estimates propane inventory about in the five-year average range. But while the forecast for PADD 4 hovers in the middle of that range, PADD 5 drops to the lower end as it continues to recover from refinery issues since late 2022. "We haven't fully recovered; 80 percent utilizations compounded the problem from a supply perspective," Root says.

Canada

Plains Midstream Canada, a subsidiary of Plains All American, is exploring the expansion of its Fort Saskatchewan facility with strategic partners. The expansion would leverage existing infrastructure and add 50,000 barrels per day of C3-plus fractionation capacity while maintaining the flexibility to deliver a propane/butane mix to Plains' fractionation facility in Sarnia, Ontario, Canada.

BOBTAIL RODEO

RESUMES NEXT MONTH IN FREDERICKSBURG!

Wednesday, May 17th | 9 AM – 4 PM

Fredericksburg Fairgrounds - 2400 Airport Ave, Fredericksburg, VA 22401

Register Your Driver [HERE!](#)

First-come first served on registration. Event is limited to a total of 30 drivers.

Companies participating can only register 2 drivers.

\$25 registration fee

Each company participating brings one Bobtail to the event.

EVENT FORMAT:

Classroom instruction with graded tests.

DOT Official graded pre-trip inspections.

Driving course with 5 graded obstacles.

Final grade with awards to top 3 drivers.

Lunch will be provided by the VAPGA. (BBQ Food Truck)

Contact [Trent Johnson](#) or [Zach Eisenman](#) with any questions.

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2023 Scholarship Opportunities

The VAPGA Young Gassers Scholarship Application is now live! Deadline for submissions is **May 31, 2023**. The VAPGA YG Scholarship is offered to current VAPGA members and dependents of current VAPGA members who are enrolled full-time in an accredited two or four-year academic institution or trade school (as of Fall 2023).

[Additional Rules & Requirements](#)

[Application](#)

Last year, VAPGA revived its endowed scholarship with Brightpoint Community College in Chester, VA (formerly John Tyler Community College). The endowed scholarship is available to all Brightpoint students, and annual scholarship awards are determined by the BCC Foundation, based on the amount of funds available and the number of students eligible to receive a scholarship. Preference is to be given to students affiliated with a VAPGA member or dependent. The application deadline passed earlier this month, and any recipients will be notified by July 1st. We will provide an update once BCC notifies us of a recipient.

Call for Silent Auction Donations

The Young Gassers are planning to host a silent auction to benefit the YG Scholarship Fund during the 2023 VAPGA Summer Meeting in July. If you are interested in donating an item, please reach out to YG Chair – [Jamison Walker](#). We encourage you to be creative with your donation ideas, and feel free to reach out to Jamison if you have any questions.

Some examples of items can be: propane related items or services donated from your company, coolers, hunting/fishing gear, golf items or a certificate to your local club, sports tickets (VT, UVA, Commanders, etc.). These are just a few examples.

We hope you will consider donating to YG and help us grow the Scholarship Fund!

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VAPGA 2023 Training Calendar

