



DegreeDays

News from the Virginia Propane Gas Association

'Convergence of Market Factors' in Play for This Winter

By Brian Richesson



Crestwood's midstream propane terminal in Montgomery, New York. Photo courtesy of Superior Energy Systems

Propane prices are high, inventories are low, exports are strong, and the worry is increasing for some industry members as the winter heating season approaches.

That was part of the sentiment shared during a National Propane Gas Association supply-focused webinar in August, as panelists urged propane marketer preparation ahead of winter.

At the time of the webinar, prices at Mont Belvieu were near 115 cents a gallon with a backwardated futures curve, and the U.S. had about 68 million barrels of propane in primary storage. Total inventory was more than 17 percent lower than the five-year average levels for the same time of year, according to the U.S. Energy Information Administration.

The issue is even more worrisome in the Midwest, where propane inventory in August was about 4 million barrels below the five-year minimum, noted Rusty

continued on page 5>

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| President's Message



I pray this note finds everyone doing exceptionally well!

I suspect, based on the feedback that I am receiving, that your business is doing extremely well and your biggest challenge may be trying to keep up with demand – even during a time of year that has traditionally been a little quieter. While this brings to bear some challenges in terms of staffing, materials, compliance issues and the like, these are far more pleasant difficulties to deal with than suffering from lagging business and trying to determine how to meet expense demands. How fortunate we are.

It is nice to report that we did have a legislative victory recently in that propane was recognized as a valid alternate fuel in the latest allocation of funds from the Volkswagen Environmental Mitigation Trust (being administered via the DEQ). If our team had not fought diligently on this front we clearly would not have received any funding at all – as this was clearly the intent from the beginning. Kudos and thanks to all those involved over the last few years fighting this battle. This fight was for both dollars and recognition; and every time propane can be recognized as part of the

solution in the reduction of greenhouse gas emissions, then we have been victorious to some extent.

Additionally, I am happy to report that the VPREF Board has approved our participation in a propane awareness campaign that PERC is heading up nationally. This will be a digital campaign with widespread inclusion across the state. The campaign seeks to reach many folks who may not be quite as familiar with propane as an important energy source and the versatility of our fuel.

Our Government Affairs Committee Chair, **Elizabeth McCormick**, has also been working with the VPREF Board to assist PriMedia in generating a useful and powerful handout that can be used to educate folks on the impact that propane makes in our lives and in Virginia as a whole. Please look for this at the Fall Meeting – all those involved will be happy to share how it can be used.

One of my goals during my tenure as President was to find out what happened to the Scholarship (and funding thereof) that was set up at John Tyler Community College (JTCC) many years ago by VAPGA. I am pleased to report that significant progress has been made! Zach Eisenman and I recently met with the appropriate representative at JTCC (Jessica Will) and we are in the process of revising the appropriate paperwork readying it for final execution so that the funds can be allocated as originally intended. While we may not have control of actually awarding the annual scholarship, we can make sure it is marketed directly to our members whose employees and dependents will have priority in receiving this VAPGA sponsored scholarship, valued at approximately \$2,000. With typical fees for a full time student at JTCC running around \$4,800, this takes care of a substantial portion of their costs for a year. While the specific field of study is open for the student to select, we can encourage the administrators to favor areas that would be more closely related to propane such as HVAC, Plumbing, and the like.

While I know the Delta variant of COVID-19 poses some concerns for a number of folks, I do hope that we will have a chance to see many of you in Lynchburg at the Fall Meeting. Both our Association and the Hotel are taking appropriate precautions and doing our best to protect folks.

Stay well, stay safe, be kind, and blessings to all,

Colin Wood-Bradley
President

2021 Rebates



[\\$300 SAFE APPLIANCE REBATES](#)

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Please contact **Tami Guthrie** at tami@eameetings.com or **804.241.2232** for additional information or to request an application and pre-approval numbers.

| Executive Director's Message



"There's two buttons I never like to hit: panic and snooze."

