

PROPANE EDUCATION & RESEARCH COUNCIL

Budget Plan for Calendar Year 2022

EXECUTIVE SUMMARY

Four strategic objectives guided the development of the 2022 Budget Plan:

- Develop professional, informed, and skilled workforce and trade allies through world-class safety and technical training.
- Increase propane's voice in the national energy conversation through data-driven, provocative, and assertive messaging.
- Grow the Autogas market through industry adoption, the development of certified applications, service networks, and commercialization support of applications in the market.
- Engage in commercialization efforts to create market growth opportunities.

Develop professional, informed, and skilled workforce and trade allies through world-class training.

Our workforce training will expand its use of technology and improved curriculum to increase ease of access and improved end user experience for sales and safety training. Emphasis on content, improved safety programs, and the value proposition of using the Learning Center and propane.com content will be key topics promoted in our outreach.

COVID-19 has impacted the methods used to engage with users of specific programs at the local level. To be more flexible and dynamic, PERC has shifted to using more digital and virtual tools to engage marketers and stakeholders, but outreach will continue to leverage in-person meetings and events held by state and regional entities.

Workforce outreach will continue to leverage the technical grant program and to support the incorporation of PERC curriculum and resources at the local level for state entities and marketers.

Increase propane's voice in the national energy conversation through data-driven, provocative, and assertive messaging.

The 2022 campaign is designed to increase propane's voice in the national energy conversation. It will build upon the foundation laid by the 2021 Thought Leadership program and will continue to promote a common, integrated theme across all markets (Propane Can Do That).

Thought leadership on clean energy continues to be important to Americans, and propane professionals have the expertise, the talent, and the clean energy to take the lead. We will provide a provocative clean energy message based on data and metrics to promote propane in a positive way featuring environmental media stories. PERC will engage influential propane ambassadors to shape the perception of propane as clean American energy.

The new thought leadership digital newsroom will be a trusted and go-to resource for information on clean energy, including renewable fuels. PERC will continue to provide marketers with updated environmental content and thought leadership material.

Grow the Autogas market through industry adoption, the development of applications, service networks, and commercialization support of applications in the market.

Propane Autogas for the on-road market, and engines across multiple markets, provides a growth opportunity for propane. A strategic priority is to develop technologies that the industry can use in their fleets, with crossover opportunities in other markets, including medium to heavy-duty vehicles, relevant engines, and aftermarket conversions; with a goal of increasing the adoption of autogas vehicles in the propane market and other markets. We will provide the tools and resources needed for marketers to successfully incorporate autogas customers into their business strategy. Additionally, the development of a service and maintenance training program is a priority.

Engage in appropriate commercialization efforts to create market growth opportunities.

Engagement and partnerships with allied industries is critical to the success of the propane industry. From face-to-face meetings, to tradeshow, to events; the PERC engages with manufacturers, distributors, dealers, and influencers such as regulators and researchers to advance propane use across the markets. Strategic priorities include developing partnerships and propane-fueled products used for power generation, water heat, outdoor living, manufactured housing, commercial markets, forklifts and other material handling equipment, mobile agricultural equipment, industry innovations, and renewables.

PART I. ASSESSMENTS, INVESTMENT INCOME, AND OTHER RESOURCES

The federally authorized assessment on odorized propane is the principal source of funding for PERC. PERC collects late payment fees and interest on assessments that are paid after the due date. PERC receives income from the investment of assessment funds pending their disbursement. PERC also may receive grants and other funds from government agencies and private organizations, but such resources have not been planned in the 2022 budget.

Assessment Collections. Assessment revenues of \$42,200,000 are projected for 2022 based on an assessment rate of 0.5 cents per gallon, effective since October 1, 2017.

Investment Income. Investment income in 2022 is estimated at \$311,481. Investment income is affected by market conditions as well as the timing of assessment collections and funds disbursed for operating expenses, grants, projects, and state rebates. All funds are invested in accordance with PERA.

Deobligations. Unused funds from projects and specifically funded activities to be returned to the general treasury are estimated at \$500,000.

PART II. GENERAL EXPENDITURES AND CAPITAL INVESTMENTS

Administrative Expenses. Administrative expenses in 2022 are budgeted at \$2,978,247. Under PERA, administrative expenses may not exceed 10 percent of funds collected during the year. The proposed administrative expenses are estimated at 7.00 percent of assessment funds the Council expects to collect for 2022. In addition for 2022, PERC expects to sublease a portion of the DC office space to NPGA. Doing so will result in an approximate \$364,856 reduction in administrative expense due to lease and other cost sharing revenue.

In accordance with PERA, no funds are used to compensate members of the Council, who all serve as unpaid volunteers. Of the 21 members of the Council, only the three public members may be reimbursed for travel expenses and only for attendance at Council meetings.

Assessment and Collections. PERC estimates its assessment and collection expenses to be \$105,000 in 2022. These costs are primarily based on an allocation of a portion of the costs incurred under a contract with PERC's outsourced accounting service that manages assessment collections.

Depreciation Expenses. PERC has no plans to make capital expenditures. Depreciation is estimated to be \$0 in 2022.

Capital Investments. PERC has no plans to make capital investments in 2022.

PART III. STATE REBATES

By operation of the law and the rules adopted by the Council, 20 percent of assessment collections are rebated to the states. If the budgeted assessment collections are realized, the total expenditure for the state rebate program in 2022 is budgeted at \$8,440,000.

PART IV. PROPANE EDUCATION AND RESEARCH COUNCIL (PERC) PROGRAMS

PERA requires PERC to "develop programs and projects and enter into contracts or agreements for implementing this Act, including programs to enhance consumer and employee safety and training, to provide for research and development of clean and efficient propane utilization equipment, to inform and educate the public about safety and other issues associated with the use of propane."

There is \$32.6 million budgeted in Program funding that includes \$26 million planned for docketed projects and program activities, as well as \$6.5 million estimated for program salaries, benefit cost and IT support costs.

The projects and initiatives described in the following sections are based on a recommendation from PERC's Budget and Finance Committee in collaboration with PERC's Executive Committee, the staff, and other sources. On July 20, 2021, the Executive Committee approved the distribution of the proposed budget for the limited purpose of soliciting public comment. While the descriptions to follow provide insight into the overall program plans of PERC, actual funding will be considered on a docket by-docket basis for 2022.

Other requirements under PERA included in the program budget initiatives are as follows:

- Not less than 5 percent of the funds collected through assessments pursuant to the Act will be used for programs and projects intended to benefit the agriculture industry in the United States. The Council will coordinate its activities in this regard with agriculture industry trade associations and other organizations representing the agriculture industry.
- The Council shall coordinate its activities with industry trade associations and others as appropriate to provide efficient delivery of services and to avoid unnecessary duplication of activities.

