Docket 25593: Autogas Research Program

Propane Education & Research Council

APPLICANT INFORMATION

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Amount Requested: $ 1,500,000
Total Project Cost: $ 1,500,000

Start Date: 09/01/2026
End Date: 08/01/2029

EXECUTIVE SUMMARY

Funding Request Priority Area

Research and Technical Investigation, Market Development

Project Summary

- *Briefly describe the proposed product or idea, its importance, its benefits, and the market and/or audience it serves. Briefly outline the scope of work.*

Through this docket, the Propane Education & Research Council (PERC) will develop and launch a national research program that provides compensation to corporate fleets that adopt propane autogas vehicles and participate in structured data collection. This research program will generate real-world performance, maintenance, downtime, refueling, and cost data to support informed decision-making by fleet managers, propane marketers, OEMs, and industry stakeholders.

Strategic Importance

- *Describe how this initiative supports PERC's strategic plan including the strategic pillars.*
- *Describe how this initiative is important to the propane industry.*
- *Describe how this initiative helps achieve PERC's aspiration to increase uses and users.*
- *Explain why this docket is critical to achieving your goal.*

This docket supports the Council's strategic pillar of growth and commercialization, including the displacement of diesel vehicles. This docket directly supports growth in the on-road market by increasing the selection, purchase, and specification of propane autogas as a vehicle fuel. By generating credible, real-world data that demonstrates vehicle performance, reliability, maintenance advantages, downtime reduction, and emissions benefits, the program strengthens propane autogas' competitive position relative to diesel and gasoline in fleet applications.

Funding from this initiative will support deeper collaboration with OEMs, upfitters, propane marketers, and industry stakeholders by informing vehicle development, specification practices, and propane autogas refueling infrastructure planning and deployment. Post-program communication, marketing, and business development

efforts will leverage program results to validate market demand, reduce perceived adoption risks, and advance the industry’s ability to increase propane’s footprint across corporate fleet transportation markets.

DETAILED BUSINESS CASE

Scope–

- *List the activities paid for by this docket only (research, consultants, sponsorships, etc.)*

PERC remains committed to continued engagement with school transportation and paratransit audiences throughout 2026 and beyond. At the same time, increased focus will be placed on the corporate fleet sector, which represents a significant opportunity for growth in the on-road market.

This research program will help expand engagement with corporate fleets by lowering adoption barriers, supporting vehicle deployment, and generating credible, real-world operational data. Additional business development activities targeting corporate fleets are outlined in the 2026 Autogas Business Development Plan and related docket. Program details are provided below.

The program targets light- and medium-duty corporate fleet applications where propane autogas has demonstrated strong technical and economic advantages, including fleets with predictable routes, centralized or return-to-base fueling, and consistent daily usage.

For the purposes of this docket, corporate fleets are defined as privately owned, non-transit vehicle fleets operated by companies to support internal business operations. These fleets do not provide public transportation services and do not include public transit agencies, paratransit providers, or demand-response operations.

Eligible vehicle applications include, but are not limited to:

• Light- and medium-duty trucks and vans (Class 2–7)
• Service and maintenance fleets
• Delivery and logistics fleets
• Trades and contractor fleets
• Utility and infrastructure service vehicles
• Corporate campus or internal shuttle vehicles not part of public transit systems

These vehicle classes represent a “sweet spot” for propane autogas due to engine durability, reduced emissions, simplified maintenance requirements, and compatibility with private fleet fueling infrastructure.

The program application window will be open for 14 months beginning September 2026 and may close earlier if available funding is fully allocated prior to December 2027.

Each participating fleet will be enrolled in a one-year data collection period per vehicle, beginning when the vehicle is placed into daily business service. Vehicles must be certified to meet EPA or EPA/CARB requirements for propane autogas operation.

-Vehicles can be new (either dedicated or converted to propane autogas) or vehicles that are currently being used for business that will be converted to a propane autogas bi-fuel system.

Currently owned and operational vehicles must meet certain requirements as outlined below.

Through this docket, 120 propane autogas vehicles will be deployed nationally to increase propane market share in the on-road market.

-$7,500 per vehicle for up to five vehicles per fleet.

-All vehicles must be new to operating with propane autogas as a fuel source to be eligible for compensation.
- For gasoline vehicles that are currently in service but are looking to convert to a bi-fuel system, they must be MY 2024 or newer with fewer than 50,000 miles at the time of application.
-To ensure meaningful displacement in higher duty applications, at least 25 current operational vehicles awarded must be Class 4–7 vehicles. No more than 50 vehicles of total vehicle funding may be applied to current operational vehicles.