Fans of the hit Apple TV series, *Ted Lasso*, might recognize this quote from the folksy soccer coach who uses it in response to a reporter's question about the sliding performance of his team. Earnest, optimistic, and unabashedly positive, the quote is a perfect encapsulation of the Ted Lasso character. As we continue to work to combat the serious challenges that propane faces ahead...I also find it a useful mantra for us as an industry and association going forward.

Make no mistake about it, we have some serious hurdles to overcome in the near and not too distant future. [Dominion Energy continues to wield its outsized influence](#) in the march towards electrification, having spent nearly \$19 million in lobbying, advertising, market research, political payouts and membership fees over the last four years. Environmental activists continue to push for "gas bans" in localities across the country. This is already at our own front door with [Richmond City Council unanimously voting for a resolution](#) earlier this month, to phase out so-called natural gas—including its own gas utility—citing a climate emergency. However, now is not the time to panic. Panic, by its very definition, involves fear, irrational thinking, and a loss of self-control.

We must also be careful and not get too idle, or "hit snooze". Burying our heads in the sand and ignoring reality is no longer an option. We can huff and puff all we want about the unfairness we have experienced from the legislature, the Governor's office, and even within public opinion, but we need to be proactive in our support of the industry. When we have small victories, such as the recent [breakthrough in VW Settlement funds for propane school busses, announced by Governor Northam](#) last month, we must also build on those successes. When we defeat a harmful piece of legislation, or gain the support of an influential legislator, we must parlay those victories into additional gains.



"Now is not the time to panic or to snooze, now is the time to make the case for propane...the future of the industry depends on it."

As an industry, we have a great story to tell. Propane is an affordable, reliable, and generally cleaner energy source. Many propane companies in the Commonwealth and across the country are family-owned, multi-generational businesses which operate in and give back to their communities. Propane helps in times of disaster and is a resilient partner to other energy sources. While most of this is not news to many of our members, it is our duty to make the case for propane to customers and legislators alike.

The time is now to get involved. There are things big and small YOU can do to assist in our efforts: donate to the PAC, join a committee, host a legislator at your facility. The list goes on and on. We stand at a crossroads, with the future of energy and the propane industry hanging in the balance. Now is not the time to panic or to snooze, now is the time to make the case for propane...the future of the industry depends on it.

Zach Eisenman
Executive Director

Tell Us Your Story!

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

In Memoriam



Raymond Lewis Atkins Sr.
Atkins Petroleum Products
1949 – 2021

VAPGA is saddened to announce the loss of Ray Atkins, who passed away Monday, September 13, 2021, after a brief illness. Ray was a long-standing supporter and active member of VAPGA. Ray formed and operated Atkins Petroleum Products for 45 years, serving the fuel and propane needs of customers in seven counties.

Read more in his [obituary](#).

Convergence, continued from page 1 >

Brazier of RBN Energy. Stocks were increasing but not as fast as usual. He questioned whether it would be enough to satisfy demand this winter.

"This is the propane business," he said. "The answer to that question is it always depends on the weather. It also depends on propane production" and, in the case of the Midwest, how much production stays in PADD 2 versus getting shipped to the Gulf Coast for exports.

Exports, meanwhile, were running at about 1.3 million barrels per day – more than doubling over the past five years – as overseas markets, most notably in Asia, demand propane for dehydrogenation plants and steam crackers.

"I've never seen a convergence of market factors quite like we have coming at us this year," said Brazier, who urged marketers to ramp up storage, firm up contracts, and build more flexibility and optionality into their supply chain.

"We may get through this winter with no problem," he added. "My suggestion is: This is not the year to take chances with Mother Nature."

The supply webinar also featured Tug Hanley of Enterprise Products Partners, Travis Ochs of ThompsonGas, and John Powell of Crestwood. They urged marketers to form early preparation habits and stressed communication because the market doesn't offer the same type of supply flexibility that it did five to ten years ago.

