

Propane Education & Research Council
July 17-18, 2019
Lake Tahoe

MINUTES

Outgoing Chairman Robert Chalmers called the meeting to order at 1:08 Pacific Daylight Time.

Mr. Chalmers opened the meeting with a prayer and the Pledge of Allegiance.

Mr. Chalmers, Meritum Energy Holdings (San Antonio), welcomed the Council members in attendance:

Dave Bertelsen, Matheson Tri-Gas (Hamilton, Ohio)
Nick Calabretti, Energy Transfer (Newtown Square, Pa.)
Libby Cloos, Enterprise Products Operating (Houston)
Kevin Cobb, Suburban Propane Partners LP (Eagle, Idaho)
Casey Cramton, Dead River Co. (South Portland, Maine)
Daniel Dixon, AmeriGas (Florence, Ala.) — *Vice Chairman, Marketers*
Mark Donahue, MarkWest Energy (Denver, Colo.)
Randy Doyle (Ocean Springs, Miss.) — *Secretary*
Phil Farris, 3eightEnergy (Denver, N.C.)
Gary France, France Propane Service (Schofield, Wis.)
Robert Freeman, Freeman Gas (Spartanburg, S.C.) — *Chairman*
Jeff Kerns, ThompsonGas (Frederick, Md.)
Bruce Leonard, Targa (Houston) — *Vice Chairman, Producers*
Joe Rose (Loudon, N.H.)
Stuart Weidie, Blossman Gas (Swannanoa, N.C.)
Richard Williams, Suburban Propane Partners (Whippany, N.J.)
David Wiseman, Williams Energy Resources (Tulsa, Okla.)
Brittany Wright, DCP Midstream (Houston)

Mark Zimora, Energy Distribution Partners (Chicago, Ill.), joined the meeting by telephone.

Mr. Chalmers welcomed new councilors and announced the officers for the new term.

Mr. Chalmers, who steps down after a year as chairman, handed the gavel to the new chairman, Mr. Freeman.

Chairman's Report

Mr. Freeman thanked Mr. Chalmers for his leadership, noting that he was the right person at the right time.

Mr. Freeman also honored Mark Sutton, executive director of the GPA Midstream Association, and Rick Roldan, president and CEO of the National Propane Gas Association, for their decades of service to the propane industry.

Mr. Freeman announced the creation of a task force on climate change and environmental messaging, to be led by Mr. Weidie. He asked for councilors to volunteer for the task force.

Approval of Minutes. Mr. Freeman directed councilors' attention to the minutes of the April 2019 Council meetings. Upon a motion duly made and seconded, the Council approved the minutes.

Executive Committee. Mr. Freeman said PERC's Executive Committee met by conference call June 12 to approve PERC staff merit bonuses and recognize that the corporate bonus for 2018 was met. He said the Executive Committee met again the morning of July 17 and adopted a resolution to transfer PERC 401(k) assets from CPI Qualified Plan Consultants/CUNA Mutual to Fidelity Investments. He noted that other topics of discussion included the CETP certification program, incentive analytics, the VW settlement funding report, the strategic plan, and the thought leadership plan, among others.

Audit Committee Report

Mr. Rose offered a report on the audit recently completed. Upon a motion duly made and seconded, the Council accepted the Audit Committee's report.

Chief Executive Officer's Report

PERC President and CEO Tucker Perkins offered remarks on the draft strategic plan, the thought leadership plan, and the latest system and staff changes at PERC.

Strategic Planning Task Force Report

Mr. Dixon offered an update on the development of a strategic plan. He emphasized the importance of measurable goals. Upon a motion duly made and seconded, the Council approved the strategic plan for 2020 through 2022.

Advisory Committee Appointments

Mr. Freeman appointed the following propane professionals to the Advisory Committee:

To the Market Development and Outreach Working Group: Chairman Harris Baker, HBH Gas Systems (Texas); Vice Chairman Emily Willis, Blossman Gas (North Carolina); Steve Ahrens, Missouri Propane Education and Research Council (Missouri); Zach Baugher, Growmark (Illinois); Brian Buschur, McMahan's Bottle Gas (Ohio); Jay Christie, New Century FS (Iowa); Derek Dalling, Michigan Propane Gas Association (Michigan); Chris DeFilippo, Superior Plus Energy Services (Pennsylvania); Lucas Fitzpatrick, MFA Oil Co. (Missouri); Marc Foerster, Crystal Flash (Michigan); Sam Fox, McCraw Propane (Texas); Deb Grooms, Iowa Propane Gas Association (Iowa); John Jessup, North Carolina Propane Gas Association (North Carolina); Brilynn Johnson, AmeriGas (California); Christopher Kowalski, Superior Plus Energy (Massachusetts); John Kraft, Plains Marketing LP (South Dakota); Bruce Leonard, Targa Liquids Marketing & Trade (Texas); Brian Mater, Ferrellgas (Kansas); Jenni McKeen, Georgia Propane Gas Association (Georgia); Bill Moore, Conger Gas (Georgia); Raymond Murray, Ray Murray Inc. (Massachusetts); Derek Rimko, Superior Energy Systems Ltd. (Ohio); Joanna Sams, Sams LP Gas (Florida); Nandini Sankara, Suburban Propane (New Jersey); Josh Simpson, Kamps Propane (California); Kent Smith, Tri Gas & Oil Co. (Maryland); Lindsey Stansfield, Paraco (New York); Dennis St. Aubin, CHS (Minnesota); Matt Thompson, AmeriGas (Pennsylvania); Joe Trefethen, Palmer Gas/Ermer Oil (New

Hampshire).

To the Research and Technology Development Working Group: Chairman Kenton Sonnenburg, CHS (Minnesota); Vice Chairman Chuck Strawn, Red Seal Measurement Co. (South Carolina); Robert Barry, Bergquist (Ohio); Nathan Ediger, Ferrellgas (Kansas); Darren Engle, Blue Star Gas (Oregon); Marty Erne, GPA Midstream Association (Oklahoma); Donald Fernald, Superior Energy Systems (Ohio); Ken Green, Green's Oklahoma Liquefied Gas (Oklahoma); Roger Gruwell, AmeriGas (Iowa); Mike Hennen, Westmor Industries (Minnesota); Julie Johnson, Ted Johnson Propane (California); David Kennedy, Alliance AutoGas (North Carolina); Mark Komlosi, Worthington Cylinders (Ohio); Steve Moore, Expo Propane (California); Bill Platz, Delta Liquid Energy (California); David Reynolds, Blossman Gas (Mississippi); Vince Rooney, Suburban Propane LP (New Jersey); Kirk Saunders, White Mountain Oil & Propane (New Hampshire); Bruce Swiecicki, National Propane Gas Association (Illinois); Don Tomiello, Targa Resources (Texas); Bill Van Hoy, Texas Propane Gas Association (Texas); Erich Wolf, Cavagna North America (Ohio); Jim Zuck, Marshall Excelsior Company (Michigan).

To the Safety and Technical Training Working Group: Chairman Christopher Wagner, AmeriGas (Pennsylvania); Vice Chairman Jeff Shaffer, Shaffer's Bottled Gas (Pennsylvania); Leslie Anderson, Propane Gas Association of New England (New Hampshire); Mark Anderson, Dead River Co. (Maine); Doug Auxier, Auxier Gas Service (Ohio); John Barnett, U-Haul International (Arizona); Dan Binning, Colorado and New Mexico Propane Gas Associations (Colorado); Byron Breda, Propane Gas Association of New England (New Hampshire); Mike Calderera, National Propane Gas Association (Washington, D.C.); Jeff Clark, Ferrellgas (Minnesota); Steve Clayton, Gas Equipment Co. (Missouri); Don Crowder, Corken (Oklahoma); David Grothoff, MFA Oil Co. (Missouri); Tim Holmes, Suburban Propane (Michigan); William Holmes, Blackmer-PSG (Illinois); Tim Jackson, Rhoads Energy Corp. (Pennsylvania); Ray Kazakewich, RegO Products (North Carolina); Ken Kraft, North Dakota Propane Gas Association (North Dakota); Eric Kuster, National Propane Gas Association (Maryland); Paula Laney, Oklahoma LP Gas Research, Marketing, and Safety Commission (Oklahoma); Dave Latourell, Paraco Gas (New York); Bruce Montroy, Bergquist (Michigan); Ken Mueller, Nationwide AgriBusiness Insurance (Illinois); Tom Mullaney, Rockhill Insurance Group (Arkansas); Tim Myers, IPS Equipment (Michigan); Barry Oden, MFA Oil (Missouri); Lee Patrick, Sharp Energy (Delaware); Scott Pearson, CHS (Minnesota); Thomas Procter, MFA Oil (Missouri); Earl Slacum, Tri Gas & Oil Co. (Maryland); Matt Terry, JP Energy Partners LP (Texas); ; Mike Walters, Superior Energy (Ohio); Randy Warner, C3H8 Consulting (Missouri); Zoe Williams, Hawaii Gas (Hawaii).

