

The background of the page is an abstract composition of flowing, wavy lines in various shades of blue, ranging from deep navy to light sky blue. These lines create a sense of movement and depth, converging towards the right side of the frame. The bottom portion of the page is a clean, white space where the text is located.

Annual Report 2011

Propane Education & Research Council

TABLE OF CONTENTS

3	LETTER FROM THE CHAIRMAN AND THE PRESIDENT
5	COUNCIL OFFICERS & MEMBERS
6	PERC STAFF
7	RESEARCH AND DEVELOPMENT
9	SAFETY
11	TRAINING
13	VALUE
15	LOOKING AHEAD
18	GRANTS
20	APPROVED REBATES
30	FINANCIAL STATEMENTS

A Fresh Start and a Centennial Celebration

Letter from the Chairman and the President

This year marks the centennial anniversary of the first commercial application of propane. We've come a long way since pioneer scientist and entrepreneur Walter Snelling first installed a residential propane fuel system in a Pennsylvania farmhouse in 1912.

The 100th anniversary got both of us to consider how much we owe the propane industry. It also gets us thinking about the future and what we need to do today to keep propane use growing for another 100 years.

We are proud to be marketing a vital energy source that helps Americans cut operating costs and curb carbon emissions while improving the nation's energy security. This homegrown fuel heats and cools homes, runs engines, powers stoves, does its part in getting kids to school, and is a core component in the efficient operation of American farms, run by the men and women that feed the world.

Both of us have had the good fortune to spend much of our professional careers working in this entrepreneurial and innovative industry. We appreciate the many great colleagues and competitors we've worked with. And we are grateful to the millions of customers that use propane. They've helped all of us pay for our homes, kept our families fed, and put a few children through college.

We get up every day thinking about how the Propane Education & Research Council can best drive propane demand, develop new products and uses, and ensure the safe and efficient use of propane.

Last year brought many challenges and changes to PERC. We've remade our processes and re-engineered our management to build a functionally integrated organization. Our goal is to foster a culture of innovation and collaboration among industry leaders, program directors, and PERC staff. We are committed to reducing duplicative efforts, to better use our resources, and to bring to market great products that serve customers and burn propane.

This fits with the changes of the PERC Advisory Committee, where we now have three working groups charged with oversight of research and technology development, market outreach and training, and safety and training. The working group members are joining with the appropriate staff program leaders to develop, test, and guide projects.

This approach is designed so that an individual takes charge of a project, offering a contact point for the propane industry, and shepherds the concept through its various stages to completion. If a project gets through our rigorous internal tests, the teams will determine how to best commercialize it as a product.

It's an efficient way to create a laboratory for promising ideas. To be clear, some ideas just won't work out. We are using a gimlet eye to spot projects that don't deserve funding. But much can be learned from new ideas and strategic experiments.

The challenge for PERC is to be creative in developing new markets while moving quickly to jettison projects that don't show a payoff.

PERC is also streamlining the way it communicates its message to marketers, producers, and others in the industry. We've brought much of the work in-house as we discontinued our direct-to-consumer marketing. And we are taking a focused, deliberative approach to spread propane's positives. PERC has begun drawing upon the Council and the Advisory Committee to recommend local media outreach and hare their expertise with these outlets.

In 2011 PERC also had some solid wins with new technology it helped develop.

Grain dryers from Mathews Co. and GSI Group are garnering buyers in farm country where propane already has a strong infrastructure.

Local school districts from California to Florida are switching to propane-fueled buses from Collins Bus and Blue Bird as they drive vehicles that meet tougher emission standards, require less maintenance, and cost less to operate.

The housing sector continues to find its way but we've been seeing pockets of good news. PERC had a hand in the Generac LP3250 generator that won two separate 2011 innovative product of the year awards. This compact generator is marketed to both the construction professional and the do-it-yourself homeowner. Yanmar's CP10WN is a micro-combined heat and power system that consumes about 7,600 gallons of propane a year in operations at small commercial sites.

That's a snapshot of some of the best new products that went commercial in 2011. There are more, and we have promising products on the horizon.