FREDERICKSBURG—Fredericksburg Fairgrounds		
May 17	Bobtail Rodeo	\$25.00
LYNCHBURG— Lyn Dan Heights VFD, 578 Lawyers Road		
May 22–23	CETP 1.0 Basic Principles and Practices	\$ 75.00
May 23–24	CETP 2.2 Bobtail Delivery Operations	\$ 75.00
May 25	CETP Remaining Current Basic 1.0 and Bobtail Delivery 2.2	\$ 75.00
RICHMOND— Tarantin Industries, 9733 Coach Road		
June 5–6	CETP 1.0 Basic Principles and Practices	\$ 75.00
June 6–7	CETP 2.2 Bobtail Delivery Operations	\$ 75.00
June 8	Gasfitter Continuing Education	\$ 50.00
ROANOKE— Valley Court, 3601 Thirlane Road, NW, Suite 2		
June 12–14	CETP 4.1 Designing and Installing Exterior Vapor Distribution Systems	\$ 75.00
June 15–16	DOT Hazardous Materials Training	* FULL*
RICHMOND— R. E. Michel, 2400 Magnolia Road		
June 19–21	CETP 4.1 Designing and Installing Exterior Vapor Distribution Systems	\$ 75.00
June 22	CETP Remaining Current Basic 1.0 and Bobtail Delivery 2.2	\$ 75.00
ROANOKE— Valley Court, 3601 Thirlane Road, NW, Suite 2		
June 27–28	CETP 1.0 Basic Principles and Practices	\$75.00
June 28–29	CETP 2.2 Bobtail Delivery Operations	\$75.00
June 30	CETP Remaining Current Basic 1.0 and Bobtail Delivery 2.2	\$75.00
CHARLOTTEVILLE—Holiday Inn, 1901 Emmet Street		
July 11–12	DOT Hazardous Materials Training	* FULL*
KILMARNOCK— Kilmarnock Volunteer Fire Department, 71 School Street		
July 14	DOT Hazardous Materials Training	TBD
ROANOKE— Valley Court, 3601 Thirlane Road, NW, Suite 2		
July 24–26	CETP 4.2 Placing Vapor Distribution Systems / Appliances into Operation	\$ 75.00
July 27	Gasfitter Continuing Education	\$ 50.00
KILMARNOCK— Kilmarnock Volunteer Fire Department, 71 School Street		
August 1–2	CETP 1.0 Basic Principles and Practices	\$ 75.00
August 2–3	CETP 2.2 Bobtail Delivery Operations	\$ 75.00
RICHMOND—Tarantin Industries, 9733 Coach Road		
August 15–17	CETP 4.2 Placing Vapor Distribution Systems / Appliances into Operation	\$ 75.00
FRANKLIN—Main Event 110 N Main Street		
August 22–23	CETP 1.0 Basic Principles and Practices	\$ 75.00
August 23–24	CETP 2.2 Bobtail Delivery Operations	\$ 75.00

REGISTRATION WILL GO LIVE THE FIRST WEEK OF MAY. AN EMAIL WILL BE SENT OUT TO THE MEMBERSHIP WITH INSTRUCTIONS ON HOW TO PROCEED.

Class Descriptions on page 10 >

VAPGA 2023 Training Class Descriptions

Class	Description	Date	Location
1.0–Basic Principles & Practices of Propane	BP&P is the prerequisite for all certifications in the CETP Certification Program, except 2.3 Operating a Transport to Deliver Propane. BP&P includes modules covering the physical properties and combustion characteristics of propane, identifying the basic parts of tanks, cylinders and bulk storage installations, maintaining a safe working environment, identifying commonly used hand tools and supplies and serving the customer.	May 22–23	Lynchburg
		June 5–6	Richmond
		June 27–28	Roanoke
		August 1–2	Kilmarnock
		August 22–23	Franklin
2.2–Bobtail Delivery Operations	This course provides information for drivers who operate commercial motor vehicles to deliver propane. It provides information, practices, and procedures that support many general delivery tasks. This course is primarily designed to train employees who operate a bobtail, the most common vehicle used for transporting and delivering propane to individual customers.	May 23–24	Lynchburg
		June 6–7	Richmond
		June 28–29	Roanoke
		August 2–3	Kilmarnock
		August 23–24	Franklin
CETP 1.0 Basic and 2.2 Bobtail Delivery Remaining Current	NFPA 58 states, “refresher training shall be provided every 3 years.” This component was added to keep certification holders up to date with new safety procedures, technology, equipment and code changes. Many of the codes and standards referenced in the CETP training courses (NFPA, OSHA, & DOT) require recurrent or refresher training, this program will assist in complying with some of those requirements. Attendees will receive a Certificate of Completion for retention in the employees training file.	May 5	Lynchburg
		June 22	Richmond
		June 30	Roanoke
4.1–Designing & Installing Exterior Vapor Distribution Systems	Covers Determining System BTU load; container vaporization capacity calculations; selecting the proper container; inspecting propane containers in the bulk plant; installing the propane container; tank to tank liquid transfer; emergency procedures for uncontrolled releases; installing corrosion protection; sizing, selecting, and installing exterior piping, regulators and meters; testing exterior piping for leakage; customer safety information.	June 12–14	Roanoke
		June 19–21	Richmond
4.2–Placing Vapor Distribution Systems and Appliances into Operation	Covers identifying different vapor distribution system and appliance checks and tests; explains the general procedure for placing a vapor distribution system into operation; identify how to validate container, pipe and tubing, regulator, and vapor meter installations; understanding the importance of proper venting, combustion air, and purging; Identify appliance controls and safety devices and their purpose; explains the basic characteristics of burning propane to include the components of a burner, air adjustments, and flame abnormalities; the importance of communicating customer safety information.	July 24–26 August 8–10	Roanoke Richmond
DOT Hazardous Materials Instructor Training	DOT Hazardous Materials Instructor Training facilitates the training of Hazmat instructors who then may provide training in Hazardous Materials Regulations for Hazmat Employees. HazMat Employees are required to receive training as prescribed in Title 49 CFR within 90 days of employment and every three years thereafter. This program is designed to assist with fulfilling those requirements.	June 15–16 July 11–12 July 14	South Hill Charlottesville Kilmarnock
Gasfitter Continuing Education	Continuing Education for gas fitters, liquefied petroleum gas fitters, and natural gas fitters. Covers the International Fuel Gas Code as required by 18 VAC 50-30-120 (C) for renewal of gasfitter tradesman license.	June 8 July 27	Richmond Roanoke

