



22213: 2020 PARTNERSHIPS WITH INDUSTRY ORGANIZATIONS

APPLICANTS:

Tucker Perkins, PERC President and CEO
Steve Kaminski, NPGA President and CEO
Joel Moxley, GPA Midstream President and CEO

PROJECT TITLE:

Partnership Agreement between PERC, GPA Midstream, and NPGA
Implementation Year Twelve, January – December 2020

AMOUNT REQUESTED:

\$1,495,000

DESCRIPTION OF THE PROJECT:

The purpose of the Partnership Agreement is to foster a strategic alignment and an effective allocation of resources primarily among the propane industry's three national nonprofit organizations in order to support collaboration and to enable the parties, consistent with the priorities and roles and responsibilities specified in the Partnership Agreements, to better protect and promote the interests of the industry, consumers, and the public.

This funding request in support of the Partnership Agreement is organized into eight categories of activity that are discussed in greater detail in this document. They are:

- I. Qualified Industry Organizations
- II. Advisory Committee Participation
- III. Codes and Standards
- IV. Research and Development
- V. Agency Outreach, Industry & Public Affairs
- VI. Environmental and Decarbonization Movement Efforts
- VII. Workforce Outreach
- VIII. Industry Conferences and Conventions

Pursuant to the Propane Education and Research Act of 1996 as amended, no activities undertaken on behalf of or funds provided by the Council in this agreement may, in whole or in part, be utilized to influence legislation or elections by any recipient of funds under this agreement. With the exception of NPGA's WPGA Membership and expenses, which shall be cost reimbursable, all funds shall be paid in equal monthly installments, contingent on timely reporting of deliverables.

Written Agreement/Joint Oversight Committee

There are separate written Partnership Agreements between PERC and NPGA and between PERC and GPA Midstream. The agreements establish a Joint Oversight Committee that includes the officers and the CEOs of each organization who plan and oversee implementation of the partnership objectives.

PART I: QUALIFIED INDUSTRY ORGANIZATIONS

PERC was created by the industry to marshal resources that the industry needed to pursue objectives it could not afford to do solely with dues or voluntary contributions. The congressional authorization to collect funds on a mandatory basis is a fundamentally important aspect of the Propane Education and Research Act of 1996 (PERA) and has enabled the industry to pursue key strategic objectives in technology, consumer education, and safety and training.

PERC was created under PERA by industry referendum conducted by the “qualified industry organizations,” which the law defines as *“the National Propane Gas Association, the Gas Processors Association, a successor association of such associations, or a group of retail marketers or producers who collectively represent at least 25 percent of the volume of propane sold or produced in the United States.”*

NPGA and GPA Midstream held special status in launching PERC, and they have a vital and guiding role through their appointment of Council members. While NPGA and GPA Midstream created PERC to collect funds for industry-wide initiatives and objectives, PERC was established and operates as an independent organization and not as a bank or subsidiary of the national trade associations. NPGA and GPA Midstream face a continuing and growing need to coordinate more closely with PERC and its advisory committees. In addition, PERC has relied on NPGA and GPA Midstream to carry out important programs and to work in partnership with PERC on other objectives.

In recognition of the commitment of resources that the associations must make to monitor and participate in PERC-related activities \$60,000 is requested to facilitate the continuing work of each Qualified Industry Organization. The funds will be used, in part, to defray each organization’s expenses associated with board recruitment and selection, and staff attendance at PERC board meetings. *No funds provided by this request shall be used to reimburse any industry volunteer member for expenses related to their attendance at Council meetings.*

Essential Personnel

Officers and Presidents/CEOs of NPGA, GPA Midstream, and PERC

Funding

Qualified Industry Organization, NPGA	\$30,000
Qualified Industry Organization, GPA Midstream	\$30,000
Total	\$60,000

Deliverables

This is a General Grant that provides for the establishment of two Joint Oversight Committees between PERC and, separately, NPGA and GPA Midstream to include close coordination with and participation of staff leaders at Council meetings. This grant also allows for the thoughtful conduct of board member recruitment and selection processes within the appointing bodies. To ensure potential candidates are adequately prepared for the responsibilities of membership, PERC shall participate in the development of any materials sent to potential candidates.