In addition to vehicle funding, support will be available for propane autogas refueling infrastructure, primarily for private, fleet-dedicated stations. Public access is not required, though shared-use arrangements may be considered.

Up to $500,000 will be allocated to support installation of as many as 50 propane autogas refueling stations nationwide when a fleet applies for vehicle funding. These funds are intended to offset upfront site preparation costs and reduce adoption barriers.

This program is supported by a total budget of $1,500,000, which includes vehicle and infrastructure compensation, as well as program development, marketing, communications, and administration. This investment enables PERC to support participating fleets, advance propane autogas research, and expand awareness within the corporate fleet market.

The one-year data collection period will provide PERC and industry stakeholders with real-world data to support future adoption, improve OEM product development, and expand propane autogas gallons. Results will strengthen the business case for propane autogas as a clean, reliable, and cost-effective alternative to diesel and gasoline in corporate fleet applications.

The following sections provide additional details on fleet eligibility, data collection, and application requirements. Fleets will be selected through an application process designed to ensure broad representation, maximize program impact, and support credible data collection.

Eligibility Requirements:

-Privately owned, non-transit corporate fleets.

-Fleets must be new to propane autogas or are looking to expand their fleet with additional propane autogas vehicles.

-Compensation will not be provided to fleets replacing current propane autogas vehicles with new propane autogas vehicles.

-Vehicles must meet EPA and applicable state EPA/CARB certification standards.

Fleets must be able to provide:

-Documentation verifying the purchase of a new vehicle or conversion system for currently owned vehicles, with an installed dedicated or bi-fuel propane fuel system, along with proof of purchase for any funded infrastructure.

-Evidence of vehicle certification and infrastructure as required.

-Signed agreement to participate in data collection and program reporting.

Selection Considerations:

-Fleet Diversity & Representation: Efforts will be made to select fleets across various industries, geographic regions, fleet sizes, and duty cycles to capture a representative range of operating conditions.

-Fleet Impact: Priority will be given to fleets with predictable, return-to-base routes and centralized fueling operations to ensure high-quality data collection.

-Participation Commitment: Fleets must commit to providing quarterly operational data over a one-year period per vehicle, including fueling, maintenance, downtime, and performance metrics. Fleets applying for fueling infrastructure funds must also commit to providing infrastructure data, including throughput, fueling frequency, and maintenance.

-Vehicle and Infrastructure Limits: Fleets are limited to a maximum of five vehicles. Infrastructure funding is capped at $10,000 per site to support site preparation and installation.

-Applications will be evaluated by PERC staff using a structured scoring system based on eligibility, fleet diversity, operational characteristics, and data collection commitment.

-See addendum of the fleet evaluation form.
-See addendum of fleet application form.
-See addendum of data collection requirements.

Vendor Capabilities

- *Does this docket engage external vendors such as research partners, OEMs, Consultants, Subject Matter Experts, PR/Media or Creative Agency Assistance?*

Yes

- *Describe any external vendor's capabilities (if engaged) to produce work that is paid for by this docket. This section should not describe PERC staff nor the project lead's role. Who is responsible for creating deliverables – content/research/data/etc.? What's the review process and who is involved? List any external agencies or outside organizations that will be utilized and identify the purpose for which they will be needed*

OEM partners with EPA- and/or CARB-certified autogas technology will provide ongoing technical support for the selected commercial fleet participants based on the purchased vehicles.

Elevation will develop the program's marketing and communications assets, including the program logo, brochures, handouts, and other promotional materials.

Slide 9 will support the initiative through targeted public relations efforts designed to generate earned media coverage.

GRP will lead the strategy and execution of paid media support.

Additional partners will contribute by developing website content and digital resources necessary to promote and manage the program.

Industry Engagement –

- *Does this project require propane industry stakeholders' involvement to be successful?*

Yes

- *How will you engage industry stakeholders?*

Marketers will play an active role in identifying potential fleet participants and collaborating with customers, OEM partners, vehicle upfitters and PERC staff to support successful adoption of propane autogas vehicles and refueling infrastructure, ongoing service needs, and data collection throughout the program. This engagement will help ensure strong alignment across all stakeholders and maximize the program's impact.

