

Propane Education & Research Council
March 28, 2008
Atlanta, GA

MINUTES

Proceedings for March 28, 2008

Chairman Glenn Saunders called the meeting to order at 8:32 a.m. Mr. Saunders welcomed Council members in attendance: Mark Alexander, Joe Armentano, Doug Auxier, Rosie Dzanski, Paul Grady, George Koloroutis, David Lugar, Bill McAdam, Sam McTier, Bill Platz, David Regan, Charles Revere, Mike Schwartz, Charles Snelling, Kevin Sparks, Bruce Toellner, Steve Williams, and David Wunch. Rosie Dzanski participated in the meeting via phone. Mr. Saunders welcomed Kevin Sparks to the Council as its newest member.

Approval of Minutes

Mr. Saunders directed the councilors' attention to the December 2007 and February 2008 minutes. A motion to adopt the minutes was made, seconded, and approved.

Chairman's Report

Mr. Saunders announced that John Duchscherer, CHS (Inver Grove Heights, MN) and Christopher Kowalski, Osterman Propane (Whitinsville, MA) were appointed to the Consumer Education Advisory Committee; Gary Smigaj, Heritage Propane (Kalispell, MT) was appointed to the Safety & Training Advisory Committee; and Steve Ward, Gardner Marsh (Raleigh, NC) was appointed to the Research and Development Advisory Committee.

Mr. Saunders reported that the Executive Committee approved \$85,000 toward Research and Development Advisory Committee (RDAC) **Docket 12569**, and the full funding request will be taken up later during RDAC's report.

Mr. Saunders announced that a meeting was held with the National Propane Gas Association's (NPGA) President and CEO and Board Chairman on March 10 to discuss PERC's programs and budget. He said the Executive Committee met yesterday, discussing personnel matters and changes to PERC's vendors. Mr. Saunders said a joint PERC/NPGA Officers Meeting will be held the next day.

Mr. Saunders announced that nominations will be accepted for Council leadership positions. PERC President and CEO Roy Willis reported on nomination procedures and rules.

Market Development Task Force. Market Development Task Force Chairman David Lugar said the task force is working on two parallel tracks addressing: 1. a new commercialization process and 2. the search for a firm to help PERC with its marketing, outreach, and advertising. He reported both tracks are going well, and the task force will present an update at the Council's July meeting.

Rules Task Force. Rules Task Force Chairman Bruce Toellner reported that the task force met by conference call on March 24, and discussed proposed changes to PERC's Bylaws, and Policies, Rules, and Procedures. Mr. Toellner made a motion to adopt the

changes to the Bylaws and to release the updated Policies, Rules, and Procedures for public comment. The motion was seconded and approved.

Audit Committee. George Koloroutis, chairman of the Audit Committee, reported that the committee completed its review of the updated internal control system for state rebates and determined that sound financial controls were in place.

Mr. Koloroutis directed councilors' attention to the proposed Audit Committee Charter. After a motion duly made and seconded, the Council adopted the Audit Committee Charter.

Mr. Koloroutis reported that the committee met early that morning and discussed the 2007 audit results. He said PERC received a clean opinion on the audit with no significant findings or issues, and the financial condition of the Council is strong. He said PERC has net assets of \$30.3 million, with \$19.4 million designated for projects and \$10.9 million is not yet committed. Total assessments for the year were \$47.1 million, a 5.4 percent increase from 2006. Mr. Koloroutis said cash and investments increased by \$6.6 million to \$30.6 million. Total administrative costs were about \$2.4 million or 5.1 percent of revenue. The maximum allowable administrative cost is 10 percent of revenue under the PERA statute. A motion was made, seconded, and approved to accept the 2007 draft audit report as final.

Mr. Koloroutis reported that CFO and Vice President of Administration Jim Harris presented his 2007 CFO report, which included internal control improvements being made. Mr. Harris gave the Audit Committee his assurance that PERC's assets are being properly protected against business risks and that all PERC financial statements are reliable.

Vice-Chairman's Report – Marketers

Vice Chairman Charles Revere did not have a report.

Vice-Chairman's Report – Producers

Vice Chairman Bill McAdam did not have a report.