In 2012, we celebrate 100 years of building the propane industry and we welcome the challenge of beginning a second century of propane progress. Thank you for your support and guidance.



Joseph Armentano

Chairman

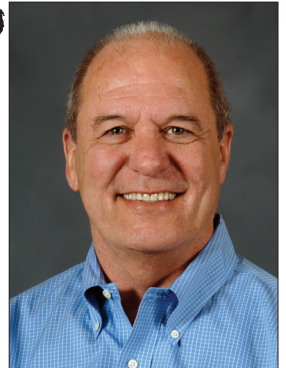
Paraco Gas



Roy W. Willis

President and CEO

Propane Education
& Research Council



COUNCIL OFFICERS & MEMBERS

Joseph Armentano

Chairman
Paraco Gas
Rye Brook, NY

Michael E. Barnes

BP Energy Company
Houston, Texas

Sharon Beemer

DCP Midstream
Houston, TX

Eric Benson

Secretary
J.S. West & Company
Modesto, CA

Gregg Dighero

EnCana Oil and Gas USA Inc.
Denver, CO

H. Joe Gump

Vice Chair, Producers
ConocoPhillips
Dacula, GA

Sam Hawley

Enterprise Products Operating LLC
Houston, Texas

Theodore Jeffcoat

Inergy LP
Rutland, MA

Sam McTier

Propane Technologies LLC
Lake Forest, IL

Gerry Misel

Treasurer
Georgia Gas Distributors
Sandy Springs, GA

Bill Platz

Immediate Past Chairman
Delta Liquid Energy
Paso Robles, CA

Tom E. Redd

Martin Midstream Partners
Martin Gas Sales
Kilgore, TX

David Regan

Targa Resources, Inc.
Houston, TX

Douglas Rinke

Columbia, MO

T.J. Rinke

Williams Midstream
Tulsa, Oklahoma

Russ Rupp

Suburban Propane Partners LP
Bonita Springs, FL

Michael Sheehan

Sheehan's Gas Company
Bird Island, MN

Charles Snelling

Fogelsville, PA

Thomas Van Buren

Ferrell North America
Overland Park, KS

Jeff White

Aux Sable Liquid Products
Morris, IL

Paula Wilson

Vice Chair, Marketers
AmeriGas
King of Prussia, PA

PERC STAFF

Roy W. Willis

President and Chief Executive Officer

James Harris

Chief Financial Officer and Vice President of Administration

Kay Howell

Chief Information Officer

Steven Wayne

Chief Technology Officer

Stuart Flatow

Vice President, Safety and Training

Gregory Kerr

Director of Research and Development

Mark Leitman

Director of Business Development and Marketing

Gregg Walker

Director of Communications

Alicia Dunn

Senior Programs Manager, Propane MARC/Fulfillment

John L. Kerekes

Senior Contracts Manager and Counsel

Alan McEwan

Programs Manager, Engine Fuel

Ingrid Bechard

Projects Manager

Courtney Gendron

Certified Employee Training Program Manager

David Harris

Web Manager

Anna W. Lombardo

Meetings Manager

Aisha Parker

Projects Manager

Brandon Robinson

Projects Manager

Theresa Ryan

Office Manager/Executive Assistant to the President and Chief Executive Officer

Ambrose Walker

Database Manager

Grace Willis

Process Manager

Jeremy Wishart

Projects Manager

Tameka Bias

IT Analyst

Kristen Healey

Program Analyst

Maria Passarella

Program Analyst

Ami Patel

Graphic Designer

Burney Simpson

Editor-Writer

Jesse Marcus

Executive Assistant

Jahnissi Tirado

Administrative Assistant

Ginna Moseley

Office Assistant



Research and Development

Propane has a great story to tell. It's clean, affordable, reliable, efficient, safe, domestic, and abundant. That means propane can be adapted to many uses around the home, on the road, on the farm, at ports and terminals, and in many other commercial spaces.

In 2011, the Propane Education & Research Council focused on developing more and better uses for propane. Our goal is to be hard-nosed and demanding while fostering innovative and creative product ideas. That approach is part and parcel of the entrepreneurial spirit that has always been a part of this business.