REGISTRATION WILL GO LIVE THE FIRST WEEK OF MAY. AN EMAIL WILL BE SENT OUT TO THE MEMBERSHIP WITH INSTRUCTIONS ON HOW TO PROCEED.

Associations, Congress Address Measures to Improve Rail Safety

By Brian Richesson, Editor in Chief, LP Gas Magazine

Steve Kaminski, president and CEO of the National Propane Gas Association (NPGA), says the February train derailment in East Palestine, Ohio, hasn't impacted the propane industry specifically, but he acknowledged a renewed emphasis on rail safety across the country.

The American Association of Railroads (AAR), an NPGA partner, proposed modifications to the rail system. The list of safety measures includes the installation of additional hot bearing detectors, expanded support for first responders and tank car improvements.

Congressional leaders in the House and Senate also introduced legislation that aims to ensure safety on the nation's railroads. This includes enhancing procedures for trains carrying hazardous materials, strengthening regulations to prevent wheel bearing failures and increasing maximum penalties for violations of rail safety regulations.



Even with the recent actions on safety, the accident rate for hazardous material transportation is down 78 percent since 2000, reports AAR, a railroad policy, research, standard setting and technology organization that focuses on the

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> **Rail Safety**, continued from page 13

safety and productivity of the U.S. freight rail industry. In addition, mainline accidents are down 44 percent in that same period, reaching an all-time low in 2022.

Kaminski says NPGA is committed to working with industry partners, regulators and Congress to ensure customers receive propane deliveries in a safe and timely manner.

Prior to the renewed focus on rail safety, concern about the stability of the rail networks grew last year amid a labor dispute between the nation's freight railroads and their union workers. However, Congress took measures

to prevent a strike. With the rail carriers transporting one-third of the propane gallons consumed in the U.S., any disruption in rail service would have had significant consequences for the industry and consumers, according to NPGA.

The association worked with organizations to educate stakeholders on the importance of propane distribution by rail.

Tell Us Your Story!

Do you have any company news to share? Big anniversaries? Success stories? Philanthropic events? We'd like to know! Please send your news to **Zach Eisenman**, Executive Director, at zach@eameetings.com. Your news may be published in a future newsletter.

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Renewable Propane: Diverse Players Seek Production Pathways

By Ellen Kriz, Senior Editor of LP Gas at North Coast Media

Think of propane, and a number of images may spring to mind.

Maybe it's bobtails, tanks or a blue flame. Maybe it's pipelines or the fracking rigs that ushered in a boom in propane production over the past 15 years.

But when Global Clean Energy, a California-based renewable fuels business, thinks about propane, it sees vast, verdant farms.

The vertically integrated company is poised to produce renewable propane and other products from camelina sativa, a fast-growing, nonfood rotation crop that produces small, oily seeds ideal for renewable fuel production.