Treasurer's Report

Bill Platz presented the financial results for 2007. The presentation included the 2007 assessment budget compared to actual assessments, a comparison of income to budget, and operating expenses. He said 2007 assessment collections were \$47.1 million and \$2.6 million greater than budgeted, operating expenses were \$150,000 below budget, and the 2007 surplus was \$10.9 million. Mr. Platz gave councilors an update on PERC's investments, which are in a strong position and overall are performing well. Approval of the Treasurer's Report was moved, seconded, and approved.

Grants Management

Mr. Harris announced twenty-four docketed were proposed to be closed out, with the money returning to the general treasury.

Docket: 11880 Grant (Consumer Education) - \$25,150
Project: Vehicle Branding Trade Show Outreach
Action: This action de-obligates the remaining balance of \$233 and

returns these funds to the general treasury.

Docket: **11940 Grant (Consumer Education) - \$675,000**
Project: Capital Action Plan 2
Action: This action de-obligates the remaining balance of \$133,600 and returns these funds to the general treasury.

Docket: **12044 Grant (Consumer Education) - \$357,000**
Project: 2006 Homebuilder Advertising & Outreach
Action: This action de-obligates the remaining balance of \$66,010 and returns these funds to the general treasury.

Docket: **12174 Grant (Consumer Education) - \$75,000**
Project: 2007 HPBA Expo
Action: This action de-obligates the remaining balance of \$3,059 and returns these funds to the general treasury.

Docket: **12147 Grant (Industry Programs) - \$500,000**
Project: Impacts on Consumers from Transportation Rate Changes
Action: This action de-obligates the remaining balance of \$484 and returns these funds to the general treasury.

Docket: **12188 Grant (Industry Programs) - \$201,000**
Project: Industry Trade Shows & Meetings Strategy 2007
Action: This action de-obligates the remaining balance of \$10,436 and returns these funds to the general treasury.

Docket: **12189 Grant (Industry Programs) - \$61,500**
Project: Outreach to the States Strategy 2007
Action: This action de-obligates the remaining balance of \$9,551 and returns these funds to the general treasury.

Docket: **12227 Grant (Industry Programs) - \$215,000**
Project: 2006 API Report/Survey
Action: This action de-obligates the remaining balance of \$62,111 and returns these funds to the general treasury.

Docket: **11904 Grant (Engine Fuel) - \$125,000**
Project: Propane Commercial Mowing Market Development Program
Action: This action de-obligates the remaining balance of \$31,379 and returns these funds to the general treasury.

Docket: **12143 Grant (Engine Fuel) - \$10,000**
Project: Engine Fuel Safety Analysis
Action: This action de-obligates the remaining balance of \$139 and returns these funds to the general treasury.

Docket: **12244 Grant (Engine Fuel) - \$95,000**
Project: 2007 Engine Fuel Advisory Committee Oversight and Operating Budget
Action: This action de-obligates the remaining balance of \$31,745 and

returns these funds to the general treasury.

Docket: **11110 Grant (Research and Development) - \$335,600**
Project: High Efficiency Integrated Space & Water Heating System for
Manufactured Housing
Action: This action de-obligates the remaining balance of \$33 and returns
these funds to the general treasury.

Docket: **11535 Grant (Research and Development) - \$93,750**
Project: Codes and Standards Research Consortium
Action: This action de-obligates the remaining balance of \$67,325 and
returns these funds to the general treasury.

Docket: **11796 Grant (Research and Development) - \$20,000**
Project: GAIA PERC CS NY DG Propane Solar Power Station
Action: This action de-obligates the remaining balance of \$20,000 and
returns these funds to the general treasury.

Docket: **11814 Grant (Research and Development) - \$324,660**
Project: Solar Generator System with LP Gas Engine
Action: This action de-obligates the remaining balance of \$311,989 and
returns these funds to the general treasury.

Docket: **11956 Grant (Research and Development) - \$217,760**
Project: Distributed Generation Project Development and Implementation
Action: This action de-obligates the remaining balance of \$6,510 and
returns these funds to the general treasury.