HIGHLIGHTS

Americans require energy that can decarbonize the economy while meeting the everyday needs of millions of families and businesses. Energy we can count on when the grid fails, when the sun goes down, when the wind stops blowing. Energy that does not place an additional burden on Americans who can least afford it. Energy for everyone.

In other words, *propane*.

The following 2022 budget plan is designed to help propane seize this moment. It is organized around priorities established by the Council's strategic plan:

Safety and technical training

Our world-class safety and technical training programs help prepare the propane workforce to meet the challenges of today and tomorrow. Our sales and marketing training helps propane professionals support the commercialization of propane-fueled products that Americans use to curb their carbon emissions, save money, and get the job done. Our training for construction professionals and automotive technicians and others helps more people get more out of propane, **the energy for everyone**.

Industry engagement

Propane professionals guide everything we do at PERC, helping create and improve our programs, resources, and services. For more than two decades volunteers have shared their time, wisdom, and expertise with the members of the Council to improve the industry's return on investment in PERC. With their help, we strive to make it easy for all propane professionals to get what they need from PERC — when, where, and how they need it. Our industry engagement programs are designed to surprise, delight, and challenge them.

Commercialization of new products

We work closely with propane professionals and their customers, with scientists and researchers, and with manufacturers and their distributors to research, develop, and bring to market new and improved products that help Americans meet their emissions goals affordably without sacrificing performance. Our product development investments have helped create new propane uses and users for years, and new and ongoing programs in 2022 will aim to add to that success.

Messaging that can secure propane's place in the national energy conversation

In propane, we Americans already have the affordable, reliable, widely available, environment-friendly energy we have been looking for. Our job is to make sure more Americans know it. Our 2022 budget plan is designed to help us hit the Council's three-year target of boosting perceptions of propane as a clean fuel by 15 percent. We have already made substantial progress toward the goal. But it will take more than that to ensure that propane remains part of America's energy mix as the country rushes — mistakenly — to electrify everything. It will take talking with homeowners, business owners, energy influencers, and many others about propane's value as frequently and persuasively as we can.

Safety and Technical Training

Budget: \$3,315,000

Cross Market Safety & Technical Training

Commercial

Training for commercial construction professionals has been a mainstay of our online training program for years. Architects, specifying engineers, builders, and others can get continuing education credits for taking our courses through our partner, Hanley Wood University. Propane professionals can take the courses through the *Learning Center* at Propane.com. Courses for commercial construction professionals include “Propane-Enabled Solutions for Commercial Buildings in Rural Areas,” “Propane and Building Design for Commercial Buildings,” and “Backup Power for Commercial Buildings.” The 2022 commercial construction training program will involve adding new courses and updating existing ones. It will also include training delivered by our staff through events like *Architect Connections*, a gathering of thousands of construction professionals.

Residential

Residential construction professionals turn to our online training to learn about how propane appliances can help them make more money while saving their homebuyers money on operating costs and improving the performance and comfort of the homes they build, remodel, and service. Architects, builders, and trades people can get continuing education credits for taking our courses through our partner, Hanley Wood University. Propane professionals can take the courses through the Learning Center at Propane.com. Courses for residential construction pros include “Designing and Building High-Performance Homes with Propane,” “Propane Micro-CHP for Homes and Commercial Buildings,” and “Propane-Enhanced Renewable Energy Systems.” The 2022 training program for homebuilders will involve adding new courses and updating existing ones. Our subject matter experts will also lead training programs for builders and others at events like Architect Connections.

On Road

The PERC 2020-22 Strategic Plan identifies a service and maintenance network of trained technicians as a strategic priority. Through partnerships with equipment suppliers, training providers, educational institutions, and others, we will develop an on road service training program. We will evaluate existing training partners and programs, identify necessary changes and updates, and design the program to be launched.

Industry Workforce Training

Learning Center and CETP Certification Program

The Council has made workforce training a top priority. For us, workforce training starts with the *Learning Center* at Propane.com. Funding in this category will provide operations, data storage, and support for the *Learning Center*, the central point for the industry to access PERC’s educational programs, providing online access and documentation of training anytime, anywhere. The funding also supports helpdesk activities for the *Learning Center*, operational support for the *Certified Employee Training Program (CETP)*, and improvements to the *Learning Center*.

CETP Update and Outreach

CETP is the flagship resource for training the propane industry, and PERC will support and invest in safety, education, and technical training with the 2022 budget. A significant portion of the 2022 budget will support this program with updated CETP training and certification programs in a shorter, task-based methodology that improves the effectiveness of programs while offering users the ability to customize training and educational programs to fit the specific needs of employees and organizations.

The return on investment to the industry includes increasing the use of workforce training and propane safety and educational programs online as both stand-alone and blended learning formats, resulting in cost savings for propane marketers without sacrificing appropriate training needs.

Training Support and Workforce Development

The safety and technical training 2022 budget supports the various growth markets with educational and training programs as needed. Safety and technical training programs will also be leveraged to support workforce development efforts and to support educational outreach to industries that support the propane industry. This support will occur through interaction with postsecondary schools, driving schools, and workforce development organizations.

PERC will use both newly developed and repurposed existing assets to customize programs to specifically support these efforts. Specifically, the *Learning Center* will be leveraged to support the four apprenticeship programs approved by the Department of Labor and administered by National Propane Gas Association (NPGA).

Safety Messaging

Safety and technical training will continue to enhance and produce consumer safety messaging and end-user safety programs. In 2022, we intend to use digital outreach and messaging tied to both the residential and commercial consumer audience.

Comprehensive safety messaging, such as preparation for winter and adverse weather occurrences, will continue to be sent to customers by way of state and regional propane organizations and propane marketers. Recent revisions and updates to Propane.com have increased our overall user base which has also allowed us to utilize Propane.com for alerts and announcements concerning upcoming extreme weather events. Improvements to the site allow for automatic updating of the messaging in regions where weather is expected to occur.

Industry Engagement & Adoption

Total Budget: \$3,021,000

Industry Sales and Marketing Training Programs

The Sales and Marketing Training Program represents four projects that support sales and marketing training specific for the propane industry:

- 1) Sales Professionals & CSR Training: In 2022, the industry and market training offerings support propane sales professionals and customer service representatives with fresh content to enhance both technical knowledge and the business acumen needed to leverage new markets and improve service to existing customers. Delivery of the content is via the Learning Center on propane.com.

2) “Train-the-Trainer” Training for HVAC & Plumbing Professionals: Based on the success of prior years, these sessions are again planned for 2022, and will include the Overview of Propane Distribution Systems for HVAC and Plumbing Professionals course. This project aligns with the strategic priority to place propane curriculum into technical schools and colleges.