PERC will also engage state entities who offer similar compensation to work in partnership. PERC will be engaging with marketers to support their efforts in working directly with local fleets to submit applications. A webinar will be hosted to introduce the program, outline the opportunity, and equip marketers with the knowledge needed to effectively promote it to corporate commercial fleets. The session will highlight the types of fleets best suited for propane adoption—such as ideal fleet types, vehicle categories, and fleet sizes—and walk marketers through the application process so they can confidently assist their customers.

The research program will be communicated to marketers and state associations through PERC's established channels, including the PERC Update, Market Interest Newsletters, Market of the Month content, and presentations at in-person meetings and industry events. These promotional efforts will reinforce program awareness and educate marketers on both the program structure and how to successfully promote it to local fleets.

Cost/Benefit Analysis –

- *What is the potential impact? (i.e., NPV, new gallons, units sold, persons trained, propane industry resource savings, safety, consumer education, etc.)*
- *What are the potential risks to achieving the impact? (i.e. fuel price; regulatory, environmental, or legislative considerations; propane marketer support)*
- *Are other parties or organizations involved?*
- *For products:*
    - *Provide five-year estimated sales projections for the product (if applicable) and a list of factors that may influence the estimates.*
    - *How many gallons of propane does the product use per unit per year?*
    - *Provide best, worst, and intermediate projection scenarios and describe what variables contribute to each scenario*

The corporate and commercial fleet sector is made up of diesel and gasoline vehicles. This represents a significant growth opportunity for propane autogas. Real-world data is needed to demonstrate the performance, emissions, and operational advantages of propane autogas compared to other fuel types. This program is designed to generate real-world data while expanding propane autogas adoption and market share.

The total program budget is $1,500,000, which includes vehicle funding, infrastructure site prep, program development, marketing, communications, and supporting materials.

Annual gallon growth per vehicle will vary by fleet type, geography, route patterns, and duty cycle. However, corporate and commercial fleets, especially delivery, service, shuttle, and construction operate with predictable, high-utilization fuel consumption patterns. The program aims to develop accurate fuel-use benchmarks through real-world data collection.

If a propane autogas vehicle averages six miles per gallon and drives 20,000 miles annually, adding 120 additional propane autogas vehicles to the road would result in 400,000 more gallons of propane sold each year. Actual volumes will vary based on fleet mileage and vehicle fuel economy.

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
Propane autogas vehicles are not considered as a viable option over diesel or gasoline.	High	Medium	A key risk to program success is that fleets may not apply for funding if propane autogas vehicles continue to be perceived as an unproven or niche alternative to diesel or gasoline. This perception can limit participation and lead to underutilization of available program funding. To mitigate this risk, the program will emphasize data-driven outreach demonstrating proven performance, total cost of ownership advantages, and real-world fleet success. Engagement with OEM partners, development of case studies, and clear side-by-side comparisons with diesel and gasoline will highlight reliability, operational fit, and emissions benefits. Targeted education and alignment with fleet decision-makers will position propane autogas as a practical, scalable, and cost-effective solution, encouraging greater funding participation.
Concerns about fueling infrastructure availability and long-term fuel supply reliability.	Medium	Medium	Mitigate infrastructure and fuel supply concerns by leveraging propane's existing national distribution network and offering turnkey fueling solutions that minimize upfront capital and operational complexity for fleets. Work with propane marketers and infrastructure partners to provide scalable on-site fueling options, fuel contracts with price stability, and contingency delivery plans to ensure uninterrupted operations. Educate fleets on infrastructure costs, deployment timelines, and proven fueling reliability through case studies and peer references, reinforcing confidence in propane autogas as a dependable, long-term fleet fuel.

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.*

Funding will be allocated as follows:

$7,500 for each dedicated propane or bi-fuel vehicle, supporting up to 120 vehicles ($900,000).

$10,000 per fleet to support site preparation for refueling infrastructure. This funding will support site preparation at 50 locations for $500,000.

Timeline

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

Timeline:

-Landing page, online application portal, brochure complete: 10/2026
-Paid media and PR support begin: 10/2026
-Begin accepting applications: 10/2026
-Applications close: 12/2027
-All vehicles must be in service: 06/2028
-Data collection quarterly, for one year, after vehicle is in service.

Market

Market – Geographical Reach

- *What is the geographical reach (national/regional?)*

National

Market – Target Audience

- *Who is the target audience?*
- *Why is the target audience important?*

Fleet managers, directors, business owners, and sustainability officers are the primary audience. They are most often the decision makers for vehicle purchases.