Budget for Calendar Year 2020

PERC Senior Vice President Mike Eason reviewed the budget plan for 2020. Upon a motion duly made and seconded, the Council authorized the publication of the 2020 budget plan for public comment.

Treasurer's Report

Mr. Eason reviewed actual financials for 2018 and how they compare with the budget.

Advisory Committee Report

Chuck Strawn, vice chairman of the Research and Technology Development Working Group, offered a report on the most recent meeting of the Advisory Committee.

Business Development Report

PERC Senior Vice President Cinch Munson offered an update on the business development program and its metrics, including engagement with industry members, influencers, and customers.

Mr. Munson introduced **Docket 21957**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 21957
Principal Contractor: Rinnai America Corp.
Title: Hydronic Air Handler
Amount Requested: \$200,000
Action: Approved

Mr. Munson introduced **Docket 21984**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 21984
Principal Contractor: Southwest Research Institute
Title: Advanced Technology Medium-Duty Propane Engine
Amount Requested: \$995,000
Action: Approved

Mr. Munson introduced **Docket 22030**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 22030
Principal Contractor: West Virginia University Innovation Corp.
Title: Chassis Dynamometer Evaluation of Propane Powered MD to HD Vehicles
Amount Requested: \$197,000
Action: Approved

Mr. Munson introduced **Docket 22031**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 22031
Principal Contractor: Utilization Technology Development Consortium
Title: Utilization Technology Development (UTD) Consortium Project Co-funding 2019
Amount Requested: \$80,000
Action: Approved

Mr. Munson introduced **Docket 22016**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 22016
Principal Contractor: GTI
Title: Carbon Management Information Center Consortium 2019
Amount Requested: \$75,000
Action: Approved

NPGA Report

Denis Gagne, NPGA chairman-elect, reviewed the ongoing coordination between the association and the Council.

GPA Midstream Report

Mr. Sutton offered a report on the recent activities of GPA Midstream and talked about the group's coordination with PERC.

Public Comments

Mr. Freeman invited members of the public to comment on matters before the Council.

The Council recessed at 4:55 p.m. PDT.

Proceedings of July 18

Mr. Freeman called the meeting to order at 8:36 a.m. PDT

Jeff Stewart, president of Blue Star Gas (Santa Rosa, Calif.), offered comments on the need for a national messaging program to counter the electrification movement, the importance of renewable propane, and the promise of distributed power generation systems.

Communications Report

PERC Senior Vice President Tina N. Wilson offered a report on the performance of propane.com and the Propane Can Do That™ integrated consumer education program.

Ms. Wilson introduced **Docket 21988**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket:	21988
Principal Contractor:	Swanson Russell
Title:	2019 Integrated Marketing Campaign – Homeowner Outreach
Amount Requested:	\$3,000,000
Action:	Approved

Industry Relations Report

PERC Senior Vice President Bridget Kidd reviewed industry relations programs for 2019, including the ongoing workforce recruitment program and sales and marketing training.

Ms. Kidd introduced **Docket 21966**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket:	21966
Principal Contractor:	Swanson Russell
Title:	Entry Level Driver Training
Amount Requested:	\$310,000
Action:	Approved

Portfolio Subcommittee Report

Mr. Donahue offered remarks on the subcommittee's evaluation of PERC projects.

Public Comments

Mr. Freeman invited members of the public to comment on matters before the Council. There were no comments.

Old Business

There was no old business.

New Business

Mr. Freeman asked councilors to turn their attention to the membership rosters of Council committees.

Mr. Freeman directed councilors to review the proposed dates and locations of Council and Advisory Committee meetings for 2020:

February 12:	Council meeting conference call
April 9:	Council meeting, Nashville, Tenn.
May 6-7:	Advisory Committee meeting, Greenville, S.C.
July 21-22:	Council meeting, Beaver Creek, Colo.
October 7-8:	Advisory Committee meeting, Louisville, Ky.
November 10-11:	Council meeting, Destin, Fla.

Mr. Freeman announced that the next Council meeting would take place November 12 and 13 in Naples, Fla.

By unanimous consent, the Council adjourned at 10:44 a.m. PDT.

##