Pledging that "sustainable agriculture is the new upstream," the company has bred and patented camelina varieties for quick maturity, low water use, high yield and a plant oil chemistry that enhances refinery efficiency. In the U.S., the company partners with farmers in Montana, Colorado, Kansas, Oregon and Washington to grow the crop. It then transports the yield to a strategically located refinery in Bakersfield, California, where it's processed, with other feedstocks, into renewable diesel, naphtha, propane and butane.

Like all renewable propane producers currently online, Global Clean Energy optimizes for renewable diesel in its refining process. The Bakersfield plant, not yet operational, claims a nameplate capacity of about 210 million gallons of renewable diesel per year. Renewable propane output equates to 6 percent to 10 percent of the renewable diesel output, or an estimated 13 million to 21 million gallons of renewable propane per year.

Global Clean Energy is working to bring the Bakersfield facility online within months, no later than the end of the year, reports Richard Palmer, CEO and founder.

Despite the refinery's focus on biodiesel output, Palmer casts renewable propane as a "coproduct" of its biodiesel rather than merely a "byproduct."

Whereas most renewable fuels refiners use the renewable propane they produce to power their own internal processes, Global Clean Energy gains more value from selling the product into California's transportation market, Palmer explains.



Camelina sativa is a nonfood rotation crop that produces small, oily seeds ideal for renewable fuel production. (Photo courtesy of Global Clean Energy)

That added value is made possible, in part, by the California Air Resources Board's (CARB) Low Carbon Fuel Standard (LCFS). The LCFS incentivizes the production of low carbon renewable fuel for the transportation market. The lower the carbon intensity (CI) of the product, the more credits a producer generates. These credits, in turn, can be sold to other producers whose output exceeds the LCFS' benchmark CI.

A full life cycle assessment – from production to logistics to end use – determines a given fuel's CI score under the LCFS.

CARB granted a first-of-its-kind feedstock-only LCFS pathway to Global Clean Energy for production of renewable fuels from its proprietary camelina varieties. Global Clean Energy controls each step in the supply chain – from upstream agriculture, to midstream grain handling and logistics, to downstream fuel refining and identification of end use markets – enabling it to achieve a particularly low CI score for its products.

To reach end users in California's transportation sector, and thereby earn LCFS and other credits, Global Clean Energy selected AmeriGas as the long-term exclusive buyer of renewable propane from the Bakersfield biorefinery.

AmeriGas' desire to develop a market for renewable propane and its supply and logistics infrastructure, including its ability to track how gallons are used, align with Global Clean Energy's interests in the space, says Palmer.

continued on page 16 >



Global Clean Energy's California-based refinery will produce renewable propane. (Photo courtesy of Global Clean Energy)

The Wild West

If the partnership between Global Clean Energy and AmeriGas appears an elegant solution to the problem of sourcing renewable propane in today's market, it is just one landmark in a much wider landscape.

Global Clean Energy's California-based refinery will produce renewable propane. (Photo courtesy of Global Clean Energy)

Only a few U.S. jurisdictions, namely Oregon and Washington, have approved low carbon fuel standards like California's, although similar measures are under consideration in several more states. Notably, the Canadian Clean Fuel Standard, which became law in June 2022, will govern renewable fuel incentives north of the border.

These jurisdictions create a market pull for renewable fuel producers, and the terms of the incentives dictate the market value of a renewable propane product in those locations, explains Palmer. Without incentives or a discernible market for the product in most U.S. locations, biorefiners tend not to see the value in selling renewable propane to the retail propane industry.

While the U.S. Environmental Protection Agency's (EPA) Renewable Fuel Standard (RFS) makes credit for renewable propane available nationwide, its regulatory structure underscores some of the barriers the propane industry must overcome to secure widespread supply:

1. Ingredients matter: Obligated parties under the RFS program are refiners or importers of gasoline or diesel fuel. Compliance is achieved by blending renewable fuels into transportation fuel or by obtaining credits, called "renewable identification numbers" or RINs, to meet an EPA-specified carbon reduction threshold.

Renewable propane is eligible for RIN credits, but not all renewable propane is created equal under the RFS program. Different feedstocks result in different levels of carbon reduction. For example, Global Clean Energy's camelina-based variety achieves a low enough CI to earn credit, while a product derived from soybean oil does not.