3) Industry Workforce and Allied Partners Outreach: The 2022 efforts will focus on promoting current workforce programs and activities, continuing to create and support workforce safety training, sales and marketing training, and cross-selling opportunities, while educating about propane’s environmental benefits.

4) Can-Do Marketing Conference: The Can-Do conference will take place in Minneapolis in April 2022. The event will educate marketers on digital marketing techniques, new market and technology opportunities, the environmental benefits of propane, how to incorporate PERC’s new brand, and resources available for their marketing and growth plans. Employees of retail marketers across the country are the intended target of this conference. Specifically, the management, operations, sales, and marketing personnel would be the primary beneficiaries of the program. This audience is key to positioning retail propane companies to compete in the age of electrification and decarbonization, and they can benefit from adopting the strategies and tools to grow gallons and uses across all market segments.

Industry Outreach

Industry outreach in 2022 will focus on driving action by marketers, industry partners, and state entities to adopt messages, resources, and expand commercialization efforts across all markets. Heightening awareness and understanding of PERC efforts to expand market opportunities, safety resources, training programs, and consumer awareness demands a concerted effort beyond print and social/digital outreach to industry professionals. PERC’s presence at major industry conventions and trade shows (NPGA Southeastern Convention & International Propane Expo, Western Propane Trade Show & Convention, Northeast Propane Show, and other regional events) provides prime opportunities to display the accomplishments of PERC’s R&D initiatives and showcase new commercialization efforts to expand the use of propane. State association meetings provide ideal opportunities for PERC staff to build relationships and educate large audiences about PERC strategic priorities, goals, commercialization efforts and new opportunities.

The annual region meetings and Leadership Summit events allow us the opportunity to update state association staff and leadership on PERC’s strategic priorities, discuss local challenges and opportunities, and foster collaboration and idea exchange.

Industry workforce outreach and promotion will focus on current propane industry workforce safety & sales training, external market training and vocational and technical school curriculums. Resources including digital and print items/ads are available for state entities, propane marketers, and trade allies.

Advisory Committee and Program Support

This initiative supports all advisory committee functions and related project and program administration. Activities include the logistics and expenses for in-person meetings that support the Advisory Committee and its working groups, staff travel to Council meetings, and staff/Executive Management Team (EMT)/leadership meetings (as needed).

National Associations

In fulfillment of our statutory obligation to coordinate its activities with those of the industry associations, our partnership agreement with the GPA Midstream Association and the National Propane Gas Association aligns the strategies of the three nonprofit groups and expands collaboration on activities and initiatives such as federal agency outreach, regulatory compliance updates, and environmental initiatives, all to protect and promote the interests of the industry, consumers, and the public.

Partnership with States (Environmental Campaigns)

Budget: \$1,500,000

Partnering with state organizations, PERC will make matching funds available to amplify new branding and messaging to support the growth of the propane industry.

Product Development

Agriculture

Budget: \$1,105,000

Agricultural product development efforts are focused on mobile agriculture equipment replacing diesel fuel as prioritized in the Council's strategic plan. We are engaging with tractor manufacturing companies around research, development, and commercialization of a tractor sized for large mowing and landscaping used for national parks, municipalities, and state road departments. These tractors are also commonly used on farms across the country.

Commercial

Budget: \$350,000

The strategic priority for the commercial market is micro-combined heat and power systems, other power generation opportunities, and commercial-scale water heating solutions. To have an impact on the commercial market, new products will be developed, demonstrated, and commercialized.

Material Handling and Industrial (Forklift and Port Applications)

Budget: \$550,000

We are working with equipment manufacturers to develop propane-fueled solutions for the present and the future. The work includes the continued development and commercialization of emissions treatments and propane hybrid technologies. We are engaging the port and terminal markets, where opportunities include power generation, terminal tractors, heavy-duty forklifts, container handlers, light-duty vehicles, and refueling infrastructure.

Residential

Budget: \$100,000

In the residential market, the strategic emphasis is on next-generation water heating solutions and power generation solutions, including micro-combined heat and power.

Off Road / Power Generation

Budget: \$300,000

Opportunities will be sought in the off road / power generation space. Goals will be to increase the scope of products offered with regard to power generation, and to increase the efficiency of products offered in both areas.

On Road

Budget: \$1,049,000

A strategic priority for the Council is to increase industry adoption of on road vehicles that run on propane. Activities to achieve this goal include supporting the commercialization of new products for the industry fleet, monitoring the support and success of existing products, and providing the industry with the tools, resources, and materials to successfully incorporate on road customers into their business strategy. It is also important to capitalize on growth opportunities in new and existing markets. We will continue to target key on road vertical market segments, including paratransit, food and beverage, pickup and delivery, package and parcel, parking shuttle, towing and recovery, and other high-fuel-use vehicles in weight classes 3-7. The integration of the new Cummins 6.7L propane engine into new truck Original Equipment Manufacturer (OEM) projects will be essential to the success of capturing more of the 60 billion gallon per year market share of diesel today.

Business Development

Agriculture

Budget: \$285,000

To aid in our efforts across the soil steaming market, we will partner with the newly formed *American Soil Steaming Association* (ASSA). Through this partnership we will gain greater access to major players in the soil-steaming space. We also are a member of the Commodity Roundtable organization to collaborate with agricultural organizations, as required by the Propane Education and Research Act of 1996.

We support trade show exhibits for state associations and marketers, to encourage direct interaction between marketers and consumers. PERC staff attends these events when feasible to communicate with propane and agriculture industry colleagues.

Commercial

Budget: \$92,500

Partnerships in the commercial market include, but are not limited to, the Building Owners and Managers Association, the American Hotel and Lodging Association, the Associated General Contractors of America, the Association for Learning Environments, and the American Society for Healthcare Engineers. Partnerships in the commercial market allow us to grow our contacts and expand the reach and frequency of our message.

Cross Market

Budget: \$400,000

The cross-market business development budget allows PERC staff to target new market opportunities, engage federal and state agencies, coordinate with international technology companies, support current markets, and ensure efficiencies of new products. Since new market opportunities are not covered by specific market dockets this program supports those

efforts. Agency engagement, including the Department of Energy and other non-governmental clean energy organizations is covered through this program. We also engage with international technology suppliers and new suppliers who have solutions that will benefit the U.S. market. Consultants are selected in lieu of additional staff to aid PERC in specific projects, because of their technical knowledge and subject matter expertise in specific markets. We will partner with the *Carbon Management Information Center* (CMIC), a part of the GTI Energy, to provide carbon emissions data in partnership with natural gas entities.