PERC's research and development efforts were honored last year by the World LP Gas Association. Members of the association gathered in Washington, D.C. and cited PERC for its distinguished service in the

research and development of propane technology and the creation of safety and training programs.

Here are some of the top products in the research pipeline at different stages of development; some are still at the test phase, some are nearing commercial use, and others have successfully gone through the PERC process and are being used in the field.

In an engine fuel project, PERC continued its work on the 8-liter LPG engine with Gaffney, S.C.-based contractor Freightliner Custom Chassis and other partners, including General Motors, CleanFuel USA, Powertrain Integrationm, and Capacity of Texas. The program is showing great promise for school buses, off-road terminal trucks, and propane bobtail trucks. The 8.0 engine remains on target to go in service in 2013.

Propane-fueled commercial mowers have been successfully launched previously and the market has been growing steadily. The Commercial Mower Demonstration program is a marketing campaign designed to promote a top-of-the-line mower with about 300 major dealers nationwide. PERC will work closely with the dealers to garner feedback, interact with commercial users, and build mower sales.

School bus manufacturer Blue Bird is aggressively marketing its class C bus, the Vision, boasting a Ford 6.8-liter 362-horsepower engine with a liquid propane autogas injection system by Roush CleanTech. The engine produces 457 pounds of torque, and the bus has seating for up to 77 passengers. Blue Bird has sold its Georgia-built propane-fueled buses to the Houston and Los Angeles school districts and to many others nationwide.

In 2011, the Indian River, Fla., school district tested three Blue Bird Vision school buses on propane autogas and decided it would buy 11 more. A local news outlet, The TCPalm, had this to say: "With the success that the Indian River district has had with the propane buses, it would seem other school districts would want to acquire their own. ... Expansion of the program would seem to be a wise investment in cost and for the environment."

In the agricultural sector PERC took an important step by creating Propane FEED (Farm Equipment Efficiency Demonstration), a research program designed to gather real-world performance results of new propane-fueled technology. Producers who enroll in Propane FEED and purchase PERC-approved equipment are offered a financial incentive up to \$2,500 in exchange for recording performance data of the equipment being tested. At year-end there were six products available through FEED.

Farm irrigation offers a solid opportunity for greater propane use, especially with new propane-fueled irrigation engines proving 20 percent to 30 percent more efficient than older models, according to University of Nebraska research. These engines are environmentally friendly and offer farmers savings on operating costs compared with engines that run with diesel fuel.

To prove that point, PERC added three propane-fueled irrigation engines to Propane FEED and launched an online propane-to-diesel irrigation cost calculator that farmers can use to find how much they can save by using propane.

"PERC research revealed that new propane irrigation engines are much more efficient than older models," Mark Leitman, PERC director of agriculture programs, said. "As a result, farmers can see real savings by switching from diesel to propane."



In 2010, PERC teamed with Crystal Lake, Ill.-based agricultural equipment manufacturer Mathews Co. to develop a propane-fueled grain dryer that operates in three modes — all heat; vacuum cool/pressure heat; and pressure heat/pressure cool. The Trilogy Series dryer is now available in several sizes, with the largest capable of handling 990 bushels per hour and consuming up to 97 gallons of propane an hour.

The construction sector nationwide continued to be challenged last year. PERC took the opportunity to launch the Propane Exceptional Product (PEP) program to promote the adoption of new technologies in residential and commercial building applications. This research program is similar to Propane FEED, offering a financial incentive to qualified buyers for the purchase of a select group of propane-fueled products; buyers must agree to share their product experiences with PERC.

Two generators launched in 2011 that are in the PEP program are the Generac EcoGen and the Yanmar CP10WN Micro-CHP system. The 6-kilowatt EcoGen is designed to supplement off-grid renewable energy power generation for small commercial and large residential applications. The CP10WN is a combined heat and power system for small sites seeking a reliable supplier of green energy. It recovers heat for space and water heating and can consume about 7,600 gallons of propane a year.