"There's a big push to understand what fuels are made from," says Palmer. "If you have a very limited diet for what you eat, you look at the ingredients on everything. In this low carbon fuel market, they're trying to get people to look at the ingredients – to be aware of what you burn."

2. More markets needed: The RFS and low carbon fuel standards limit eligibility to transportation fuels. The regulations aim to reduce carbon emissions in the large transportation markets for diesel and gasoline but sideline incentives for the much smaller propane market.

While there are opportunities to be gained by selling renewable propane in the autogas and forklift markets, those outlets account for just 7 percent of retail gallon sales in the U.S., according to the most recent sales report from the Propane Education & Research Council (PERC).

"Nothing stops us from selling renewable propane into other areas, but it is financially only sustainable for the transportation market because that's where the credits are available," explains Gokul Vishwanathan, director of research and sustainability at PERC.

Incentives would create the economic conditions necessary to sell renewable propane in the industry's largest markets, he adds.

The Western Propane Gas Association has already engaged in that effort. In 2021, it sponsored a tabled bill that would've provided financial incentives for the production of renewable propane used as an energy source for buildings.

Low carbon fuel standards are gaining momentum across the country. (calvindexter/DigitalVision Vectors/Getty Images)

Low carbon fuel standards are gaining momentum across the country. (calvindexter/DigitalVision Vectors/Getty Images)

3. From byproduct to main product: There are biorefineries currently producing 40 million to 50 million gallons of renewable propane but not selling it to the market due in part to the regulatory burden, says Vishwanathan.

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> **Renewable Propane**, continued from page 16

The refiner may want the marketer to handle long paper trails and other regulatory requirements, which proves especially burdensome for smaller propane companies.

Offtake agreements require the interested parties to make investments in a product, but refiners tend to plan their investments on their main product rather than byproducts, he adds.

That’s why Vishwanathan believes “we can only limp on [being a byproduct] for a while.”

“A byproduct can yield a positive cash flow or a negative cash flow. It depends on the market dynamics,” he says. “Right now, renewable propane sales into the market yield a tremendous positive cash flow, and that is what we are trying to convince biorefiners about. But at the end of the day, you need to have pathways where you can directly form propane.”

‘On Purpose’ Production

rLPG North America, a consortium composed of Blossman Gas, Blue Star Gas, Cavagna North America, NGL Supply Terminals and Paraco Gas, sees potential for “on purpose” production of renewable propane in the Cool LPG process invented by GTI Energy, a technology research organization based in the Chicago area.

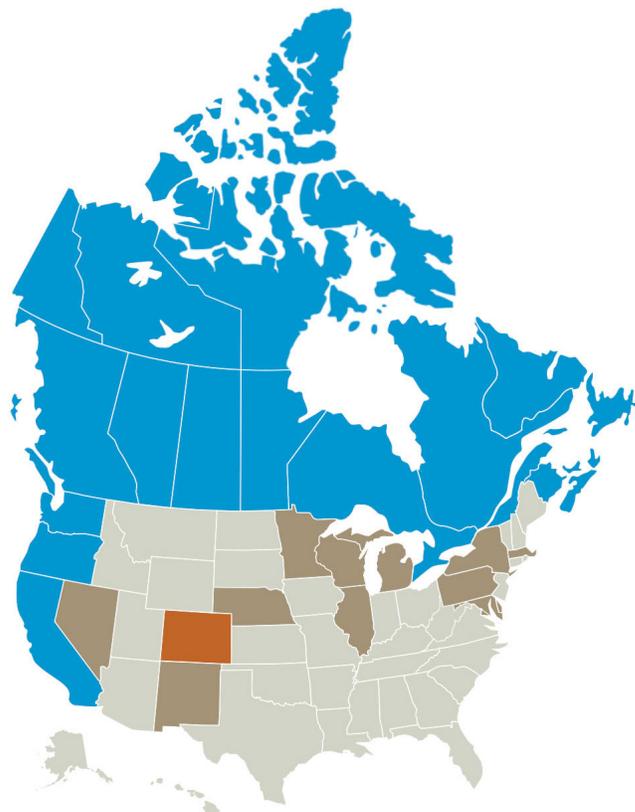
The group believes the technology can offer a decarbonization route at scale for LPG supply in North America and has partnered with BioLPG LLC, based in Washington, D.C., to fund continued research and development.