The secondary audiences are the propane industry, truck builders, and OEMs. They influence the specification of propane autogas vehicles and can help support and promote the program. It will be necessary to ensure that all these partners are aware of the program ahead of its launch. It's important that we communicate the program to them so they can share the program information with their customers to increase our reach.

Market – Market Research

- *Have you conducted market research in support of this project?*

No

Market – Other Information

- *What other information do you think is necessary to provide for this project?*

Affordably reducing diesel use and lowering emissions remain major priorities for today’s fleets. Propane autogas technology offers an immediate solution to meet these priorities. This program will provide a new opportunity to help accelerate adoption and increase awareness of propane autogas vehicle technology. The data and real-world stories gathered from participants will allow PERC to highlight key findings, support broader fleet adoption, and strengthen relationships with OEMs to find new opportunities for development and help drive continued market growth.

Leverage and Synergies

Other audiences–

- *How could the content be used by other markets or industry organizations?*
- *How could the contents be used with other audiences beyond the target audience?*

At the conclusion of the program, the collected data will be transformed into case studies, infographics, or white papers and shared with key audiences, including material handling audiences, to support broader adoption of propane autogas vehicles. This also includes presenting insights to OEMs that are not currently offering propane autogas vehicles options demonstrating the business case and encouraging future product development.

Development

Delivery

Delivery – Delivery Channels –

- *Describe the distribution channels*
- *What existing delivery channels will be used?*
- *Who is responsible for deploying/delivering product?*

The program will be promoted to OEMs, marketers, and state associations through PERC communication channels, including The PERC Update, Market Interest Newsletters, Market of the Month content, and during in-person meetings and events. Potential users will also receive direct outreach through paid advertising and PR efforts.

The fleet receiving the propane autogas vehicle must submit the application. Partners — such as marketers, state entities, or OEMs — may assist, but the application must be submitted by the fleet that is purchasing the vehicle(s). The application and program details will be available on a dedicated page on Propane.com.

After an application is submitted, PERC staff will review it for completeness and any potential concerns and score it based on the criteria presented earlier in this docket. Once approved, PERC will notify the applicant and initiate a contract. The applicant is responsible for coordinating with the OEM and completing the purchase, with all required documentation submitted to PERC. After the vehicle placed into service, PERC will issue compensation.

Delivery – Allied Partner Participation

- *Are there allied or strategic partners who will be engaged in this delivery?*

OEMs, propane marketers, vehicle upfitters and end users will be engaged in the successful delivery of this program.

Customer service and Support Needs —

- *What are the customer service and support requirements?*
- *What service and support resources are required?*

OEMs will be responsible for all customer service needs, maintaining a high standard of service to ensure a positive customer experience. PERC will maintain open communication with OEM partners to monitor satisfaction and ensure continued performance of the technology and support services.

Service Networks

- *Rate the maturity of the service networks based on geographic locations, depth of service, etc. (1 as the worst, 5 as the best)*

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Describe:

Propane autogas service network has a larger footprint east of the Mississippi River. As fleets adopt propane autogas vehicles, training will be provided to either their fleet maintenance department or a service center of the customer's choice.

Will training of current networks be required? –
No

Are service and support developed through this project? –
Yes

- *What does an established network look like?*
- *What's the timeframe?*
- *What are the limitations?*

Service and support are developed as part of this project. In collaboration with ROUSH CleanTech and Alliance AutoGas, fleets receive training on the autogas systems they adopt through these partners. For fleets without in-house maintenance capabilities, training and support resources are also available through local service providers.

Additionally, when fleets apply and adopt autogas, they have the opportunity to complete PERC's Autogas Inspection Course prior to receiving OEM training.

Is there a PERC website/learning center component that will need to be updated/created? –

Yes

Describe:

Working with Fuel a landing page will need to be created along with an online application and reporting forms.

MEASUREMENT & EVALUATION

Project Deliverables and Market Outcomes

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

Goal/Milestone	Project Deliverable or Market Outcomes	Metric	By Date	Tied to Payment Y/N	Payment Due upon completion
Gallon growth	Increase the number of propane vehicles	Annual gallon growth of the program is .5M gallons once all vehicles are on in service.		Yes	
Develop white papers highlighting data	Case study data	Five case studies of fleets using propane autogas in the corporate/commercial market.	2028-12-31	No	

Intellectual Property

Who owns the data and or intellectual property generated from this project? Describe:

Propane Education & Research Council

Is this a new contractor? No

Budget Impact

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

Market & Activity	Amount Requested	Year Total	YTD Remaining	Remaining if Funded
2026 > Autogas > Business Development	$1,500,000.00	$1,500,000.00	$1,500,000.00	$0.00