PART II: ADVISORY COMMITTEE PARTICIPATION

Funding will facilitate NPGA and GPA Midstream staff participation in, and consultation with, each PERC advisory committee working group, and affiliated task forces, project teams and market teams. NPGA shall make available and ensure attendance of at least one NPGA staff member with requisite knowledge and expertise to actively participate in each face-to-face PERC advisory committee working group meeting or conference call. The participating NPGA staff member shall make the working group aware of any possible issues related to existing codes, standards, and industry practices.

GPA Midstream will provide codes and standards expertise to the research and technology development working group on propane fuel specifications and other technical matters. Funding is requested in the amount of \$20,000 to GPA Midstream for technical staff participation and consultation.

Essential Personnel

Designated NPGA and GPA Midstream staff

Funding

Advisory Committee Participation, NPGA	\$60,000
Advisory Committee Participation, GPA Midstream	\$20,000
Total	\$80,000

Deliverables / Metrics

To the extent reasonably feasible, attendance and active participation of at least one NPGA staff member per working group with requisite knowledge and expertise at each PERC advisory committee face-to-face meeting, on conference calls, and committee collaboration by email or other electronic means on projects or initiatives of the committee. Technical review, evaluation, and contributions by NPGA staff will be provided to committee documents such as roadmaps, project plans, requests for proposals, funding requests, and periodic reports. Similar services will be rendered by GPA Midstream to the Research, Technology and Development working group.

PART III: CODES AND STANDARDS

The Partnership Agreement between NPGA and PERC succeeded the 2002 Management Agreement under which the two national organizations collaborated on the updates to the CETP curriculum materials necessitated by changes in standards, laws, regulations, industry practices, technology, or other factors. That collaboration included curriculum revision, codes and standards oversight, monitoring of technical societies and standards-setting organizations.

Under this proposal, codes and standards collaboration is intended to foster a higher level of coordination between NPGA and PERC in order to develop and implement solutions to address real and pressing technology challenges and to make the most of opportunities to expand the safe, efficient use of propane technologies. Activities will include:

- Codes and standards oversight

- Collaboration on codes and standards enhancements as dictated by, e.g., new laws, regulations, industry practices, technology, or other factors.

- Proactive development of codes and standards proposals that would advance the Council's commercialization initiatives.

- Participation in technical societies and standards-setting organizations activities

Essential Personnel
NPGA & PERC Technical Staff

Funding

Codes and Standards Collaboration, NPGA	\$150,000
Technical Society Participation, NPGA	\$30,000
Total	\$180,000

Deliverables/Metrics

Collaboration on industry-wide technology initiatives and priorities. Further developed industry expertise on the work of technical societies and standard-setting organizations as well as informed input into PERC projects affected by codes, standards, and industry practices. Codes monitored include but are not limited to NFPA 54, 56, 58, 59, 101, 501, 1192, 1194, 30A, 5000; ASHRAE 62.2, 90.1, 90.2, 100, 105, ANSI Z 21/83 (9 areas), UL STP 21, 25, 87, 125, 144, 1769, ANSI A119.5, ICC, and service on approximately 18 committees, subcommittees, and panels in the U.S., Canada, and worldwide.

Deliverables to include:

Annual development of a list of technical societies where PERC and NPGA have membership and/or other involvement.

Written annual report on technical society engagement.

Technical support for PERC and partners as requested around codes and standards (custom reports, proposed code changes, technical support, code evaluation, etc.)

Technical review, evaluation, and contributions to roadmaps, project plans, requests for proposals, funding requests, etc.

PART IV: RESEARCH AND DEVELOPMENT

(A) General Technology Support

A general grant is requested to provide funds to support a joint technology initiative by the partnership. The grant is intended to foster a higher level of coordination between NPGA, GPA Midstream, and PERC in order to develop and implement an industry-wide agenda to address real and pressing technology challenges and to make the most of opportunities to expand the safe, efficient use of propane and propane technologies. In its role, NPGA shall periodically advise PERC of any changes in NPGA-tracked standards, laws, regulations, industry practices, technology or other factors it believes could have an impact on industry technology initiatives.

Essential Personnel

NPGA, GPA Midstream and PERC officers and staff
Industry technical leaders

Funding

General Technology Support, GPA Midstream	\$300,000
General Technology Support, NPGA	\$300,000
Total	\$600,000

Deliverables

NPGA and GPA Midstream shall provide a written Technology Plan annually for each organization's support of industry-wide priority technologies.

GPA Midstream shall provide an annual research report around propane research plans and results.