Material Handling/Industrial (Forklift & Port Applications)

Budget: \$65,000

Strategic partnerships within the material handling market are an important business development activity and strategy. This includes memberships to national trade associations and councils and key market specific user groups, such as the *Industrial Truck Association* (ITA) and the *American Association of Port Authorities* (AAPA).

Off-Road/Power Generation

Budget: \$80,000

Strategic partnerships in the off-road markets are important. They include memberships in national trade associations and councils and market specific user groups. These organizations are made up of equipment manufacturers, professional landscape contractors, golf course owners and operators, superintendents, municipalities, fleet administrators and managers, parks and recreation directors, and concrete construction professionals. We will identify those partnerships that are most in line with the PERC strategic plan. The targeting of these organizations and their constituents is important for two distinct reasons:

- (1) they are the leaders and key decision makers in their industries
- (2) they influence equipment manufacturers in terms of current product needs and future product development.

On Road

Budget: \$135,000

Strategic partnerships allow for PERC to further engage key stakeholders, including national trade shows like the Association for the Work Truck Industry (NTEA), the American Trucking Associations (ATA), the National Star Route Mail Carriers Association, the National Parking Association, the Student Transportation Network (STN), and others in market development activities. We will also engage influential market associations for food and beverage, paratransit, and parcel and package fleets. Engagement with existing vehicle solution providers as well as new truck OEMs that will be exposed to propane on road solutions with new engines coming into the market will be an essential activity.

Residential

Budget: \$122,500

Partnerships in the residential market include those with the National Association of Home Builders (NAHB), the American Institute of Architects (AIA), the United States Green Building Council, and the National Association of the Remodeling Industry. Partnership with these organizations allows us to certify our courses for continuing education units in their various professional designations, expanding the reach and credibility of these programs and our messages.

Technical Research & Training

Budget: \$965,000

Technical research is fundamental in nature and supports PERC's strategic goals. It will include areas such as fuel composition analysis, safety, emissions, equipment performance, and research to support regulatory compliance initiatives.

Actual fuel composition is of interest to the propane industry and our OEM partners as they develop fuel systems for propane utilization equipment. Emissions data for propane equipment is important to position propane against competing energy sources. This will likely include comprehensive in-use emissions testing of equipment.

If needed, research to support renewable propane and conventional propane blends with renewable dimethyl ether would also be accommodated through the technical research investment.

Marketing and Communications

Agriculture Marketing

Budget: \$707,000

The Agriculture Market Outreach program has four areas of emphasis:

Consumer education (content and marketing): We will highlight the new brand identity in our agriculture messaging, highlighting the affordability and versatility of our fuel. This approach to messaging allows us to highlight the versatility and reliability of propane, and the availability of new propane-powered equipment across the various ag applications and operations without continually developing new content or campaigns for each situation.

The market outreach approach uses social media, case studies, photography, digital, video, print, and radio. We will continue to update and promote sales-oriented collateral to educate audiences who develop, purchase, and influence the use of propane equipment about the advantages of propane in agriculture. We are promoting lesson plans for agriculture educators and attending the national FFA convention. We are also focused on the continually emerging cannabis and hemp markets in agriculture.

Influencer outreach: We will continue to communicate with equipment manufacturers, distributors, dealers, and other market influencers, including agriculture extension agents and agricultural cooperatives, about the advantages of propane. Our goal is to educate these influencers so they can better represent our fuel to their customers, and ideally create champions for propane in agriculture. Our industry e-newsletter communications tool, called The Ag Post, is a primary strategy to introduce influencers to propane in ag and how PERC supports their efforts.

Marketer outreach: We communicate with propane marketers who are interested in the agriculture market through The Ag Post and by way of targeted PERC communications and presentations at propane industry events. We focus on improving marketers' understanding of the agricultural market and sharing resources that can help them take advantage of growth opportunities in the market.

Public relations: We use press releases, media interviews, and byline articles to share information about propane in ag as we position PERC as a leader in the ag energy discussion.

Commercial Marketing

Budget: \$637,500

The commercial market sector represents about 20 percent of all propane demand. Commercial demand is less affected by weather than residential demand, which helps explain why market share has remained somewhat stable during warm and cold winters alike. The commercial market has seen the most demand reduction during the pandemic slowdown.

The commercial market, with varying types of infrastructure and associated needs, tends to be more diverse in customer type and decision maker. An increased effort to identify the explicit needs of each building type and address the decision maker audiences, along with combatting the competing energy sources in commercial buildings, will be an increased focus in 2022. Specific focus is given to the architect, engineer, and contractor segment of specifiers.

Cross Market Marketing

Budget: \$956,000

As part of PERC's reorganization in 2011 and subsequent hiring of a lead communications agency to replace several agencies working in silos, we achieved significant savings on agency activities like strategic planning, account oversight, and status calls. Since then we have protected those savings by budgeting for and tracking the costs under a cross market communications docket each year. The current budget estimate for agency oversight should be sufficient to cover agency oversight costs with outreach activity in all markets.

According to estimates, there are 3,500 propane companies employing 50,000 people nationwide. Our database of marketer contacts, about 12,000 strong, includes many of the men and women who run those companies. Overwhelmingly, the owners and managers of those companies tell us that email is the best way to reach them. They are also active on social media, especially Facebook. For that reason, our routine marketer communications rely heavily on email and social media, though other tactics are included. Performance has been improving in recent years, but we are not satisfied. Too many marketers tell us that they do not know enough about PERC programs, projects, and products and do not know how to get involved. There is opportunity for growth across the board in reach, frequency, and impact.

Our digital strategy to increase marketer engagement relies on email campaigns to get the right news to the right marketers at the right time. Email is an opportunity to collect information about marketers that helps us segment the marketer audience to send people the information that they are most interested in. PERC sends two or three dedicated campaigns a month to all or some marketers in the database, and the returns have been promising.

PERC outreach will continue to all markets using the new propane brand identity on Propane.com. Homeowners, business owners, on-road and off-road fleet managers, growers, construction professionals, propane professionals, and energy influencers will see strategically integrated messages that are designed to promote safety, drive adoption of propane equipment, secure propane's place in the energy conversation, and position the propane industry as a good place to work.

Given its success, we plan to continue making a significant investment in the Propane Energy for Everyone outreach to help drive market growth, and we will increase investment in thought leadership outreach to energy influencers. The work outlined here complements and elevates PERC environmental thought leadership to the national level.

Industry Marketing

Budget: \$1,000,000

In 2022, PERC will continue the Energy for Everyone marketing campaign and may augment it with a consumer awareness program that demonstrates the many ways propane solves critical energy needs while reducing carbon emissions.