Docket: **11782 Grant (Safety & Training) - \$100,000**
Project: Forklift Emission and Maintenance Training Program
Action: This action de-obligates the remaining balance of \$29,920 and
returns these funds to the general treasury.

Docket: **11990 Grant (Safety & Training) - \$7,500**
Project: Cabinet Heater Task Force - Initial Funds
Action: This action de-obligates the remaining balance of \$7,299 and
returns these funds to the general treasury.

Docket: **12052 Grant (Safety & Training) - \$14,500**
Project: Composite Cylinders/Fire Service Education
Action: This action de-obligates the remaining balance of \$7,579 and
returns these funds to the general treasury.

Docket: **12166 Grant (Safety & Training) - \$124,100**
Project: 2007 Safety & Training Advisory Committee Support
Action: This action de-obligates the remaining balance of \$55 and returns
these funds to the general treasury.

Docket: **12205 Grant (Safety & Training) - \$165,000**
Project: Cabinet Heater/Fire Service Outreach Phase II
Action: This action de-obligates the remaining balance of \$25,812 and

returns these funds to the general treasury.

Docket: **12289 Grant (Safety & Training) - \$352,000**
Project: Cabinet Heater & Composite Cylinder Consumer Safety Outreach & Workforce Training
Action: This action de-obligates the remaining balance of \$352,000 and returns these funds to the general treasury.

Docket: **11732 Grant (Agriculture) - \$50,000**
Project: USDA Demonstration Project at a California High School
Action: This action de-obligates the remaining balance of \$7,188 and returns these funds to the general treasury.

Docket: **12197 Grant (Agriculture) - \$125,000**
Project: 2007 Agriculture Project Development, Oversight, and Advisory Committee Support
Action: This action de-obligates the remaining balance of \$27,467 and returns these funds to the general treasury.

Approval of the Grants Management Reconciliation Report was moved, seconded, and approved.

President's Report

President and CEO Roy Willis reported that through the Partnership Agreement, the National Propane Gas Association (NPGA) and PERC participated in crisis communication training earlier in 2008, focusing on the Department of Homeland Security's new chemical regulations.

Mr. Willis said he participated in the World LP Gas Association's (WLPGA) meeting in Tokyo, Japan, in February, as well as meetings with other global industry groups. PERC also participated in the Japan LPG conference, and Mr. Willis described market conditions the Japanese propane industry faces. He said PERC is planning to participate in the WLPGA World Forum and Global Technology Conference that will be held in Seoul, Korea, in September.

Mr. Willis reported that a global climate change working group has been formed to coordinate messages on propane's environmental benefits worldwide, using research from the 2007 ICF International study conducted for PERC.

Mr. Willis said the industry began its 2008 Capital Action Program this month, retaining Dittus Communications to develop messages on propane's environmental benefits. They recently conducted focus groups for policymakers and other decision makers in Washington, D.C.

Mr. Willis reported that the Market Development Task Force (MDTF) is making progress on developing a commercialization process, as they convened a focus group the day before, consisting of industry members and manufacturers. Concurrently, a newly formed Review Team is examining finalists for a lead agency to support PERC's communications and outreach efforts. Mr. Willis reviewed the timeline for both the commercialization process and lead agency search. He said the lead agency would be voted on by the Council at the July meeting. The 2009 budget would still be presented in

July, as usual, however, changes may be made as the new agency begins its work, and a revised budget will be presented to councilors at the October meeting. Councilors discussed the importance of having a lead agency in place before committing funds from PERC's 2007 budget surplus.

Mr. Willis said the Department of Commerce's annual price analysis concluded that propane prices in 2006 grew at a rate greater than other residential fuels but below the statutory rate (1.101) at which PERC activities would have to be restricted under PERA.

Mr. Willis gave councilors an update on the propane market, reporting that conditions affecting the propane industry include a warmer winter, substantial propane price increases, freefall of new residential construction, collapse of the manufactured housing market, and improvements in competitive technology. He said propane prices lag behind crude oil and fuel oil prices, but have increased much more than natural gas. Propane prices have been increasing much faster than electricity prices, and in the near term, average electricity prices are not expected to increase substantially. He said these factors underscore the importance of developing a commercialization process and a new communications outreach program.