Steve Kossuth of UGI Corp. moderated the panel discussion.

2022 Degree Days Advertising Pricing and Information...Coming Soon!

Degree Days is the official publication of the Virginia Propane Gas Association. It is published bi-monthly in a digital format and has a circulation of approximately 500 members and industry contacts. Advertising with VAPGA is an easy, valuable, and cost-effective way to get your company in front of the movers and shakers in Virginia's propane industry. Both full- and half-page advertisements are available and ads may be purchased for a full year or on a per-issue basis.

Contact Zach Eisenman at zach@eameetings for more information.

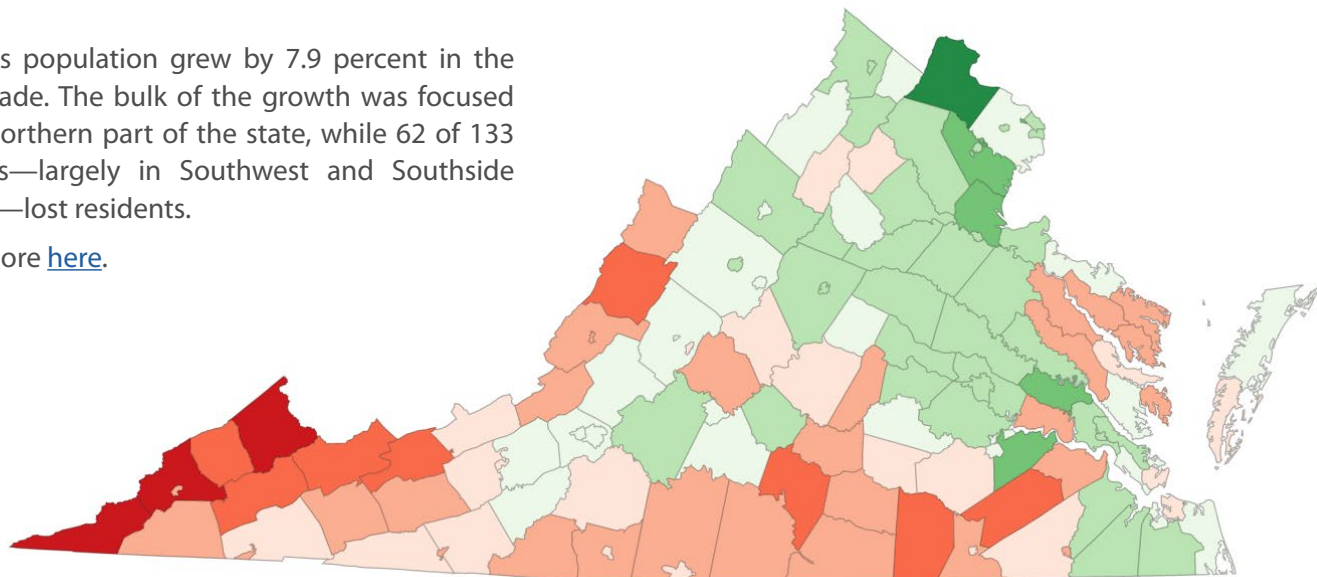


Making Sense of the Census: A Decade of Population Change



Virginia's population grew by 7.9 percent in the last decade. The bulk of the growth was focused in the northern part of the state, while 62 of 133 localities—largely in Southwest and Southside Virginia—lost residents.

Learn more [here](#).



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A collage of various HVAC and plumbing products and services offered by Tarantin Industries. The items include:

- Yellow and black flexible gas piping (TracPipe).
- Black gas piping (CounterStrike).
- Elster Perfection gas meters.
- White Mountain Hearth fireplace inserts.
- Empire Heating Systems logo.
- REGO Master Distributor logo.
- CORKEN gas valves.
- A large white gas tank.
- A blue metal cabinet with its doors open, showing internal components.

