



# Docket 22939: State Environmental Engagement Partnership Fund

Propane Education & Research Council

## APPLICANT INFORMATION

**Primary Contact:** Bridget Kidd, Senior Vice President, Industry Relations  
**Email:** bridget.kidd@propane.com  
**Amount Requested:** \$ 2,300,000  
**Other Funding Organizations/Amounts:** \$ 250,000 - State Entities  
**Start Date:** 05/03/2021  
**PERC Staff Project Lead:** Bridget Kidd  
**Additional Vendors:** TBD – PERC’s lead media buying and creative agency(s)

**Organization:** Propane Education & Research Council  
**Phone:** 202-452-8975  
**Total Project Cost:** \$ 2,550,000  
**End Date:** 08/31/2022

## EXECUTIVE SUMMARY

### Project Summary

- Describe the proposed product or idea, its importance, its benefits, and the market and/or audience it serves. Briefly outline the scope of work. If applicable, describe the key messages and deliverables, including who, what, where, and how they are delivered. Please limit response to 500 words.

Partnerships with state entities is critical to the success of increasing awareness among consumers of the role propane can and does play in accelerating decarbonization efforts. This project provides funding to state entities for local media buys to support PERC’s environmental campaigns. Working together with a unified message, complementary reach, and increased frequency of amplifying these messages will allow for increased impact on our investment.

The goal of this project is two-fold:

1. Increase the awareness by consumers (homeowners) in propane country that propane currently plays a significant and impactful role in decarbonization efforts, while ensuring equity on the desired path to zero.
2. Engage the propane industry and inspire action to participate in this effort.

### Strategic Importance

- Describe how this initiative supports PERC’s strategic plan.
- Describe how this initiative is important to the propane industry.

The 2020-2022 Strategic Plan calls for a focus on combating competing energy sources, climate change positioning, and energy and environmental conservation messaging. Further enhancing the environmental, social, and corporate governance benefits of propane.



This program supports the Strategic Plan’s goal of increasing propane’s voice in the national energy conversation by increasing awareness by 15% over a 3-year timeframe. The specific audience is homeowners in propane country.

Additionally the PERA Statute calls for PERC to "coordinate its activities with industry trade association and others as appropriate to provide efficient delivery of services and to avoid unnecessary duplication of activities." This program will support the accomplishment of the PERA Statute directive to partner with industry organizations.

**Budget Impact and Three Year History for Similar Dockets**

- *Provide the budget market & activity this project will be impacting.*

<b>Category:</b> Reserves	<b>Year Total:</b> \$9,470,000
<b>YTD Remaining:</b> \$9,470,000	<b>Remaining if Funded:</b> \$7,170,000

Year	Docket	Amount Awarded	Amount Spent	Results
2020	21547	\$500,000.00	\$470,000.00	10 grants were awarded to state and regional entities to support workforce outreach efforts; a variety of projects were executed helping our project team better understand what cost and impact different activities have when it comes to workforce outreach.
2019	21725	\$1,000,000.00	\$960,000.00	\$959,909 (96%) program funds awarded. 42 (93%) states participated.
2018	21356	\$1,500,000.00	\$1,340,000.00	\$1,341,925 (89%) program funds awarded. 38 (84%) states participated.

**Success Measures**

- *Describe the desired outcome of the project / measurement of success.*

Participation in the program is going to be the ultimate measure of success to demonstrate industry engagement with the initiative. Based on previous programs, we expect to see at least 10 regional and state foundations/councils participate in the first year, utilizing 100% of their allocation.

By September 1, we will determine the goals for the media buys based upon actual participation and investment. The requirement for funding to pay for media placement will limit metrics to engagement through digital media buys and activity on respective websites/landing pages.

## Detailed Business Case

### Market / Audience Rationale

- *Who is the target audience?*
- *Why is the target audience important?*
- *What is the geographical reach (national, regional)?*
- *What input have you received on the project concept from the market/audience?*
- *What market research has been done in support of this project?*
- *What is the urgency of the project?*

The audiences for this project include consumers and the propane industry. Engaging these audiences about the environmental benefits of propane and is critical to the expansion of users and uses of propane.

### Development

- *What content will be created?*
- *Who will create the content?*
- *How will the content be created?*
- *What existing content will be leveraged?*
- *What is the level of difficulty to create the content?*
- *What are the possible challenges in creating the content?*

PERC Staff will work with State entities and their leadership to engage in the strategy and placement of media, predominantly digital, in their state or region. Participation in this program will require the use of PERC created media assets, PERC media placement Partners, and messaging. Exceptions may be made for those states with existing environmental messages in their market. However, no program funding will be allowed for administrative, project management, or agency fees.