Material Handling/Industrial (Forklift & Port Applications) Marketing

Budget: \$435,000

For 2022, core activities in the material handling market will focus on aggressively marketing propane and propane-powered forklifts, educating key influencers and decision makers across all levels of the market channel, engaging equipment dealers and distributors, and connecting marketers with equipment dealers. Direct and provocative marketing campaigns will increase the reach of propane messaging.

To complement the outreach campaigns, we will continue efforts to directly reach equipment dealers, including direct communications via verified dealer lists, as well as targeted engagement of key forklift manufacturers for co-marketing, technology development, and product launch activities.

Ports and terminals across the nation are under pressure to reduce emissions and grid load. These environmental challenges are often met with increased equipment and operational costs, as well as new complexities in equipment maintenance and daily operation. U.S. ports and terminals are actively seeking solutions to balance environment and economic demands, and yet the solutions used by ports, such as large material handlers and terminal tractors, are used in many other locations.

A sizeable key to the success in the port/terminal markets is building general propane and equipment equity through strategic relationships, marketing campaigns focused on telling the propane story, promoting propane-powered equipment options, and directly comparing true emissions, operational costs, and the total cost of ownership.

On Road Marketing

Budget: \$985,000

Today's fleet managers are inundated with messages that electrification is the way to a clean transportation future. The on road marketing program pushes back on that notion. The program recognizes that fleet managers need a cost-effective, low-emissions solution to existing diesel technology and an alternative to expensive, low-range electric fleets.

Through the product development program, the propane industry continues to invest in new, innovative technology to meet the needs of fleet managers now and 15 years from now. Fleet managers who choose propane can expect new engine technology that meets or exceeds expectations for payload, range, and torque, is ultra-low NOx, significantly reduces CO2 compared to today's engines, produces virtually zero particulate matter – all using a simple three-way catalyst.

The on road marketing campaign promotes these benefits of on road propane to medium duty fleet managers in school transportation, paratransit, parcel & package delivery, food & beverage, and other high fuel use medium duty markets through paid media campaigns, trade and national media relations, media events, and the development of case studies and customer testimonials. The marketing program supports business development efforts by developing messaging and merchandising tradeshow and event space, supporting speaking opportunities and other sponsorships.

The Council's strategic plan calls for 25 percent growth in industry adoption of on road in the industry fleet. Our efforts will focus on engagement with industry fleet managers, owners and operators, and body builders to build awareness on vehicle platforms currently available and help facilitate support after sale and in maintenance success. We will continue to offer commercialization support for products that fill a need in the industry fleet as well as other medium duty markets.

Residential Marketing

Total Budget: \$3,762,500

In 2022, we will continue reaching homeowners in propane country looking to build, remodel, or add and replace appliances using digital media. Messaging is targeted regionally and seasonally focused on propane's environmental, economic, reliability and efficiency benefits compared to other energy sources. In addition, a suite of materials for marketers and states is available to amplify the national campaign on a state and local level. Ongoing tracking and reporting allow the campaign to be optimized for best value and potential consumer engagement for the industry and insights gleaned from the campaign can be shared with marketers and states looking to optimize marketing and messaging efforts on the state and local level.

The residential markets will continue to see modest overall growth as the economy stabilizes and buyer confidence increases coming out of covid-19. It is expected that housing demand will continue to exceed supply through 2022, which will lead to higher remodeling activity. Other factors include the availability of land for development beyond natural gas distribution lines, a normalization of mortgage rates, decreased unemployment rates, and increased consumer confidence. As one of the largest consumer segments, millennials will dominate renovation activity. While being generally priced out of the new construction market, they will be heavily engaged in the re-sale and remodeling market, so targeting these influencers is critical.

For residential market outreach, we will put a strategic focus on partnering with market partners, as described below, while also building on a growing interest in outdoor living, which provides a growth opportunity with not just homeowners but also renters. We are also focused on growing market share in the manufactured and modular housing markets, a priority identified in the Council's strategic plan.

Given the trends in the residential and commercial markets, it is more important than ever to reach people who are critical to the specification of propane in homes, in commercial facilities, and on jobsites. They include builders, general contractors, architects, engineers, plumbers, and HVAC contractors, among others. We will talk with them about zero net energy (ZNE) and propane's value in green building; national builder engagement and the use of propane in the major appliance areas in new construction specific to developments and communities; regional and custom builders outreach; electric water heater replacement – especially when there is

already propane in the home; outdoor amenities in regions where extending the outdoor living season is reasonable; and regaining market share in manufactured and modular housing, along with other high-level priorities.

Thought Leadership

Budget: \$1,200,000

The 2022 thought leadership program is designed to help key audiences understand how propane helps decarbonize the economy while ensuring energy equity. We aim to increase propane's voice in the national energy conversation through data-driven, provocative, and assertive messaging that reinforces that positive environmental story. Key tactics of the program include the *Path to Zero* podcast, a targeted national media relations program, a social media campaign, and rich environmental content on Propane.com.

At the heart of the program is a provocative clean energy message based on data and metrics to position propane in a positive way in the climate change, energy, and environmental conservation media stories. The provocative tone in our messaging is a deliberate attempt to get attention, start the debate, and win support for wider adoption of propane. We promote positive, accurate propane stories through earned, owned, and paid media.

Our digital newsroom is a trusted resource for information on clean energy, including renewable fuels. Content created for this initiative amplifies and reinforces the brand messaging used in the markets and provides additional resources to be leveraged to the consumer and business audiences. PERC will continue to equip marketers with this updated environmental content and thought leadership material, as well as training on how to talk about propane and the environment.

Cross Market Digital Strategy and Analytics

Budget: \$680,000

The PERC websites, Propane.com and the two dozen state websites, support the Council's B2B and B2C outreach, helping to move current and prospective users of propane in the various markets through multimedia content on Propane.com and the state websites PERC manages. Our media strategy is designed to promote these websites and drive current and potential customers, including prospective adopters of new propane-fueled products, to the sites for stronger and deeper engagement.

Funding will support development of new content to be consumed on the websites including, videos, white papers, and information about products and incentives, to provide important visibility throughout digital channels, including digital ads, Facebook, and YouTube. Given that most of our outreach efforts drive consumers to that source it is essential that the information housed there be as clear and interactive as possible. *Find a Propane Retailer* (FPR) will remain an important part of the site, and we will continue looking for ways to improve the FPR user experience and the quality of search results.