BioLPG LLC and its United Nations-backed affiliate, Global LPG Partnership, have an exclusive global license from GTI Energy to bring the Cool LPG technology to market.

Preliminary research shows that the Cool LPG process, which converts biogas into renewable propane and butane, yields a negative carbon intensity. It can accept a wide variety of feedstocks, such as dairy waste, animal waste, landfill waste and biomass, allowing for localized production and scalability.

These are key advantages in making renewable propane widely available to everyone in the LPG industry, says Stuart Weidie, head of rLPG North America and Blossman Gas.

“It’s almost feedstock agnostic in terms of what it can accept, and we think that creates a lot of opportunities because the feedstock availability might be different in a landfill in Cobb County, Georgia, than animal waste in the Shenandoah Valley in Virginia,” he says.



LCFS PROGRAMS

- Existing
- Proposed
- Proposed but unsuccessful

● California, Washington, Oregon and Canada have approved LCFS programs.

rLPG North America and its partners aim to build a prototype plant within the next four to five years and to expand the number of facilities by 2030.

Plant locations will depend on feedstock availability, with an eye on geographic diversity and capacity to benefit the entire North American industry. The group expects the prototype to generate interest in building these plants from a variety of companies, adds Weidie.

A Wide Path

The efforts of Global Clean Energy, AmeriGas and rLPG North America represent just two pathways out of many the industry is exploring to establish a readily available supply of renewable propane.

Within the next five years, fats, oils and grease will remain favored feedstocks, but in 10 years’ time, forest resources, agricultural residue, municipal solid waste, biogas, and even carbon capture and hydrogen will look more promising, explains Vishwanathan.

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> **Renewable Propane**, continued from page 16

In the meantime, Palmer of Global Clean Energy argues that optimizing the value of every product produced helps the entire industry.

“We should not be looking at these smaller fractions as a byproduct that we have to figure out a way to do something with, but we should look at that as an opportunity to increase that value and get that market developed so there’s a huge demand for it,” he says. “The demand for it will continue to get other people to produce more of it and get it into the market.”

He encourages propane associations, trade groups and individual propane companies to push for incentives that will add value to the renewable propane market and have a positive environmental impact.

The Renewable Propane Alliance (rPA), a new nonprofit organization with the same designation as the National Propane Gas Association (NPGA) and affiliated state and regional associations, seeks to develop the supply chain for renewable propane and help propane marketers build that retail market.

“The average propane marketer doesn’t know where to buy renewable propane,” says Tom Jaenicke, executive director of the group. “And once he or she has purchased it, they don’t know who to sell it to.”

Educating the industry and consumers about renewable propane at trade shows, events and on web and social platforms will be a primary focus of the organization. It also will serve as a network for renewable propane contacts, news and research.

While Jaenicke does not envision much lobbying on Capitol Hill at this time, rPA has already written letters of support for Global Clean Energy as it seeks to further advantage its camelina sativa feedstock.

rPA expects approval of its bylaws by the second quarter this year and will work alongside PERC and NPGA instead of seeking formal membership association or affiliation.



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Feature Your Company in DegreeDays

We are still accepting advertising for the 2023 issues of *Degree Days*, the official publication of the Virginia Propane Gas Association. *Degree Days* will be published bi-monthly, continuing in June, and advertising can be purchased on a per-issue basis. With a reach of approximately 500 members and industry contacts, *Degree Days* is the best way to promote your products or services to Virginia's propane community.

Click [here](#) to access the **2023 Newsletter Advertising Contract**. It is also included in this newsletter on the last page. Complete the form and send it to the address provided. Contact [Lorraine Meade](#) for ad information or [Tami Rawlette](#) for payment information.

2023 Rebates



We are again offering \$300 Safe Appliance Rebates for 2023! **New for 2023, 7kW-60kW residential generators will be included in the safe appliance rebate program!** There are 250 safe appliance rebates, and they will be available all year until they are gone. See below for program guidelines and a copy of the 2023 application.