A councilor asked if a contingency plan is in place in case propane prices grow at a rate above the statutory rate of 1.101, according to the Department of Commerce's annual price analysis. Mr. Willis said discussions have begun on a contingency plan, meetings requested with the Department of Commerce, and legal counsel sought. Councilors discussed implementing a contingency plan if propane prices rise above the 1.101 threshold.

Mr. Willis encouraged councilors to attend the 2008 Propane Days events, which will be held June 10-11 in Washington, D.C.

Industry/Public Comments

NPGA Chairman-Elect Malcolm Barrett said he had no official comments, but reported they will be following PERC's Research and Development efforts.

NPGA President and CEO Rick Roldan said NPGA is working to extend fleet and forklift tax treatments for propane.

Mr. Saunders announced a public comment was submitted and is included in the notebook materials.

Public member Dave Scigliano, Crystal Flash Propane (Grand Rapids, MI), asked if there is a cap on the budget surplus. Mr. Willis said there is not, but that PERC does not want the surplus to grow. Mr. Scigliano said if the Council decided on a cap, to consider adding an automatic trigger to reduce the assessment if the surplus hit the cap.

Safety & Training

Safety & Training Advisory Committee (STAC) Chairman Mike Walters said he was impressed with the market development workshop the previous day, and that STAC is committed to the Market Development Task Force's work.

Vice President, Safety & Training Stuart Flatow reported on PERC's Consumer Safety Education efforts, and said PERC will be posting a series of safety communications

templates on its websites that marketers can use to print on their invoices, meter tickets, and communications vehicles used to disseminate important consumer safety information to their customers.

Mr. Flatow introduced **Docket 12548**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12548
Applicant: Propane Education & Research Council
Short Title: Consumer Safety Education E-Learning Module Program
Amount Requested: \$113,100
Action: Approved

Mr. Flatow announced that PERC released three completely revised Certified Employee Training Program (CETP) textbooks: *Basic Principles & Practices*, *Bobtail Delivery Operations*, and *Propane Delivery Operations and Cylinder Delivery*. Mr. Flatow introduced **Docket 12578** to continue realignment work on CETP courses. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12578
Applicant: Propane Education & Research Council
Short Title: Curriculum Alignment for CETP Courses; *Appliance Start-up & Installation* and *Residential & Small Commercial Vapor Systems*
Amount Requested: \$684,973
Action: Approved

Mr. Flatow introduced a change order to **Docket 12284**. Upon a motion duly made and seconded, the change order was approved (as follows).

Docket: 12284
Applicant: Propane Education & Research Council
Short Title: CETP Curriculum Alignment – Vapor Distribution
Amount Requested: \$326,555
Additional Amount Requested: \$15,500
Action: Approved

Councilors requested that PERC develop a plan on how it will implement e-learning technologies over the next several years, including budget estimates.

Mr. Flatow described two safety and training sessions to be held at the Southeastern Convention and International Expo on CETP E-Learning and duty to warn obligations. He also gave an update on upcoming safety and training materials, including the cathodic protection and static electricity programs.

Consumer Education

Consumer Education Advisory Committee (CEAC) Chairman Daryl McClendon said that despite negative news in the housing market, PERC's outreach efforts are having an impact on the market. He reported on the CEAC meeting in February, which included a

presentation by the chairman of the National Association of Home Builder's (NAHB) 20 Clubs.

Senior Vice President Kate Caskin reported on the state of the residential housing market, and said that even during down times, there are opportunities for growth in the propane market, including:

- Propane remains a "premium fuel" in the residential market
- Existing propane customers provide a major potential market for conversions
- New propane technologies are expanding opportunities
- Outdoor living applications
- "Off-the-main" propane communities

Ms. Caskin described consumer education outreach activities at the Southeastern Convention and International Propane Expo, which include a presentation by a Georgia builder during their educational session.