Marketer-facing content on Propane.com and the state websites represents an important part of our industry communications work. The goal for the recently re-designed Council website is to be recognized by marketers as the primary source for information, engagement, interaction and networking with PERC staff. PERC will also develop content for use on the two dozen state sites to provide state and region-specific information for their marketers. Funding for the Council

and *Propane Web Services* (PWS – state specific websites) will support development of content to promote awareness and use of products and services, marketer training, and applications to support marketer input and feedback on programs and resources. For all websites, funding will support assessing, revising, and upgrading content and other components as well as tracking and reporting on site performance.

Market Research

Budget: \$681,000

2020 Propane Sales Survey

The propane sales survey allows PERC to analyze the amount of propane gallons sold, comply with the Propane Education and Research Act statutes, and determine appropriate distribution of rebate funds to states.

Propane Market Research Initiative

The digitization of PERC's core efforts in marketing, communications, and training has allowed for the organization to be more responsive to changing needs, and as a benefit has generated a significant amount of rich data that we are working to fully leverage. The 2022 Market Research & Data Analytics initiative will support an organization-wide effort to enhance processes, build capacity, and align existing resources and efforts to better leverage data as a strategic asset. This effort enables the Propane Education & Research Council to be the trusted source for information and insights for the industry and our partners.

Material Handling/Industrial (Forklift & Port Applications)

For 2022, PERC will utilize market data to better understand customer needs and define market opportunities. The data partnership we have with Industrial Truck Association is included in market research. Burgeoning data around new opportunities in material handling is also included.

On Road

Market research is a vital component in the planning, execution, and assessment phases of all work within the on road market. Accurate market data and analysis allows the industry to explore opportunities and gauge customer willingness to adopt more propane powered vehicles for on road cases.

Market research provides the foundation for the work conducted in both product development and marketing outreach. For 2022, PERC will continue to engage in market research activities to better understand customer needs and define market opportunities that will be used in the development of marketing campaigns targeted to key stakeholders.

Residential

The 2022 residential market research program will consist of a survey on industry members' use of *Build With Propane* (BWP) products.

Incentivized Research

Budget: \$1,000,000

The Residential Construction Incentive Program is funded to support marketer engagement with builders and remodeling professionals to increase the number and frequency of

projects completed with propane as an energy choice. The program will once again gather demographic and other information about the builders, provide new subscribers for builder facing PERC communications, and encourage future building with propane.

Total Program Budget: \$26,009,500

PROPANE EDUCATION RESEARCH COUNCIL
 2022 PROPOSED BUDGET
 BUDGET SUMMARY

M. EASON
 November 2021

	2021 Approved Budget	2022 Budget Proposal	Variance
REVENUES:			
Assessment Collections	\$ 41,950,000	\$ 42,200,000	\$ 250,000
Less: State Rebates	\$ (8,390,000)	\$ (8,440,000)	\$ (50,000)
Net Assessment Revenue	\$ 33,560,000	\$ 33,760,000	\$ 200,000
Investment/Other Income	\$ 535,629	\$ 369,013	\$ (166,617)
TOTAL REVENUE:	\$ 34,095,629	\$ 34,129,013	\$ 33,384
EXPENDITURES:			
Expenses			
Administrative Expenses	\$ 2,856,064	\$ 2,978,247	\$ 122,182
Lease Cost Share Revenue	\$ -	\$ 364,856	\$ 364,856
Total Admin Expenses	\$ 2,856,064	\$ 2,613,391	\$ (242,674)
Other Expenses:			
Assessment & Collections	\$ 90,000	\$ 105,000	\$ 15,000
Depreciation Expenses	\$ -	\$ -	\$ -
Total Other Expenses	\$ 90,000	\$ 105,000	\$ 15,000
Total expenses	\$ 2,946,064	\$ 2,718,391	\$ (227,674)
Program Funding			
Operating programs	\$ 26,020,500	\$ 26,009,500	\$ (11,000)
Program Labor	\$ 4,653,216	\$ 4,884,897	\$ 231,681
Program Benefits	\$ 883,200	\$ 855,088	\$ (28,112)
IT Program Support	\$ 742,649	\$ 811,137	\$ 68,488
Total Program Funding	\$ 32,299,565	\$ 32,560,622	\$ 261,057
TOTAL EXPENDITURES	\$ 35,245,629	\$ 35,279,012	\$ 33,383
Add De-obligations	\$ 500,000	\$ 500,000	
Increase/(Decrease) in Net Assets	\$ (650,000)	\$ (650,000)	\$ (0)
Capital Budget:	\$ -	\$ -	

**PROPANE EDUCATION RESEARCH COUNCIL
2022 PROPOSED BUDGET
BUDGET SUMMARY**

M. EASON
November 2021

Administrative Budget

	2021 Approved Budget	2022 Proposed Budget	<i>Change</i>
Revenue			
Lease Cost Share Revenue	\$ -	\$ 364,856	\$ 364,856
Expense			
Salaries & Taxes	\$ 937,885	\$ 1,027,448	\$ 89,563
Health Ins., Retirement & Other Benefits	\$ 168,730	\$ 171,355	\$ 2,625
Accounting & Bank Fees	\$ 382,400	\$ 425,580	\$ 43,180
Computer Maintenance & Services	\$ 271,236	\$ 193,264	\$ (77,972)
Dues & Professional Training	\$ 44,000	\$ 45,000	\$ 1,000
Equipment Maintenance	\$ -	\$ -	\$ -
Insurance - Business	\$ 89,000	\$ 103,300	\$ 14,300
Lease Expense	\$ 449,464	\$ 478,400	\$ 28,936
Legal Fees	\$ 25,000	\$ 25,000	\$ -
Meeting & Travel Expenses	\$ 187,850	\$ 202,100	\$ 14,250
Miscellaneous	\$ 10,000	\$ 12,050	\$ 2,050
Business Taxes	\$ 3,000	\$ 4,400	\$ 1,400
Office Supplies	\$ 24,900	\$ 34,800	\$ 9,900
Postage & Shipping	\$ 9,800	\$ 9,200	\$ (600)
Printing & Promotions	\$ 3,850	\$ 3,850	\$ -
Professional Services	\$ 101,000	\$ 104,500	\$ 3,500
Subscriptions & Reference Materials	\$ 5,400	\$ 5,400	\$ -
Telephone Services	\$ 73,800	\$ 81,600	\$ 7,800
Video/Audio/Photography	\$ 68,750	\$ 66,000	\$ (2,750)
Total Admin Expenses	\$ 2,856,065	\$ 2,628,391	\$ (227,674)