Does this project have a past funding history? No

Addendum — Data Collection Requirements

Fleets participating in this program are required to submit quarterly operational data for vehicles deployed under the initiative. Reported data will include, but is not limited to, the following:

Required Operational and Maintenance Data

- Vehicle utilization: Miles traveled
- Fuel consumption: Gallons of propane autogas consumed
- Fuel consumption: Gallons of propane autogas and gasoline for bi-fuel vehicles
- Maintenance events and associated costs
- Frequency and cost of preventive maintenance
- Unscheduled maintenance events
- Common maintenance issues and component replacements
- Total maintenance costs per mile
- Vehicle downtime (hours or days out of service)
- Average fuel prices for propane autogas and unleaded gasoline, where applicable

Purpose of Data Collection

This data will allow PERC to assess operational performance, cost stability, and real-world reliability across a variety of corporate fleet applications.

Optional Comparative Data

Where available, fleets may also provide baseline or historical maintenance and downtime data from comparable gasoline or diesel vehicles to support comparative analyses. These analyses may highlight operational efficiencies such as reduced engine wear, cleaner combustion, elimination of diesel aftertreatment systems, and simplified emissions compliance.

Recordkeeping and Compliance

Fleets receiving compensation related to refueling or fuel reporting must maintain accurate records and provide supporting documentation upon request.

Propane Autogas Fleet Application

Propane Autogas Usage Status

Please indicate your fleet's current status regarding propane autogas adoption:

☐First-time propane autogas adopter

☐ Currently using propane autogas

Fleet Information

Organization Name: _____

Fleet Type (corporate, delivery, etc.): _____

Address (Street, City, State, ZIP): _____

Website: _____

Primary Contact

Name: _____

Title: _____

Phone: _____

Email: _____

Vehicle Information

Vehicle Type: ☐ New Vehicle ☐* Existing Vehicle to be Upfitted

*Existing vehicles to be upfitted must be first time propane autogas adopters.

If upfitting an existing vehicle:

Year / Make / Model: _____

VIN: _____

Current Mileage: _____

Propane System Type: ☐ Dedicated ☐ Bi-Fuel

Vehicle Make/Model(s) Being Considered (if new): _____

Number of Vehicles (max 5): _____

Estimated Purchase Timeline: ☐ 0–3 months ☐ 3–6 months ☐ 6–12 months

Average Daily Mileage: _____

Typical Duty Cycle / Route Description: _____

Fleet Profile & Operations

Total Fleet Size: _____

Alternative Fuel Use: ☐ Yes ☐ No

Current Fuels Used: ☐ Gasoline ☐ Diesel ☐ Electric ☐ CNG ☐ Propane

Key Challenges with Current Vehicles/Fuel:

_____

Do vehicles return to a central base daily? ☐ Yes ☐ No

Fueling & Maintenance Readiness

Fueling Access: ☐ Onsite ☐ Public Station ☐ No Access (willing to install/partner)

Maintenance capability in-house? ☐ Yes ☐ No

Willing to participate in required training? ☐ Yes ☐ No

Project Goals

Primary objectives:

☐ Emissions reduction ☐ Cost savings ☐ Driver satisfaction ☐ Easier maintenance ☐ Easier refueling ☐ Other: _____

Program Requirements & Timeline

Vehicles must be ordered within 30 days of application approval. Applications become void if orders are not placed within that timeframe. Vehicles must be operational within 30 days of delivery with the propane system installed. Fleets must report delivery and deployment to PERC.

Application Evaluation Scoring Sheet

Applications will be evaluated by PERC staff using a structured scoring system based on eligibility, fleet diversity, operational characteristics, and commitment to data collection. Enter scores in the final column.

Category	Criteria	Max Points	Score
Fleet Eligibility & Certification	Fleet meets eligibility requirements; vehicles EPA or EPA/CARB certified	10	
Fleet Size & Distribution	Supports program diversity and balanced distribution	10	
Industry / Fleet Type	Promotes variety in operating conditions/use cases	10	
Route Predictability & Fueling Access	Predictable routes; centralized/feasible fueling	15	
Geographic Representation	Expands participation in underrepresented regions	10	
Operational Commitment	Agreement to provide quarterly data	15	
Infrastructure Readiness	Includes fueling plan or eligible site	10	
Sustainability Impact	Contributes to measurable sustainability outcomes	20	
Total Score		100	