Ms. Caskin showed councilors a slide depicting PERC's five year strategy with an increased focus on reaching builders and future decision makers. The residential advertising campaign is reaching homeowners and builders nationally through print and online advertising, trade shows, one-on-one meetings, and placements on DIY, Ask This Old House, and HGTV. She said the 2008 media plan targets both homeowners and builders in order to create a dialogue between consumers and builders – getting consumers to ask the right questions and equipping builders with the right answers – all leading to propane as the energy solution. With homeowners, Ms. Caskin said they are placing a focus on propane's energy efficiency and green qualities. PERC participated in media opportunities at the International Builders' Show (IBS) in February, where they talked to reporters from consumer and builder publications. Councilors listened to an audio clip of an interview with Ms. Caskin at the IBS.

Ms. Caskin said that they are making national advertising campaign materials available to members of the propane industry to use in their campaigns. She said they are conducting a series of webinars to help the industry take advantage of these materials, and the first one was held March 4 on water heaters.

Director, Residential Trade Outreach and Partnerships Tracy Burleson gave an update on the builder campaign. She said they kicked off the year by sponsoring the International Builders' Show, which featured a propane show home. She said they had an expanded booth presence at the 2008 Hearth, Patio & Barbecue Expo, as they unveiled the new industry booth. Ms. Burleson said they are developing several builder education courses this year, as well as a hydronics white paper. She said all of these activities lead builders back to the website, buildwithpropane.com.

Ms. Burleson reported that they are continuing to incorporate green messages in their outreach to builders. She also said through PERC's sponsorship of NAHB's 20 Clubs, they will have the opportunity to speak at their meetings. Councilors watched a short video featuring 20 Clubs Chairman Rusty Leftwich, who spoke at the recent CEAC meeting. Mr. Leftwich announced his support and commitment to encouraging all 20 Club builders to build with propane.

Ms. Burlison provided councilors with an update on the manufactured housing industry, which she says is struggling. However, she said the modular market continues to grow, and is a good opportunity for the propane industry. Ms. Burlison said they are developing a pilot program to work with modular manufacturers and build on the good relationships the propane industry has within the manufactured housing industry.

Jean Statler and Scott Hawkins from Harris Interactive gave councilors an update on PERC's metrics program. Ms. Statler said the objective of the metrics program is to provide PERC with the intelligence and tools to help move consumers to the point where propane is the preferred energy source among those in a position to make a decision. She described factors considered in setting goals, which include a new focus on future decision makers and builders as well as external market factors.

Ms. Statler said overall objectives for builder outreach are to increase awareness, image, and consideration metrics, and to also build in product-specific metrics. Overall objectives for future decision makers are to maintain current levels of awareness, image, and consideration metrics and increase metrics related to tankless water heater promotion, as well as the strategic message elements: efficiency and environmentally friendly.

Mr. Hawkins reviewed key metrics and goals, including awareness, image, consideration, and preference.

Ms. Burlison introduced **Docket 12562**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket:	12562
Applicant:	Propane Education & Research Council
Short Title:	2008 Builder Tradeshow and Outreach
Amount Requested:	\$1,506,000
Action:	Approved

Ms. Burlison introduced **Docket 12563**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket:	12563
Applicant:	Propane Education & Research Council
Short Title:	2008 Manufactured Housing Initiative
Amount Requested:	\$303,000
Action:	Approved

Ms. Burlison requested approval for a request for proposals (RFP) for a study on true value comparisons between residential heating with standard efficiency propane heating equipment, ultra-high efficiency propane heating equipment, and other competitive heating equipment products such as geothermal and air-to-air heat pumps. Upon a motion duly made and seconded, the RFP was approved.

Ms. Caskin introduced **Docket 12564**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12564
Applicant: Propane Education & Research Council
Short Title: UsePropane.com and BuildWithPropane.com
Amount Requested: \$109,660
Action: Approved

Ms. Caskin introduced **Docket 12565**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12565
Applicant: Propane Education & Research Council
Short Title: 2008 Consumer Education Measurement and Evaluation
Amount Requested: \$286,500
Action: Approved

Ms. Caskin requested approval for a request for proposals (RFP) to develop a lead generation database and tool to support the residential, agriculture, and engine fuel propane markets. Upon a motion duly made and seconded, the RFP was approved.

