PROPANE SUPPLY, USES & VERSATILITY IN WEST VIRGINIA

Nathan Haldeman
Blue Flame, Inc./Parco Propane

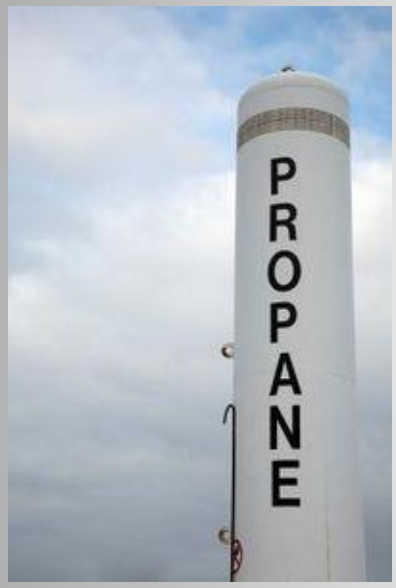
West Virginia Propane Gas Association

PROPANE SUPPLY

Changes in the Last Five years

- Supply tight in region – propane imported into WV
- Marcellus & Utica Shale discoveries
  - 55% of NGLs production is propane
- New gas processing plants in region- new supply points
- Reversal of Enterprise pipeline
- Propane and other NGLS exported from WV

WEST VIRGINIA PROPANE FACTS



- Propane is a clean-burning WV fuel
- Drilled, processed, and consumed in WV
- 101.25 million gallons consumed each year
- Highway use - 170,000 gallons and growing
- Roughly 4,000 people employed in the industry
- A key component for our Country to become energy independent
- Infrastructure exists – bulk plants, transports, delivery trucks

WHAT EVERYONE THINKS WHEN SOMEONE SAYS PROPANE?

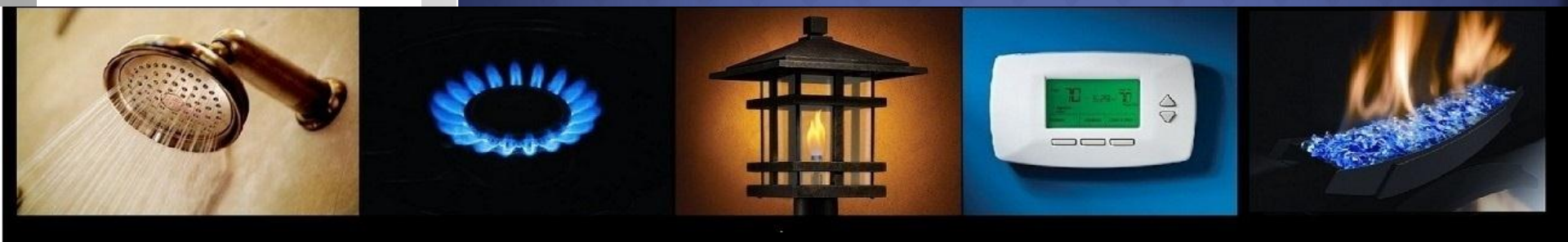
PROPANE USES

- Tourism
  - Hot Air Balloons
  - Food Trucks
  - Restaurants
  - Metal working and blown glass
  - Tailgating – Grilling and portable heaters

PROPANE USES

Residential uses

- Whole House heating
- Space heating
- Water heating
- Clothes drying
- Patio heaters
- Pool heaters
- Grilling
- Cooking
- Generators



PROPANE USES

- Clear train tracks of snow and ice to keep goods flowing
- Forklifts
- Temporary heat on Construction sites

PROPANE USES

Agricultural

- Chicken Farms
  - Heat
  - Sanitation
- Irrigation pumps
- Grain drying
- Weed management

PROPANE USES

Commercial & Industrial

- Restaurants & Lodging
- Office Buildings
- Manufacturing – Drying
- Mowing

PROPANE USES

- Portable; Essential in Emergencies
- Goes Beyond the End of the Line
  - Power generation
  - Hot water
  - Heat
  - Cooking

PROPANE USES

Propane Autogas

- Commercial Fleets - small and large
- Government – Police/municipalities
- School systems – Monongahela County – 1st Propane school bus

GOVERNMENT & PROPANE

WORKING TOGETHER

WINTER OF 2013-2014

- * Severe transportation and logistics problems created propane supply emergencies which effected 2/3 of nation including West Virginia.
- * In response, Congress passed the Propane Supply & Security Act of 2014.
- * Provisions include establishing criteria to determine when an emergency response action would be triggered (such as HOS and/or weight restrictions waivers);
- * Establishing a system for forecasting and tracking propane supply and predicting supply shortages;
- * Establishing a coordinated response among Federal and state agencies (such DOT & WV Division of Homeland Security & Emergency Management).

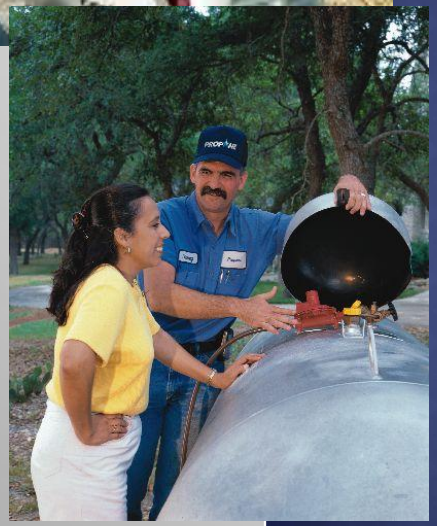
GOVERNMENT & PROPANE

WHAT'S AHEAD?

PROPANE

- Level playing field among different energies- taxes, subsidies, & infrastructure support
- Responsible legislation
  - Container law – protects the consumers and companies from unscrupulous competitors
- Encourage infrastructure investment and support through tax credits
  - A propane pump station for autogas can be installed for roughly $40,000

FIRE PREVENTION & CONSUMER SAFETY ACT



- Common Sense legislation
  - Calls for installation of propane equipment & appliances in accordance with manufacturer instructions;
  - Provides for protections from liability for persons who do such installations if it has been altered, repaired, or repaired by non-qualified individuals.

Has yet to get a vote in WV Legislature

PROPANE

- Made in West Virginia.
- Keeping West Virginians warm & fed.
- Helping WV businesses thrive.
- Contributing to WV's economy & jobs.

West Virginia Propane Gas Association

www.WVPropaneGas.org

888-441-5454

West Virginia Propane Gas Association

@WVPGA