

NPGA State Director Update



As your elected State Director, I wanted to provide you with important updates and a summary of activities that took place at the most recent NPGA Board of Directors meeting.

NPGA's committees and task forces held meetings and discussed issues of importance to all propane industry members. I encourage you to take the time to read my report below.

Thank you for the opportunity to represent you.

Sincerely,

Kara Tucker

Kopy's Propane Inc.

Williamstown, Pennsylvania



NPGA Winter Meeting Hosts Guest Speaker

The NPGA Winter Meeting & Board of Directors Meeting was held in Palm Springs, California, January 30 – February 1. Dr. Thomas O'Brien, Executive Director, Center International Trade & Transportation (CITT) at Cal State, Long Beach and Director, Federal Highway Administration Southwest Transportation Workforce Center was a featured speaker. Dr. O'Brien spoke about equipment transport logistics and delays.

NPGA's Propane Supply & Logistics Committee Update

During its first in-person meeting since January 2020, NPGA's Propane Supply and Logistics Committee discussed a number of items impacting the industry during peak demand season. Here are some of the highlights:

- The committee received an **update from IHS Markit's** Darryl Rogers, who reported the global propane market remains relatively tight in 2022. Mr. Rogers reported risks remain in relation to the U.S. demand and production, and production and pricing in the guise of unplanned events and weather anomalies and market factors impacting the global crude oil market pricing.
- NPGA Senior Director, Regulatory and Industry Affairs Sarah Reboli announced FERC granted NPGA's request for a rehearing of the five-year index. As of March 1, the Producer Price Index Finished Goods is plus 0.21%, and the new five-year index – adjusted based on the methodology in NPGA's petition – is effective through June 30, 2026. FERC estimates an overall cost savings for consumers of \$3.7 billion over the next five years. NPGA is still calculating savings for the propane industry, but it is expected to result in significant savings passed through to marketers.
- PERC President and CEO Tucker Perkins provided an **overview of renewable propane**. He summarized eight pathways that are being pursued, with additional possibilities, but noted that most are not economically feasible. Currently, the most economically feasible is renewable propane from renewable diesel produced from fats and oils.

Potentially, there could be 300 million gallons of renewable propane from existing renewable diesel production in the United States. Mr. Perkins provided an overview of what propane marketers can do to help build the market, including holding conversations with producers and customers about renewable propane.

Marketers Section Meeting

The Marketers Section held virtual breakout sessions for each of the eight districts in advance of the Board of Directors meeting to discuss regional legislative and regulatory concerns. During the Board of Directors meeting, the full Section met in person to hear a summary of each breakout session, an update from PERC's President and CEO Tucker Perkins, and a panel composed of industry leaders who provided information about the cannabis industry relative to the propane industry. Additionally, the Marketers Section is now soliciting applications to serve on NPGA's Executive Committee for the upcoming association year.

Cannabis Panel Discussion

Twana Aiken, Manager of Regulatory Affairs at NPGA moderated a cannabis industry discussion with panelists Jeff Stewart, President of Blue Star Gas; Bruce Swiecicki, Senior Technical Advisor at NPGA; and Lezli Engelking, President of the Foundation of Cannabis Unified Standards (FOCUS). Market insights, potential regulatory framework, and NPGA's efforts of bridging the gap between the cannabis and propane industries were discussed. For more information, please direct questions and comments to [Twana Aiken](#).

PropanePAC

The PropanePAC Steering Committee met to discuss the upcoming election, the potential makeup of the next Congress, and how the solicitation and expenditure strategies would change if there is a shift in majorities in either the House of Representatives or the Senate.

Because 2022 is an election year, there will be an expected increase in donation requests from both incumbent members of Congress as well as other contenders. Solicitations for PropanePAC will increase through the end of the year to help support candidates who are champions for the industry and those running on pro-propane-focused platforms. With the power dynamics in Washington, DC expected to shift, political distributions will target those candidates who have the best chances of securing favorable outcomes for the propane industry.

Women in Propane Council Update

The Women in Propane Council had a productive meeting at the Winter Board meeting. To mark a decade of excellence, the organization is busy preparing for their upcoming 10th Anniversary Celebration Summit taking place on Saturday, April 23 in Nashville. There will be speakers, training sessions, lunch and plenty of networking opportunities. The day promises to be informative, inspiring and fun!



For more details – [WIP Celebration Summit](#)

Scholarship Committee Encourages Application Submissions

The National Propane Gas Foundation (NPGF) Scholarship Committee looks forward to reviewing student applications for the 2022-2023 scholarship program. The deadline is February 15 so there's still time to promote this opportunity to your members and their families. Visit the NPGF [website](#) for more information. Last year, NPGF awarded \$136,000 to 101 children of NPGA member companies.

NPGA Welcomes New Directors

The NPGA Board of Directors voted to approve a new director on February 1, 2022.
Shane Fortner, *Fortner LP Gas Co., Inc.* – Kentucky Director

NPGA Board Chair Robert Barry appointed two new Directors at Large.

Kelvin Covington, *Growmark, Inc.*

Trent Hampton, *Lakes Gas Co.*