NPGA shall provide a written report on NPGA-tracked standards, laws, regulations, industry practices, technology and/or other factors it believes could have an impact on PERC-funded technology initiatives, including, technology research being done around propane and competing energy sources, and applications using propane and competing energy sources, by DOE and national laboratories. Delivered by February 28 for year prior.

NPGA shall provide a written TS&S report delivered within 30 days of each TS&S meeting, detailing key discussions and updates, to the extent they are non-confidential, on all outstanding projects, progress made, plans, and outstanding issues; and a report pertaining the updates on relevant regulations.

(B) International Technology Coordination

The purpose of this funding is to continue the industry and PERC international strategy to identify and to bring successful technologies from around the world to the United States, and to maximize R&D results for the U.S. industry by building upon research efforts overseas. Funds are also included for NPGA's WLPGA membership dues, travel, and related expenses.

The Propane Vision and Technology Roadmap (June 2000) first identified the strategic need for PERC to monitor the technology being researched and developed in other countries. PERC's primary but not exclusive means to implement its international technology strategy is the World LP Gas Association (WLPGA). For the last ten years PERC has been working with WLPGA and its Global Technology Network (GLOTEC) and Global Autogas Industry Network (GAIN), now their Market Development, Innovation, and Communications groups under the updated matrix structure.

PERC continues to be involved in leadership roles within WLPGA, including service on the Industry Council and key matrix groups.

Essential Personnel

NPGA and PERC President and designees

Funding

PERC manages all funds under this section except \$35,000 for NPGA membership fees in the WLPGA, travel, and related expenses.

NPGA WLPGA Membership and Expenses	\$35,000
Total	\$35,000

Deliverables

NPGA shall provide a written report of international engagement within 30 days of meetings and events, including takeaways from sessions attended, contacts made, and innovation identified.

PART V: AGENCY OUTREACH, INDUSTRY & PUBLIC AFFAIRS

PERC and NPGA participate in meetings and conferences with agency officials to coordinate and benefit the Council's technological initiatives, to develop propane projects responsive to agencies' program solicitations, and to create materials to support those efforts.

Under the proposed 2020 Partnership program, additional funding will be made available for NPGA to highlight to nationally recognized institutions propane's use and acknowledgement of the propane's beneficial contribution to public health, public safety, and the environment.

Essential Personnel

PERC & NPGA President & CEO and designees

Funding

Agency Outreach, NPGA	\$50,000
Recognized Organization Outreach, NPGA	\$100,000
Total	\$150,000

Deliverables/Metrics

Deliverables to include:

Regular outreach to federal agencies and industry, e.g., FERC, DOE, DOT, FMCSA, OSHA, PHMSA, STB, FHWA, EPA, NASEO, NARUC, state agencies, and industry members in the spaces of natural gas, pipelines, railroads, utilities, renewables, among others;

Oversee developments, proposals, and opportunities that are potentially valuable to the U.S. propane industry.

Meet with agencies and industry as needed. Provide PERC a written quarterly report on activities and opportunities.

Monitoring of regulatory and funding developments that may impact and are potentially valuable to the U.S. propane industry and regularly updating PERC's online regulatory compliance guides where appropriate. Provide a written quarterly report to PERC of all relevant regulatory outreach.

PART VI: ENVIRONMENTAL AND DECARBONIZATION MOVEMENT EFFORTS

Both PERC and NPGA are concerned that misinformation about electricity as the only solution to climate change and a lack of understanding (both of many consumers and policymakers) of the attributes of propane are contributing factors to hindering odorized propane sales. The parties agree to the following as to their roles pertaining to this undertaking: PERC has both an Environmental Task Force and a Market Outreach Group. PERC will invite relevant NPGA staff to attend their meetings, calls, and those of any sub-groups or task forces thereunder. NPGA is undertaking a review of materials related to the development of a toolkit to combat the electrify everything movement. PERC will assist with identifying available data and resources that PERC has developed, which may be of value to this undertaking.

Executives, officers, and communications and public affairs personnel will be tasked with providing consistent messaging as pertains to positive climate impact, emissions reductions, and propane's role in a clean energy solution.

Essential Personnel

PERC & NPGA executives, officers, and communications and public affairs professionals

Funding

Environmental and Decarbonization Movement Efforts, NPGA	\$85,000
Total	\$85,000

Deliverables / Metrics

NPGA and PERC senior staff will meet monthly to discuss environmental matters. NPGA will pursue a campaign across the areas of environment, climate change, decarbonization, net zero, electrification of everything, and/or other similar areas that can be aligned or combined with PERC (e.g., with discussion of vendors utilized, and staff interaction and overlap). Within 3 months after the end of the funding year, NPGA shall provide data related to materials developed, dissemination strategies utilized, and audiences reached.