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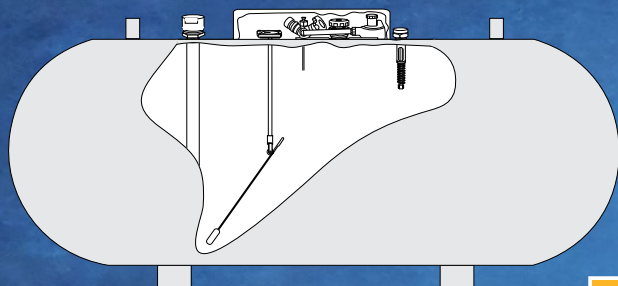
The Expo, which will be held October 18-20 at the Georgia World Congress Center in Atlanta, will bring together marketers and suppliers from across the United States and beyond. Visit the [Expo website](#) for event details, including information about the special guests featured during the keynote and prayer breakfast. [Register Now!](#) Early-bird registration rates expire October 8.

EventSphere is NPGA's official housing partner for the Expo. Book your hotel now! [Click here](#) to see hotel information and prices, plus a link to EventSphere's booking site.

For more information, visit the NPGA [website](#).

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



Steve Barton

| Legislative Update

Breakthrough on State Funding for Propane School Buses

For more than three years, VAPGA members have seen tens of millions of dollars from the VW “dirty diesel” settlement be spent on electric chargers that largely remain unused, and for things like electric vehicles within the port of Virginia. During that time, the membership has been patient, participating in workshops and forums demonstrating the significant positive impacts on propane school buses. In 2020, the association was able to add language to the state Senate’s version of the state budget requiring that the next round of VW funding give substantial consideration to propane buses. Ultimately, that effort did not get over the finish line as the “electrify everything” lobby worked against it, but it did raise awareness of propane school buses among many of the key players in Richmond.

Today, the tide may be beginning to turn on this issue, albeit slowly. [Last month the Governor announced the first VW settlement funding for propane school buses.](#) They are as follows:

Chesterfield County

\$96,226 - ten propane buses

Halifax County

\$79,820 - ten propane buses

Newport News

\$79,820 - ten propane buses

Norfolk City

\$26,800 - four propane buses

Virginia Beach City

\$137,480 - ten propane buses



“The tide may be beginning to turn on this issue...”

Although these funds equal only 4% of the total awarded, it is still 100% more than propane has received in the past. It gives us hope that facts, combined with an unblemished track record for propane buses in Hampton Roads, means that additional funding will become available. In the future we hope that the visibility of propane buses in Virginia will equal their demonstrated viability.

“Over the past year we have demonstrated to legislators and regulators alike that propane school buses are better than the competition, and more protective of the environment and our kids” said VAPGA Governmental Affairs Committee Chair **Elizabeth McCormick** of Phillips Energy, Gloucester. “In many ways this has been a frustrating experience but we are hopeful last month’s announcement is a breakthrough in introducing clean, efficient propane school buses all across the Commonwealth. I appreciate the tenacity and patience of all members who have been involved in our advocacy efforts. These grant awards are just the beginning—and demonstrate that many speaking as one can make a difference”.

Mike O'Connor

PriMedia Infographic Partnership



VAPGA has partnered with PriMedia, a leading advertising and marketing company in the energy sector, to design a 2-sided infographic and talking points highlighting propane’s impact on the economy, and its environmental sustainability and energy security. Hard copies of the infographic and talking points will be available at the Fall Meeting in Lynchburg, and we will also disseminate electronic PDF copies to the membership via email. Many thanks to Governmental Affairs Committee Chair, **Elizabeth McCormick**, for helping to spearhead this effort. We can’t wait to share the final product with you all!