Ms. Caskin introduced a no-cost change order to **Docket 12531**, Consumer Education Partnership with States Program (CEPP), to extend the CEPP guidelines to include targeted marketing activities in the agriculture market. Upon a motion made and seconded, the change order was approved.

Mr. McClendon closed the CEAC report by saying that PERC's sponsorship with NAHB's 20 Clubs will be beneficial for the industry. He also said councilors will receive a compilation of materials produced for the consumer education campaign.

Announcement of Officer Nominations

Mr. Willis announced the councilors who accepted nominations for officer positions: Chairman: Glenn Saunders; Vice Chairman – Marketers: Joe Armentano and George Koloroutis; Vice Chairman – Producers: Steve Williams; Treasurer: Bill Platz; and Secretary: David Wunch. Mr. Willis said that ballots will be circulated by mail, and the new officers will stand at the July Council meeting.

Research and Development

Research and Development Advisory Committee (RDAC) Chairman Stuart Weidie said research and development is very important for the future of the propane industry and should provide a great value to marketers. RDAC's greatest interest is developing new products, but it also takes on research projects important to the industry.

Mr. Weidie described projects within the distributed generation program. He also reported on the progress of the Consumer Reports-style testing program, including projects to test regulator service life, underground tank coatings, pressure relief valves, and the performance of vapor regulators under varying conditions.

Mr. Weidie talked about commercialization of propane products, and said one of the key components is to evaluate the market potential for a given propane product. He said a

standard commercialization process for all committees will bring consistency to the approach and would eliminate time spent on unsuccessful projects.

Research and Development Director Greg Kerr requested approval for a request for proposals (RFP) to test regulator capacities at different operating conditions. Upon a motion duly made and seconded, the RFP was approved.

RDAC consultant Larry Osgood reported on PERC's Distributed Generation demonstration program, which currently includes four projects: Climate Energy Hydronic CHP, Energy Alternatives micro-cogeneration, National Park Service micro-grid, and North Carolina Solar Center Solar-Propane CHP. Mr. Osgood said propane gensets are improving, and propane hybrid systems for on-site power generation are ahead of diesel as a premium fuel in efficiency, maintenance, and longevity. RDAC continues to look for a company to develop a premium propane genset through a request for proposals process.

Mr. Kerr introduced **Docket 12570** to continue PERC's distributed generation program. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12570
Applicant: Propane Education & Research Council
Short Title: Distributed Generation Project Development and Implementation 2008
Amount Requested: \$204,460
Action: Approved

Mr. Kerr introduced **Docket 12569**. The Executive Committee had previously approved \$85,000 toward this project. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12569
Applicant: Propane Education & Research Council
Short Title: Validation & Commercialization of NovelAire's Desiccant Dehumidifier (ComfortDry 400)
Amount Requested: \$532,113
Previously Approved: \$85,000
Total Amount Requested: \$617,113
Recommendation: Approve

Mr. Kerr introduced **Docket 12387** for disapproval. Upon a motion duly made and seconded, the funding request was disapproved (as follows).

Docket: 12387
Applicant: Swanson Distribution Systems
Short Title: Mountain Air
Amount Requested: \$150,000
Action: Disapproved

Mr. Kerr requested approval for a request for proposals (RFP) for a study of the propane distributed generation market. Upon a motion duly made and seconded, the RFP was approved.

Mr. Kerr announced that the 2008 Propane Technology Review has just been published. The brochure highlights work by PERC's three technology committees, and has a "green" theme. Mr. Kerr also described the technology educational session and propane technology available in PERC's booth at the Southeastern Convention and International Propane Expo.

Mr. Kerr announced the next RDAC meeting will be held May 20-21 in Las Vegas, NV, and said councilors are welcome to attend.

Agriculture

Director of Agriculture Programs Mark Leitman gave a report on Agriculture Advisory Committee (AAC) outreach activities, which included participation in the International Poultry Expo, the National Association of Conservation Districts Meeting, the World Ag Expo, and the Western Farm Show. Mr. Leitman showed councilors a media spot featuring AAC Chairman Robert Jacobs at the World Ag Expo.

Mr. Leitman provided an update on a project with the University of Tennessee to compare the environmental and economic impact of propane mowers versus gasoline mowers. He said AAC has recently received positive results from a project testing propane heat treatments for dairy bed sanitation to help producers fight mastitis.

