

# NO COMPROMISE on DHS Regulations, Say NPGA Board Members

There were a number of hot topics at the National Propane Gas Association's (NPGA) June board meeting, with the Chemical Site Security Regulations generating the most heat. Announced by the Department of Homeland Security (DHS) in April, the regulations generate additional reporting rules—for both marketers and consumers—with aggregate bulk storage of over 7500 pounds.

Board members were vocal in their opposition to NPGA offering a compromise of 18,000 gallons and overwhelmingly and passionately argued that the association immediately seek legislative and/or judicial relief from the regulations, which went into effect June 8, the Friday before the meeting. The board voted to earmark funds for outside legal counsel to assist NPGA on the issue.

As of press time, DHS had not yet released its final list of substances and storage levels listed in Appendix A to the regulations. NPGA staff provided further details about its efforts to assemble a coalition of agricultural interests who share the propane industry's position that the fuel should be removed from the list.

At a chemical industry conference going on the same week as the board meeting, DHS Secretary Michael Chertoff reported that he expected the final list of chemicals in Appendix A to be released within several weeks.

At press time, Sen. Charles Grassley (R-Iowa) had offered an amendment to the DHS appropriations bill that would raise the minimum storage level to 100,800 pounds or more and restricted the agency's funds in enforcing the regulations related to propane storage until the DHS secretary amends them to provide an exemption for agricultural industries, rural homes, and small businesses. The bill and amendment were on the Senate's agenda right before the summer session was to end, and NPGA was urging industry members to call their senators to ask for their support on Grassley's amendment.

If the amendment is not included as part of the final bill, Grassley's office said it would be offered as a separate bill later in the year.

## Litigation, Climate Change

NPGA's president and CEO Richard Roldan reviewed the association's ongoing efforts on the Mid-America Pipeline rate case pending before the Federal Energy Regulatory Commission. In addition to NPGA filing testimony on the case, Roldan noted that eight other stakeholder companies have also filed testimony and supported the project technically and financially. In addi-



**Outgoing NPGA chairman Randy Rutherford (left) thanked Mark Pennington for his hard work and presented him the Bill Hill Award.**

tion to working with members affected by the rule, more stakeholder firms are being solicited. A final decision on the case, which has been on NPGA's agenda for some time, is expected in October.

Climate change is also an issue that NPGA must be ready to weigh in on, stated Roldan. Current energy legislation being discussed by Congress, as well as future legislation, may affect propane's position as a clean fuel. For this reason, he explained, the industry needs to have a position that is com-

prehensive, defensible, and broadly supported by members that positions propane favorably relative to competing energy sources; positions propane as a convenient carbon offset over the road and on the farm; extends alternative fuel tax incentives; and establishes propane as a "preferred renewable"—based on recent research on producing propane from corn and other renewable sources.

The Government Affairs Committee reported that a poll of its members has narrowed down the association's top legislative priorities with the top six for 2007-2008 being: chemical facility security, climate change, the Hazmat Transportation Reauthorization Act, "bobtail tax," driver background check reform, and alternative fuel tax credit extension.

## New Officers, Awards

Keith McMahan, president of Tri-Gas & Oil Co. (Federalsburg, Md.) took over as chairman from Randy Rutherford of Rutherford Equipment Inc. (Conyers, Ga.). Malcolm Barrett, president of Patriot Propane (Prescott, Ariz.), was elected chairman-elect; Joe Cordill, president of Cordill Butane Propane Service (Winnsboro, La.), was elected vice-chairman; and Roland Penta, owner of Phelps Sungas Inc. (Geneva, N.Y.), was elected NPGA treasurer (photo at top of following page, from left to right).

NPGA's Safety Award was given to Tim Spicer of Tiger Fuel Co. (Charlottesville, Va.) for his work in transforming the Virginia Propane Gas Association's safety and training programs (see p. 32). Spicer has been chairman of the association's Education and Safety Committee for the past seven years, during which time he helped transform its safety and training programs, contributed safety articles to the association's newsletter, and helped to develop specialized training such as DOT Audit Survival and an "out-of-gas. out-of-service" training video for marketers.

Mark Pennington of Pennington Gas Service (Morenci, Mich.) was honored with the prestigious Bill Hill

Award for his public affairs work at the national and state levels and especially for his efforts on one of NPGA's biggest victories in 2006—the exemption from the Department of Transportation's 5% transport rule. In addition to the huge amount of time Pennington devoted to the DOT issue, including traveling to Washington to speak with DOT officials, he assisted the Michigan Propane Gas Association (MPGA) in creating an informational booklet for members to better understand the exemption. He is active in MPGA, having served as president in 2003 as well as having served on a number of state and NPGA committees. Most recently, Pennington was the PropanePAC chairman in 2005 and serves as the Michigan state director and on the Governmental Affairs Committee. The award, which comes with a monetary stipend given in the recipient's name to an educational or scientific foundation of his or her choice, was established by the industry to recognize individuals who have made an outstanding and lasting contribution to the industry in public affairs at the national and/or state level.

Also honored by NPGA at the meeting was long-time NPGA member Al Stillwaggon, formerly of H.R. Weaver Co. (Newburgh, N.Y.), with the chairman's citation for his years of service to the industry at the local and national level. Stillwaggon was part of an industry group from the Northeast that made several trips to Washington to lobby for changes to price controls and other issues in the 1970s, and he continued to work with regulatory and legislative



officials over the years. He has been an active NPGA member since the end of World War II. He was stationed in Hawaii when Pearl Harbor was attacked, and was also part of significant military campaigns in Europe.

A number of outgoing committee chairmen and directors (part of the group is shown in bottom photo at right) were thanked for their hard work, including Ray Murray of Ray Murray Inc. (Lee, Mass.), of the Conventions Committee; Jeff Kaminsky of AmeriGas Propane (Valley Forge, Pa.), of the Government Affairs Committee; Joe Jimenz of American Energy (Houston) for the International Committee; Carlton Revere of Revere Gas & Appliance (Hartfield, Va.) for the Technology & Standards Committee; Joe Armentano of Paraco Gas (Rye Brook, N.Y.) for PropanePAC;

Val Schall of Alliance Energy (Lebanon, Mo.) for the Education, Training & Safety Committee; and Brian Davidson of RegO Products/ECII (Elon, N.C.) for the Member Services Committee. Kevin Keller of PPS Co. Inc. (Soda Springs, Idaho) was named state director of the year. Charlie Revere of Revere Gas & Appliance, a former NPGA chairman and long-time board member, and current PERC council member, was given an award for his work as the chairman of the Distinguished Service Award Committee. Outgoing PERC chairman John Gawronski of Targa (Houston) was given the Chairman's Citation, while long-time board member and past chairman Gerry Misel of Georgia Gas Distributors (Atlanta) also was honored (bottom left photo). —Ann Rey