Help Us Educate Our Legislators About Propane



The electrification movement has a tremendous amount of support among many legislators in Richmond and across the country. Many are in full support of abolishing all fossil fuel usage, up to and including propane appliances, vehicles and commercial applications. Many of the legislators are not informed regarding the uses and benefits of propane. We have seen this come to fruition in the allocation of funds from the VW settlement for propane. Propane was only awarded \$1 million, while electric projects were awarded \$88 million. Another frightening example came when Delegate Kory submitted H.B. 2330 stating that all state assisted low-income housing projects replace any fossil fuel appliances with electric appliances. Thanks to Senator Monty Mason, who spoke at our Spring Meeting, we were able to get that language struck from the bill. I am confident we will see more similar bills presented that, if passed, will be extremely detrimental to our industry. It is imperative that we come together and ensure we have a unified voice that is heard by those who can shape our industry's future.

Many of you have already invited your local legislators to your bulk plants or spoken to them on the phone. We thank you for leading the charge. We are asking for more of you to participate in this extremely important effort. In support of our unified voice, the Governmental Affairs Committee has assembled a front and back one-pager to tell our story here in Virginia. They have also developed an

additional guide to assist you with key talking points to assist you with the verbal messaging we want to spread. It is extremely important that you meet with your local legislators who live in and support your community. Tom Krupa has agreed to track the results of individual meetings and conversations. Please contact [Tom](#) after any conversations so that he can update our tracker and we do not duplicate. If anyone is uncomfortable with individually handling a meeting, please contact me and I will coordinate another member who is comfortable to attend the phone call or web-based meeting with you.

I would also like to acknowledge those of you who have made additional PAC contributions after our Summer Meeting. We are truly grateful to **AmeriGas, Anderson Propane, Bergquist, Blossman Gas, Hiltz Propane Systems, Marshall Excelsior, Milford Terminals, Phillips Energy** and **Valley Energy** for their commitment to our efforts and helping to keep our presence in Richmond strong. The PAC Committee and Mike O'Conner have budgeted approximately \$15,000 in PAC contributions this fall. We currently have \$27,787 in our PAC account and desperately need to make our contributions without depleting our funds. Please consider contributing to the PAC account this fall. We have never faced a more important time to have our voices heard and fight for our industry's future. Thank you all for your support and I look forward to seeing you in Lynchburg!

John Phillips



Make a PAC Donation Today!

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

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

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



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Making a Difference



Anderson Propane Service, Inc. driver, Joe Straub (right) delivered donated propane tanks to the community impacted by the floods. The gentleman on the left lost his home.

VAPGA members pride themselves on making a difference in their communities and across the Commonwealth. Many thanks to our members (including AmeriGas, Midway Bottled Gas, Anderson Propane, and others!) who donated propane tanks to assist victims in the [devastating flood](#) that impacted Hurley, VA and other parts of Buchanan County earlier this month.

PERC's Environmental Messaging Campaign



We are pleased to announce that Virginia has opted into PERC's coordinated nationwide environmental messaging campaign. Utilizing state rebate funds, which were matched with a fund allocation by PERC, Virginia's participation in this unified messaging campaign is a step towards increasing awareness among consumers of the role propane can and does play in accelerating decarbonization efforts while ensuring equity on the desired path to zero.

Beginning October 1st, this 12-week program will target customers in strategically identified zip codes with digital radio (i.e. Pandora) and programmatic banner ads.

2021-2022 VAPGA Leadership

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City of Petersburg Welcomes First Gallons of Clean Renewable Propane



The city of Petersburg's police and shuttle vehicle fleets got an ultra-low emissions upgrade recently thanks to the delivery of the first gallons of renewable propane autogas in the Commonwealth of Virginia. Petersburg is the first city in the state to use renewable propane in a vehicle fleet, converting 49 vehicles from gasoline to run on the even cleaner energy source. Representatives from Virginia Clean Cities, Alliance AutoGas, Propane Education & Research Council (PERC) and the City of Petersburg attended a ceremonial ribbon-cutting event to speak on the importance of the fuel technology.



Top photo, from left: Tom Krupa, Colin Wood-Bradley (VAPGA President), Zach Eisenman (VAPGA Executive Director), John Phillips, and Elizabeth McCormick.