PROPANE EDUCATION RESEARCH COUNCIL
2022 PROPOSED BUDGET
BUDGET SUMMARY

M. EASON
November 2021

IT Expense Budget

	2021 Approved Budget	2022 Proposed Budget	<i>Change</i>
Website Related	\$ 222,452	\$ 222,973	\$ 521
Customer Relationship Management	\$ 56,000	\$ 80,000	\$ 24,000
Dashboards/Grant Management System	\$ 171,197	\$ 197,164	\$ 25,967
Professional IT Services	\$ 276,000	\$ 294,000	\$ 18,000
Misc Software/Hardware Repairs	\$ 17,000	\$ 17,000	\$ -
Total IT Program Expenses	\$ 742,649	\$ 811,137	\$ 68,488

PROPRANE EDUCATION RESEARCH COUNCIL
2022 PROPOSED BUDGET
BUDGET SUMMARY

M. EASON
November 2021

2022 Proposed Program Budget Detail

Market	Activity	FY21 Budget	FY22 Draft Budget	Variance
		Total	Total	
Agriculture				
	Business Development	\$285,000	\$285,000	\$0
	Marketing / Communications	\$707,000	\$707,000	\$0
	Product Development	\$1,105,500	\$1,105,500	\$0
	Safety & Training	\$0	\$0	\$0
	Total	\$2,097,500	\$2,097,500	\$0
On Road				
	Business Development	\$590,000	\$135,000	(\$455,000)
	Marketing / Communications	\$985,000	\$985,000	\$0
	Market Research	\$0	\$0	\$0
	Product Development	\$1,610,000	\$1,049,000	(\$561,000)
	Safety & Training	\$150,000	\$150,000	\$0
	Technical Research & Training	\$325,000	\$75,000	(\$250,000)
	Total	\$3,660,000	\$2,394,000	(\$1,266,000)
Residential				
	Business Development	\$522,500	\$122,500	(\$400,000)
	Incentivized Research	\$0	\$1,000,000	\$1,000,000
	Marketing / Communications	\$3,762,500	\$3,762,500	\$0
	Market Research	\$0	\$0	\$0
	Product Development	\$375,000	\$100,000	(\$275,000)
	Safety & Training	\$75,000	\$75,000	\$0
	Technical Research & Training	\$135,000	\$135,000	\$0
	Total	\$4,870,000	\$5,195,000	\$325,000
Commercial				
	Business Development	\$342,500	\$92,500	(\$250,000)
	Marketing / Communications	\$637,500	\$637,500	\$0
	Product Development	\$350,000	\$350,000	\$0
	Safety & Training	\$50,000	\$50,000	\$0
	Technical Research & Training	\$130,000	\$130,000	\$0
	Total	\$1,510,000	\$1,260,000	(\$250,000)
Material Handling/Industrial				
	Business Development	\$365,000	\$65,000	(\$300,000)
	Marketing / Communications	\$545,000	\$435,000	(\$110,000)
	Market Research	\$0	\$0	\$0
	Product Development	\$550,000	\$550,000	\$0
	Safety & Training	\$40,000	\$40,000	\$0
	Technical Research & Training	\$70,000	\$0	(\$70,000)
	Total	\$1,570,000	\$1,090,000	(\$480,000)
Off Road				
	Business Development	\$255,000	\$80,000	(\$175,000)
	Marketing / Communications	\$390,000	\$0	(\$390,000)
	Market Research	\$0	\$0	\$0
	Product Development	\$300,000	\$300,000	\$0
	Safety & Training	\$50,000	\$50,000	\$0
	Technical Research & Training	\$30,000	\$0	(\$30,000)
	Total	\$1,025,000	\$430,000	(\$595,000)
Industry				
	Market Research	\$352,000	\$352,000	\$0
	Industry Supporting Activities	\$1,320,000	\$1,495,000	\$175,000
	Safety & Training	\$650,000	\$0	(\$650,000)
	Marketing / Communications	\$0	\$1,000,000	\$1,000,000
	Total	\$2,322,000	\$2,847,000	\$525,000
Cross Market				
	Business Development	\$675,000	\$400,000	(\$275,000)
	Digital Strategy & Analytics	\$680,000	\$680,000	\$0
	Industry Supporting Activities	\$2,051,000	\$2,056,000	\$5,000
	Marketing / Communications	\$956,000	\$956,000	\$0
	Market Research	\$479,000	\$329,000	(\$150,000)
	Partnership with States	\$0	\$1,500,000	\$1,500,000
	Safety & Training	\$2,300,000	\$2,950,000	\$650,000
	Technical Research & Training	\$625,000	\$625,000	\$0
	Environmental Thought Leadership	\$1,200,000	\$1,200,000	\$0
	Total	\$8,966,000	\$10,696,000	\$1,730,000
Grand Total		\$26,020,500	\$26,009,500	(\$11,000)

PROPANE EDUCATION RESEARCH COUNCIL
2022 PROPOSED BUDGET
BUDGET SUMMARY

M. EASON
November 2021

Fiscal Year 21 Budget Matrix	<i>Incentivized Research</i>	<i>Product Development</i>	<i>Business Development</i>	<i>Technical Research & Training</i>	<i>Business Marketing / Communications</i>	<i>Consumer Marketing / Communications</i>	<i>Environmental Thought Leadership</i>	<i>Industry Supporting Activities</i>	<i>Partnership with States</i>	<i>Safety & Training</i>	<i>Digital Strategy & Analytics</i>	<i>Market Research</i>	<i>Market Total</i>
Agriculture	-	1,105,500	285,000	-	342,000	365,000	-	-	-	-	-	-	2,097,500
Commercial	-	350,000	342,500	130,000	502,500	135,000	-	-	-	50,000	-	-	1,510,000
Cross-Market	-	-	675,000	625,000	-	956,000	1,200,000	1,876,000	-	2,950,000	680,000	479,000	9,441,000
Industry	-	-	-	-	-	-	-	1,495,000	-	-	-	352,000	1,847,000
Material Handling / Industrial	-	550,000	365,000	70,000	310,000	235,000	-	-	-	40,000	-	-	1,570,000
Off Road	-	300,000	255,000	30,000	185,000	205,000	-	-	-	50,000	-	-	1,025,000
On-Road	-	1,610,000	590,000	325,000	557,500	427,500	-	-	-	150,000	-	-	3,660,000
Residential	-	375,000	522,500	135,000	762,500	3,000,000	-	-	-	75,000	-	-	4,870,000
Activity Total	\$0	\$4,290,500	\$3,035,000	\$1,315,000	\$2,659,500	\$5,323,500	\$1,200,000	\$3,371,000	\$0	\$3,315,000	\$680,000	\$831,000	\$26,020,500