Additional creative funding is requested by PERC to allow for regionalization of the message to be most appropriate for the audience. Website content for state entities may need to be generated or updated for both Propane Web Services supported websites and non-supported websites.

### Delivery

- *How will the content be delivered to the market?*
- *What existing delivery channels will be used?*
- *What training is necessary, and who needs training to deliver this program?*
- *What are the possible challenges in delivering the program?*
- *What is needed to generate enthusiasm for the program within the propane industry and with partners?*

PERC will make \$2,000,000 available to state entities for a media buy by state, but preferably by regional deployment. The allocation of funds is based on the 2019 Retail Sales Report. States will be eligible for 100% of their allocated funding if they provide a \$.50 match from their respective state rebate funds. If state entities do not provide a match, PERC will deploy 50% of the available allocation in their state. State entities can contribute any level, however the 100% allocation is the maximum that PERC will match

### Customer Service and Support Needs

- *What are the customer service and support requirements?*
- *What service and support resources are required?*
- *Are service and support developed through this project?*

This will require heavy support from our industry relations staff and agency partners. PERC will work with the state leadership to identify matching funding, priorities, strategy and implementation. Because participation is limited to PERC created assets, some funding will be reserved for regional/state specific modifications to the available assets, when necessary.

### Leverage and Synergies

- *What are the internal strengths leveraged to develop and deliver this program?*
- *How much dependence is on partners to develop and/or deliver the content?*
- *How could the content be used by other markets or industry organizations?*
- *How could the content be used with other audiences beyond the target audience?*
- *What results have been achieved with previous, similar projects?*

The industry relations team has a long history of working with state entities and assisting with local media campaigns. The only assets that will be created are complementary to the assets already created to support the PERC environmental campaigns in both brand and market-based initiatives. The primary audience for this program is state entities however, all assets will be made available for individual propane marketers/industry partners to use.

### Cost/Benefit Analysis

- *What is the expected impact on market?*
- *What are measurable success targets, e.g., units sold?*
- *What is the estimated quantifiable impact on gallons sold, if applicable?*
- *What is the relative cost per gallon and other measurable targets?*

These funds will be used to amplify existing programs and engage the industry. Encouraging matching funds will provide a direct increase in the benefits associated with this program. Until individual plans are developed at the state or regional level, the expected metrics are unknown.

### Risk Assessment

- *Identify 3-5 potential risks to the successful completion of the project or inability to meet outcome targets, how likely those are to happen, impact on the project, and how to resolve those risks.*
- *Indicate low, medium, or high for “Likelihood” and “Impact.”*

Risk	Likelihood	Impact	Risk Resolution and/or Contingency Plan(s)
Lack of state participation	High	Medium	Because the program draws on state rebate funds for a match, many states will not be prepared in the first year to allocate funds to this project. The mitigation plan allows for 50% of funds to be available to place without a match.

## Budget

- Outline cost per task, including estimated cost share (cash and in-kind).
- If applicable, indicate hourly rates, including overhead
- Highlight contractor vs. pass-through costs.

Budget breakdown:

\$2,000,000.00 Media purchase

\$300,000: asset creation, strategy, planning, monitoring, and metrics collection.

## Timeline

- Provide a detailed timeline of all activities, tasks, and milestones.
- Include commencement and completion dates.
- List most responsible person for each task.

Once the program is approved, states will be asked to opt in to participate in the program by August 1st and all media buys will be required to begin by October 1, 2021 and conclude by October 31, 2022. Quarterly metrics reports will be provided to the council and to the states. Final reports from the States will be completed by December 31, 2022.

## MEASUREMENT & EVALUATION

### Project Metrics

- Detail how success will be measured for this project overall and by tactic, what the metric is, and when it will be achieved.

Project Deliverable Metrics	Metrics	By When (Date)
States that match funds, utilizing 100% of their allocation	10 state entities	7/1/2021
audience reach	determined by sept 1 (based upon total funding from states that have opted in to match)	10/1/2022
website/landing page activity	determined by sept 1 (based upon total funding from states that have opted in to match)	10/1/2022

### Partner Selection

- What was the basis for selecting the recommended contractor?
- If the basis for selection is not via a competition, describe the unique qualifications this vendor possesses.
- For time and material work arrangements, list or attach the Principal Hourly Rates and the basis used to determine that the rates are competitive.
- How will matching funds be verified?

We plan to partner with our lead media buying and creative agency(s) to support this project to reduce costs and leverage existing relationships and assets.