Bottom photo, from left: Alleyn Harned (VA Clean Cities Executive Director), Travis Christian (Petersburg Chief of Police), Sam Parham (Mayor of Petersburg), Joe Morrissey (State Senator of District 16), Stuart Weidie (Blossman Gas CEO), and Tucker Perkins (PERC President and CEO).



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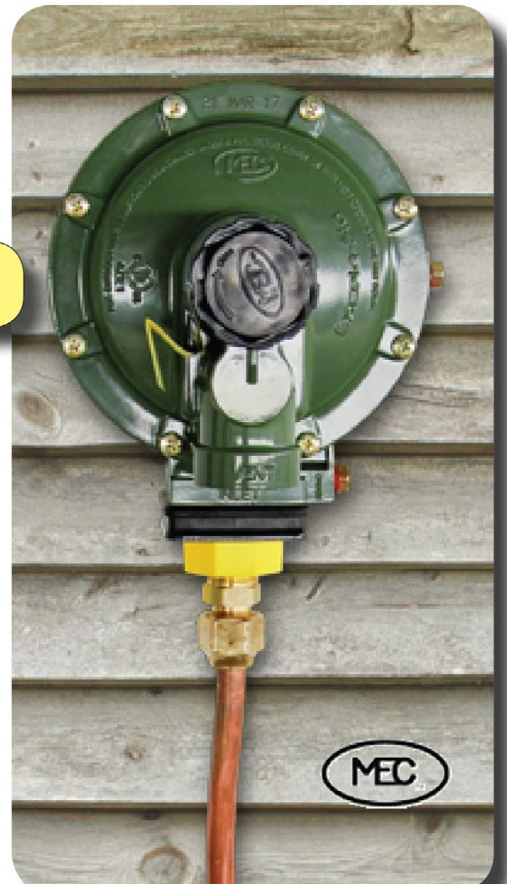
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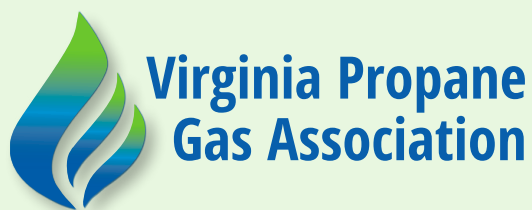
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VAPGA CETP Training We Want To Hear From You!

For the foreseeable future, in-person training programs will continue to be on an individual company basis. While we work toward resuming a more "normal" CETP training schedule, we encourage members to reach out to Trent Johnson, Chair of the Education & Safety Committee and Dennis Cruise to make them aware of your needs. Please take a moment to advise the committee of all specific training or safety programs that will deliver the most value to you this year.

If you would be willing to host a VAPGA training at your company, please let us know that as well.

Trent Johnson

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Dennis Cruise (434) 841-1636 or

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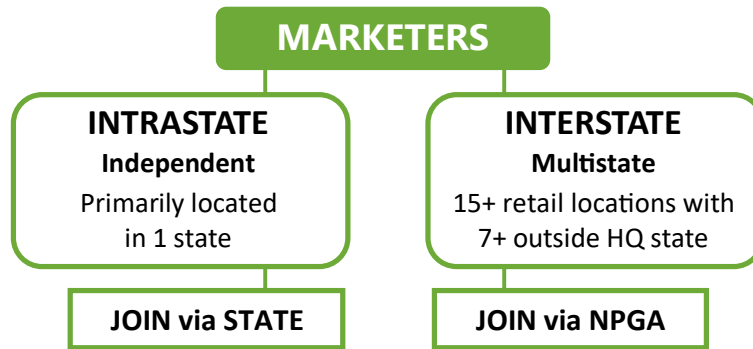
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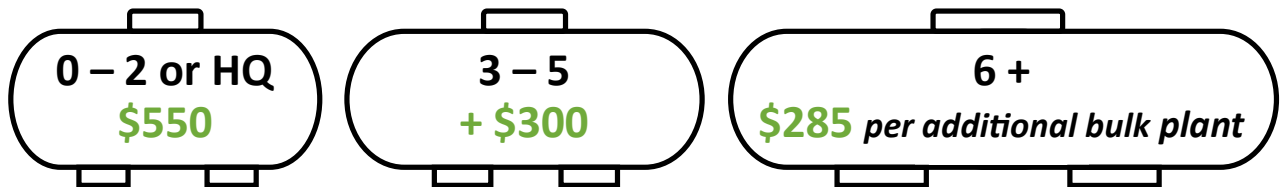