[\\$300 Safe Appliance Rebates Guidelines](#)
[\\$300 Safe Appliance Rebates Application](#)

165 remaining

[Vehicle Autogas Rebates](#)

0 remaining

We will notify the membership if additional rebates become available.

Our "Duty To Warn" rebate is scheduled to launch this summer. A short application form and additional information on necessary documentation will be sent to the membership. Each marketer will be able to apply for \$500 to help offset the cost of their Duty To Warn initiatives.

Email [Tami Rawlette](#) or call **804.241.2232** for additional information or to request an application and pre-approval numbers.

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Landmark Court Decision Affirms Consumer Energy Choice

On Monday, April 17, 2023, the Ninth Circuit Court of Appeals overturned the City of Berkeley, California's ban on gas hookups in new buildings, finding that Berkeley's ordinance was preempted by federal law. By banning new gas hookups, Berkeley's now-overturned ban on gas piping into new buildings effectively prevented those appliances from using gas, but the federal government already governs the use of gas under the Energy Policy and Conservation Act (EPCA) and cities are not empowered to enact conflicting regulations. The panel's unanimous decision that Berkeley's ban on gas piping is preempted by EPCA sets an important precedent for future cases, especially with other cities and states considering restrictions on consumer energy choice. NPGA is examining how the decision will affect existing regulations in states that the Ninth Circuit covers (Alaska, Arizona, California, Idaho, Montana, Nevada, Oregon, Washington, Guam, and Hawaii) and will continue to advocate against bans throughout the country. For more, read [NPGA President Steve Kaminski's Op-ed](#), view the legal summary in the [Member Dashboard](#), or contact Director of Regulatory Affairs [Kate Gaziano](#) with any questions.

FMCSA Denies Hours of Service Exemption

On April 19, 2023, the Federal Motor Carrier Safety Administration (FMCSA) denied NPGA's application for a 5 Year Special Exemption to Hours of Service regulations, submitted in September 2022. FMCSA claims in its denial that NPGA's application does not provide an analysis of safety impacts the requested exemption may cause, or countermeasures to ensure that the exemption would likely achieve a level of safety equivalent or greater than the level achieved by the current regulations. FMCSA claims that they cannot ensure that the exemption would achieve the requisite level of safety. FMCSA further stated that the scenarios NPGA outlined as justification for the exemption do not warrant a categorical exemption. NPGA is reviewing the decision, evaluating its options, and will continue to engage FMCSA on hours of service regulations. For questions or additional information, please contact Vice President, Regulatory & Industry Affairs [Benjamin Nussdorf](#).

District Breakouts Coming Up in May

District breakout sessions are taking place via Zoom from May 1–9, 2023. All NPGA marketer members are invited to participate in these sessions to share any legislative or regulatory challenges and/or opportunities confronting the industry in your state. This open forum allows others within the district to learn about issues in neighboring states and share ideas and potential solutions based on their experience. See the full schedule with Zoom links and agenda here. Click on the "Meeting Link" of your choice to register and save a notification on your calendar. All are welcome to attend these virtual breakout sessions—we hope you can join us!

30 under 30 Nominations Now Open!

Want to recognize a young individual in your company? The 30 under 30 nominations are now open for the Class of 2023! [Learn more and nominate someone today](#) OR visit us at the NPGA Expo, booth 557.

Individuals selected for the program will be notified at the beginning of June. The program cycle will run from June 2023 to May 2024. For more information about the program, contact [Steph Hennen](#) with Lakes Gas.

PERC Train the Trainer Event

PERC is hosting a Train the Trainer for Allied Partners, Building Professionals event in Sarasota, FL on August 14 & 15, 2023. During the two-day event, PERC aims to bridge the training gap for propane marketers and their local building professionals. PERC seeks to expand its roster of trainers who serve as a grassroots network, leverageable by other marketers and state entities, to educate builders, architects, engineers, and realtors on a package of propane solutions for the buildings and homes they influence. Learn more and register [here](#). Questions? Please contact [Elena Bennett](#) at PERC.



Virginia Propane Gas Association

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Degree Days is the official publication of the Virginia Propane Gas Association.

It is published bi-monthly in a digital format and has a circulation of approximately 500 members and industry contacts.

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