Mr. Leitman reported on agriculture media coverage, new agriculture display materials, technology fact sheets, and agpropane.com. He announced the publication of a propane refueling training manual, and provided an update on progress in propane-powered cotton defoliation over the past year.

Mr. Leitman introduced **Docket 12579**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket:	12579
Applicant:	Diedrichs and Associates, Inc.
Short Title:	Electronic Ignition Control System for Propane Orchard Heaters
Amount Requested:	\$32,000
Action:	Approved

Mr. Leitman introduced **Docket 12580**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket:	12580
Applicant:	Connecticut Agricultural Experiment Station Research Foundation
Short Title:	Reducing Blacklegged Tick Populations with Propane Torches in Controlling Invasive Barberry
Amount Requested:	\$30,000
Action:	Approved

Mr. Leitman introduced **Docket 12581**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12581
Applicant: Blue Shepherd
Short Title: Batchen Stinger Reliability and Water Trials
Amount Requested: \$16,500
Action: Approved

Mr. Leitman introduced **Docket 12582**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12582
Applicant: JE Associates
Short Title: Steam as Methyl Bromide Alternative in Florida and California
Amount Requested: \$145,200
Action: Approved

Engine Fuel

Engine Fuel Advisory Committee (EFAC) Chairman Tucker Perkins gave introductory remarks, and explained that the committee's focus is on developing the propane engine fuel market and making manufacturers aware of propane. Mr. Perkins provided an update on the sale of GM's medium-duty division to International Truck, and described successes in the propane commercial mowing market.

Vice President Brian Feehan provided an update on current projects, including airport market opportunities and forklift advertising promoting tax credits. He reported the latest news on the Roush F-150 pickup truck, as well as the release of new research to better understand existing fleet customer locations, size, and trends.

Mr. Feehan introduced **Docket 12568**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12568
Applicant: Propane Education & Research Council
Short Title: 2008-2009 Engine Fuel Marketing Program
Amount Requested: \$937,500
Action: Approved

Mr. Feehan gave an update on the Blue Bird Propane Vision school bus demonstration program, and introduced **Docket 12464**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12464
Applicant: Propane Education & Research Council
Short Title: Blue Bird Propane Vision Demonstration Program
Amount Requested: \$120,000
Action: Approved

Mr. Feehan introduced **Docket 12567**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12567
Applicant: Propane Education & Research Council
Short Title: Engine Fuel Advisory Committee (EFAC) Professional Services
Amount Requested: \$200,000
Action: Approved

Mr. Feehan introduced **Docket 12584**. Upon a motion duly made and seconded, the funding request was approved (as follows).

Docket: 12584
Applicant: Propane Education & Research Council
Short Title: Regional Market Development Representatives
Amount Requested: \$175,000
Action: Approved

Mr. Feehan introduced **Docket 12583**. A motion was duly made and seconded to table the request until more information is brought to the Council.

The funding request was tabled (as follows). Charles Snelling voted against tabling the request.

Docket: 12583
Applicant: LifeForce
Short Title: Marketing & Commercialization Support for Propane-Powered Auxiliary Power Units (APUs)
Amount Requested: \$312,500
Action: Tabled

Industry Programs

Industry Programs Director Martha Evans described PERC's activities at the Southeastern Convention and International Propane Expo, and encouraged councilors to stop by PERC's new booth. She said PERC will be represented at the Midwest, Western, and North Central conventions in April and May.

Ms. Evans provided a timeline for collecting responses to the 2007 API Survey, and strategies to improve responses to the survey.

Ms. Evans explained PERC's new Grant Management System, which was launched in March. She directed the Council's attention to the 84 funding requests totaling \$2,693,181 for replicated state rebates and 16 requests for Consumer Education Partnership Program funds totaling \$402,072. Upon a motion duly made and seconded, the rebates were approved by the Council.

Old Business

There was no old business.

New Business

There was no new business.

Mr. Saunders announced that the next Council meeting would be held July 17-18 in Washington, D.C. The meeting adjourned at 5:22 p.m.