2022 MEMBERSHIP CATEGORIES AND DUES



Marketers Dues

BULK PLANTS



Examples: A company with up to 2 bulk plants pays **\$550** in NPGA dues.

A company with 3 - 5 bulk plants pays **\$850** (\$550 + \$300).

A company with 30 bulk plants pays **\$7,975**
\$850 for plants 1 - 5 and
\$7,125 for plants 6 - 30.

AFFILIATE MEMBERS

JOIN NPGA DIRECTLY

Affiliate Member Dues

	Producers & Wholesalers	Dispensers	Suppliers Manufacturers / Distributors / Service Providers / Transportation & Storage	2022 NPGA Dues
Affiliate Member Class	States of Propane Distribution	Retail Outlets with Propane Sales	Annual Propane Industry Gross Revenue	
Class 1	N/A	1 – 5 outlets	\$1M or less	\$1,350
Class 2	1 – 2 states	6 – 16 outlets	Over \$1M – \$3M	\$1,500
Class 3	3 – 6 states	16 – 100 outlets	Over \$3M – \$5M*	\$3,750
Class 4	7 – 12 states	101 – 350 outlets	Over \$5M – \$9M*	\$7,500
Class 5	N/A	351 – 600 outlets	Over \$9M – \$12M*	\$11,500
Class 6	13+ states	> 600 outlets	Over \$12M*	\$18,500
International	All operations outside U.S.			\$450
Retired	Individual retired member			\$160

* Limited grandfathering for former Supplier 2 members now in Classes 3-6 (see FAQ for details)

See FAQ for further details.



2022 Membership Categories and Dues Frequently Asked Questions (FAQ)

Q: What are the category changes and why is NPGA making them?

A: There are no changes to categories for marketers. There are several changes in the non-marketer ("affiliate member") categories, primarily collapsing Supplier 1 and Supplier 2 into one category and adding a category for propane dispensers (fill- and refill-only outlets). The two former supplier categories are being combined for parity of dues payments across all such members.

Q: Why is NPGA increasing dues?

A: NPGA is fighting the electrification movement on all fronts. Offensively, NPGA is working with state and regional associations to promote state-level legislation prohibiting local jurisdictions from banning gas. In 2020 and 2021, the industry was successful in getting 15 states (as of mid-May) to sign these bills into law and to put them on the table in many additional states. Efforts include bill sponsor coordination, drafting bill language, securing testimony, coalition forming, digital campaigns, letter writing campaign, petitions, and media outreach. On the defensive front, we are often battling the Democratic-controlled White House, both chambers of Congress, and top regulatory agency appointees favoring electrification, as well as codes and standards bodies, state energy code overhauls, hundreds of local policymaking bodies, and international forums all favoring electrification. Since Inauguration Day we have seen federal proposals to allocate tens of billions of dollars to electrifying everything from buildings to appliances to school buses.

In addition, the very successful state engagement fund to fight natural gas expansion and public utility commission overreaches needs replenishing and NPGA recognizes the need to expand work around areas such as supply & logistics, renewable propane and blends, Autogas, and combined heat and power.

NPGA last increased dues 6 years ago.

Q: Why isn't NPGA cutting its expenses instead?