PART VII: WORKFORCE OUTREACH

NPGA and PERC have collaborated on a variety of initiatives to increase the industry's workforce including the development of recruitment outreach materials and a Department of Labor-approved Registered Apprenticeship program for drivers and service technicians. NPGA intends serve as Administrator of the DOL Registered Apprenticeship program.

Essential Personnel

NPGA workforce outreach, regulatory, and technical staff
PERC Industry Relations staff

Funding

Workforce Outreach, NPGA	\$130,000
Total	\$130,000

Deliverables / Metrics

Deliverables to include:

- Development of a policy & procedures manual for the Registered Apprenticeship (RA) program
- Development of an RA program implementation guide for employers
- Identify states that require separate approval of apprenticeship programs and seek adoption at state level.
- Develop and implement a plan for outreach to employers
- Presentation of promotional materials at state association meetings
- Facilitate partnerships with state PGAs and facilitate collaborations with workforce recruitment boards and educational institutions.

PART VIII: INDUSTRY CONFERENCES AND CONVENTIONS**(A) Exhibits and Presentations**

NPGA and PERC have collaborated for many years to expand the content and value of industry trade shows and conferences, especially the Southeastern Convention. In the past, through numerous dockets PERC has funded sponsorship, exhibits, presentations, and educational events at these events and other regional and state industry conventions. This docket requests funds to continue the collaboration of many of these activities in 2020.

Outlined below is PERC's participation in the NPGA 2020 Southeastern Convention &

International Propane Expo taking place on April 5-9, 2020 in Nashville, TN.

30x30 Exhibit Space: provides industry with resources related to safety and training as well as other industry programs available through PERC.

New Product Showcase space: features PERC research and development initiatives; also provides training opportunities via Fast-Track Sessions.

PERC Update: provides industry with development related to training, safety, and research and development. Collaboration Update with NPGA CEO re: Electrify Everything Movement.

Education Program: educational sessions featuring topics related to training, safety, and research and development.

Funding

Southeast Convention & International Propane Expo, NPGA	\$175,000
Total	\$175,000

Deliverables/Metrics

Within 90 days of the conclusion of the 2020 Southeastern Convention & International Propane Expo, NPGA shall provide data related to exhibitors in and attendees to the 2020 Southeastern Convention & International Propane Expo.

5 breakout sessions and PERC update session plus 30x30 PERC booth and registration for PERC and mutually agreed upon project partners. Collaboration on space arrangements for PERC Council Meeting to be held in conjunction.

FUNDING HISTORY

Category	Grantee	2018	2019	2020 (proposed)
Coordination with Qualified Industry Organizations	GPA Midstream	\$ 25,000	\$ 25,000	\$ 30,000
Advisory Committee Participation	GPA Midstream	\$ 25,000	\$ 25,000	\$ 20,000
Technology and Research - General Technology Support	GPA Midstream	\$ 300,000	\$ 300,000	\$300,000
		\$350,000	\$350,000	\$350,000
Coordination with Qualified Industry Organizations	NPGA	\$ 25,000	\$25,000	\$30,000
Advisory Committee Participation	NPGA			\$60,000
Codes and Standards Collaboration	NPGA	\$ 150,000	\$150,000	\$150,000
Technical Societies	NPGA	\$ 300,000	\$24,500	\$30,000
Technology and Research - General Technology Support	NPGA	\$ 24,500	\$300,000	\$300,000
Technology and Research - International Technology Coordination	NPGA		\$35,000	\$35,000
Agency Outreach	NPGA	\$ 7,500	\$0	\$50,000
Employee Safety & Training - Regulatory Compliance Update	NPGA	\$ 115,000	\$7,500	\$0
Industry Conferences and Conventions - SE Convention	NPGA		\$115,000	\$175,000
Recognized Organization Outreach	NPGA			\$100,000
Environmental and Decarbonization Movement Efforts	NPGA			\$85,000
Workforce Outreach	NPGA			\$130,000
		\$622,000	\$657,000	\$1,145,000
	TOTAL	\$ 972,000	\$ 1,107,500	\$1,495,000