Fiscal Year 22 Budget Matrix	<i>Incentivized Research</i>	<i>Product Development</i>	<i>Business Development</i>	<i>Technical Research & Training</i>	<i>Business Marketing / Communications</i>	<i>Consumer Marketing / Communications</i>	<i>Environmental Thought Leadership</i>	<i>Industry Supporting Activities</i>	<i>Partnership with States</i>	<i>Safety & Training</i>	<i>Digital Strategy & Analytics</i>	<i>Market Research</i>	<i>Market Total</i>
Agriculture	-	1,105,500	285,000	-	342,000	365,000	-	-	-	-	-	-	2,097,500
Commercial	-	350,000	92,500	130,000	502,500	135,000	-	-	-	50,000	-	-	1,260,000
Cross-Market	-	-	400,000	625,000	-	956,000	1,200,000	2,056,000	1,500,000	2,950,000	680,000	329,000	10,696,000
Industry	-	-	-	-	-	1,000,000	-	1,495,000	-	-	-	352,000	2,847,000
Material Handling / Industrial	-	550,000	65,000	-	310,000	125,000	-	-	-	40,000	-	-	1,090,000
Off Road	-	300,000	80,000	-	-	-	-	-	-	50,000	-	-	430,000
On-Road	-	1,049,000	135,000	75,000	557,500	427,500	-	-	-	150,000	-	-	2,394,000
Residential	1,000,000	100,000	122,500	135,000	762,500	3,000,000	-	-	-	75,000	-	-	5,195,000
Activity Total	\$1,000,000	\$3,454,500	\$1,180,000	\$965,000	\$2,474,500	\$6,008,500	\$1,200,000	\$3,551,000	\$1,500,000	\$3,315,000	\$680,000	\$681,000	\$26,009,500

Changes	<i>Incentivized Research</i>	<i>Product Development</i>	<i>Business Development</i>	<i>Technical Research & Training</i>	<i>Business Marketing / Communications</i>	<i>Consumer Marketing / Communications</i>	<i>Environmental Thought Leadership</i>	<i>Industry Supporting Activities</i>	<i>Partnership with States</i>	<i>Safety & Training</i>	<i>Digital Strategy & Analytics</i>	<i>Market Research</i>	<i>Market Total</i>
Agriculture	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial	-	-	(250,000)	-	-	-	-	-	-	-	-	-	(250,000)
Cross-Market	-	-	(275,000)	-	-	-	-	180,000	1,500,000	-	-	(150,000)	1,255,000
Industry	-	-	-	-	-	1,000,000	-	-	-	-	-	-	1,000,000
Material Handling / Industrial	-	-	(300,000)	(70,000)	-	(110,000)	-	-	-	-	-	-	(480,000)
Off Road	-	-	(175,000)	(30,000)	(185,000)	(205,000)	-	-	-	-	-	-	(595,000)
On-Road	-	(561,000)	(455,000)	(250,000)	-	-	-	-	-	-	-	-	(1,266,000)
Residential	1,000,000	(275,000)	(400,000)	-	-	-	-	-	-	-	-	-	325,000
Activity Total	\$1,000,000	-\$836,000	-\$1,855,000	-\$350,000	-\$185,000	\$685,000	\$0	\$180,000	\$1,500,000	\$0	\$0	-\$150,000	-\$11,000

**PROPANE EDUCATION RESEARCH COUNCIL
2022 PROPOSED BUDGET
BUDGET SUMMARY**

M. EASON
November 2021

2022 Budget - Strategic Plan Alignment

Strategic Plan Priority	Market	Activity	Strategic Score	FY21	FY22	Variance
On Road Market Growth						
	On Road	Product Development	30	1,610,000	1,049,000	(561,000)
		Marketing / Communications	30	985,000	985,000	-
		Technical Research & Training	30	325,000	75,000	(250,000)
		Safety & Training	30	150,000	150,000	-
		Business Development	30	590,000	135,000	(455,000)
Autogas Market Growth Total				3,660,000	2,394,000	(1,266,000)
Commercialization & Market Growth						
	Agriculture	Product Development	30	1,105,500	1,105,500	-
		Marketing / Communications	30	707,000	707,000	-
		Business Development	30	285,000	285,000	-
	Residential	Incentive Programs		-	1,000,000	1,000,000
		Product Development	30	375,000	100,000	(275,000)
		Marketing / Communications	30	3,762,500	3,762,500	-
		Business Development	30	522,500	122,500	(400,000)
	Commercial	Product Development	30	350,000	350,000	-
		Marketing / Communications	30	637,500	637,500	-
		Business Development	30	342,500	92,500	(250,000)
	Material Handling/Industrial	Product Development	30	550,000	550,000	-
		Marketing / Communications	30	545,000	435,000	(110,000)
		Business Development	30	365,000	65,000	(300,000)
	Off Road	Product Development	30	300,000	300,000	-
		Marketing / Communications	30	390,000	-	(390,000)
		Business Development	30	255,000	80,000	(175,000)
	Cross Market	Product Development	30	-	-	-
		Business Development	30	675,000	400,000	(275,000)
Commercialization & Market Growth				11,167,500	9,992,500	(1,175,000)
Thought Leadership						
	Cross Market	Market Research	30	479,000	329,000	(150,000)
		Marketing / Communications	30	956,000	956,000	-
		Digital Strategy & Analytics	30	680,000	680,000	-
		Partnership with States	30	-	1,500,000	1,500,000
		Thought Leadership	30	1,200,000	1,200,000	-
		Technical Research & Training	30	625,000	625,000	-
Thought Leadership Total				3,940,000	5,290,000	1,350,000
Training						
	Residential	Safety & Training	30	75,000	75,000	-
		Technical Research & Training	30	135,000	135,000	-
	Commercial	Safety & Training	30	50,000	50,000	-
		Technical Research & Training	30	130,000	130,000	-
	Material Handling/Industrial	Safety & Training	30	40,000	40,000	-
		Technical Research & Training	30	70,000	-	(70,000)
	Off Road	Safety & Training	30	50,000	50,000	-
		Technical Research & Training	30	30,000	-	(30,000)
	Cross Market	Safety & Training	30	2,300,000	2,950,000	650,000
	Industry	Workforce Outreach	30	625,000	600,000	(25,000)
		Safety & Training	30	650,000	-	(650,000)
		Consumer Education	30	-	1,000,000	1,000,000
Training Total				4,155,000	5,030,000	875,000
Other						
	Cross Market	Industry Supporting Activities	10	1,251,000	1,456,000	205,000
	Industry	Industry Supporting Activities	20	1,495,000	1,495,000	-
		Market Research	10	352,000	352,000	-
Other Total				3,098,000	3,303,000	205,000
Grand Total				26,020,500	26,009,500	(11,000)

30	Specifically called out in strategic objectives.
20	Not specifically called out in strategic objectives, but consistent with strategic direction.
10	Operational items.