A: NPGA has made significant cuts. Last fiscal year, NPGA parted ways with numerous vendors, restructured staff in multiple areas lowering overall compensation, and cemented a deal with PERC for office space that will save NPGA significant expense starting in 2022. During the past fiscal year, NPGA expended 18% under budget, and even without savings due to not hosting Expo or traveling significantly, NPGA was 12% under budget through cost cutting measures. However, revenue also has declined primarily in the conventions/meetings and education areas because of Covid and the sale of CETP, respectively. NPGA has budgeted in the red for three straight years, which is not a recipe for success.

Benchmarking also demonstrates that NPGA's expense per employee is 17.5% better than average against comparable trade associations, salaries are 5% lower than average, and G&A (general and administrative) expense is 10% lower than average.

Q: How much are the increases in 2022 NPGA dues?

A: Marketer dues will increase by the following amounts:

	2022 Increase
0-2 Total Bulk Plants (or HQ)	\$52
3-5 Total Bulk Plants	\$82
6+ Total Bulk Plants	\$82 + \$29 per additional bulk plant

Marketer increases are an average of 10.75%, less than 2% per year since last increasing dues 6 years ago.

Non-marketer (affiliate member) dues will increase by an average of 8% in 2022 and 13% by 2025 after a grandfathering period for certain former Supplier 2 members (see below).

Q: Is there an easy-to-understand chart of dues?

A: Yes.

Marketers:

	0-2 Total Bulk Plants (or HQ)	3-5 Total Bulk Plants	6+ Total Bulk Plants
2022 NPGA Dues	\$550 total	\$850 total	\$850 + \$285 per additional bulk plant

Affiliate Members:

	Producers/Brokers/Wholesalers	Dispensers	Suppliers	2022 NPGA Dues
	States of Propane Operation	Retail Outlets with Propane Sales	Annual Propane Industry Gross Revenue	
Class 1	N/A	1-5 outlets	\$1M or less	\$1,350
Class 2	1-2 states	6-15 outlets	Over \$1M - \$3M	\$1,500
Class 3	3-6 states	16-100 outlets	Over \$3M - \$5M*	\$3,750
Class 4	7-12 states	101-350 outlets	Over \$5M - \$9M*	\$7,500
Class 5	N/A	351-600 outlets	Over \$9M - \$12M*	\$11,500
Class 6	13+ states	> 600 outlets	Over \$12M*	\$18,500
International	All operations outside of U.S.			\$450
Retired	Individual retired member			\$160

* Limited grandfathering for former Supplier 2 members now in Classes 3-6 (see below).

Q: How do NPGA dues compare to those of other associations?

A: NPGA's dues are still lower than most of its peers. In 2021, dues represented approximately 40% of NPGA's budgeted annual revenue; with these changes in 2022, it will represent approximately 44%.

Benchmarking analyses conducted by NPGA demonstrated that other national energy trade associations collect an average of 65-70% of annual revenue from dues, and non-energy national associations that are close in size to NPGA and represent industries that are comprised of a work force roughly similar to the propane industry collect an average of 58-59% of annual revenue from dues.

Q: Were my views represented when making these decisions?

A: NPGA believes they were as best as possible. These changes have been made over a 9-month process. Much of the work was done by an NPGA member-based task force that included representation from marketers (inter-state and intra-state), non-marketers (wholesaler and supplier), and a state executive. These changes were also approved by the NPGA Executive Committee, members of whom are elected by the NPGA membership to represent the industry as a whole. NPGA also worked with the state and regional executives to make modifications to the original proposal.

Q: I used to be a Supplier 2 member – now that there is only one Supplier category, my dues are going up more than everyone else's. Can NPGA alleviate some of this impact?

A: Yes. Former Category 2 Suppliers that are now in Classes 3-6 of the Suppliers category will see the greatest increases (on a percentage basis) under the new dues structure. Accordingly, these members alone (provided they were NPGA members as of December 31, 2021), will be entitled to the following step-up "grandfathered" dues for the first three years under the new dues structure:

2022: 65% of dues that would otherwise apply.

2023: 75% of dues that would otherwise apply.

2024: 85% of dues that would otherwise apply.

2025 and beyond: 100% of dues that would otherwise apply.