Safety

The safe operation of propane by everyone who works with, uses, and depends on propane is PERC's top priority. Our safety-oriented outreach efforts include literature, videos, websites, conferences, webinars, and meetings with all of those responsible for propane use.

PERC interacts with marketers and responders to keep up to date on new technology and the best approaches to the safe use of propane. PERC also creates material that propane and safety professionals can share with their customers and local communities.

In its efforts toward marketers, PERC recently updated its "Dispensing Propane Safely" employee training program on the tasks associated with the safe and effective dispensing of propane into several types of propane cylinders and tanks, including those found at retail locations, at bulk plants, and in forklift operations. The program also covered

propane autogas dispensing operations and emerging propane technologies such as refillable one-pound propane cylinders.

In the Certified Employee Training Program, better known as CETP, PERC remade its Basic Plant Operations full-color textbook that includes training on requalifying DOT cylinders with a visual inspection. The new text includes a companion poster that can be downloaded, printed, and displayed at worksites.

Under its workforce training efforts, PERC held webinars on updates to CETP. They introduced trainers and others to the improvements made to CETP programs like Vapor Distribution Systems, Basic Plant Operations, and Propane Delivery Operation.

Safety messages to consumers are essential to PERC's efforts.

PERC creates and distributes every year multiple safety brochures and related materials that marketers can share with their customers. There are now more than three dozen emergency-preparedness handouts that can be repurposed on marketer websites or downloaded from propanesafety.com, printed, and distributed to consumers. Many of these materials are in both English and Spanish.

PERC continued its emphasis on family safety with its propanekids.com site, reaching out to children with animation, interactive games, checklists, and quizzes. PERC got more bang for the buck when propane marketers like AmeriGas, Clark Oil & Gas, Sharp Energy, and Thompson Gas featured content from the propanekids.com fan page in their own posts.

Mary Town of Caywood Propane Gas in Hudson, Mich., downloaded picture files from PropaneKids.com and used them to make banners for a booth at a festival for children.



"The PropaneKids.com site was key in helping us prepare for the event at very little expense," Town said. "We had more than 1,100 kids and their parents or grandparents visit our booth. Parents really liked the fact the site materials were kid-focused, and everybody was very intrigued by the activities."

Indeed, PERC's kit for marketers and others on child safety messages includes games and activities that can be used when hosting a customer appreciation picnic, setting up a booth at a local fair, or visiting local classrooms to talk with students about propane safety.

Posters and large banners are available, as are handouts and giveaways for parents and children, including stickers, refrigerator magnets, and bookmarks. The Mid-Atlantic Propane Gas Association used outreach materials from PropaneKids.com to share propane safety messages with parents and children during the 62nd Annual Delmarva Chicken Festival in Georgetown, Del.

Youngsters worked on activity sheets from propanekids.com while nearly 300 parents attended small-cylinder safety seminars and read about the dos and don'ts of gas grilling safety practices.

PERC uses its website as a central clearinghouse for propane safety with helpful links to federal and state code and regulatory compliance information. For example, propane marketers can find out how well their operations comply with the workplace and transportation safety rules of the Occupational Safety and Health Administration and the Department of Transportation.

The training from PERC called "Initial OSHA & DOT First 90-Day Employee Hazmat Training" includes DVDs and training manuals. Those agencies require any workers who handle or transport hazardous materials to get hazmat training in the first 90 days of their employment and refresher training every three years.

For farmers, PERC released the "Dispensing Propane Safely into Agricultural Equipment" training manual that explains how to correctly transfer propane into tanks that are permanently mounted on agricultural equipment. The manual also covers training requirements for people who transfer propane, and it includes a propane material safety data sheet.

PERC also works with responders, either directly or through state propane organizations.

PERC helped organize with state propane organizations two of its well-received Industry Responders' Conferences, bringing together firefighters, hazmat crew members, emergency response managers, and propane marketers and suppliers. These events have proven to be valuable networking opportunities for many in local propane communities.

Hundreds participated in the responders' conferences in Minnesota and New York in 2011. The two-day events generated local news coverage, helping to spread the word to consumers on propane safety and on what the industry does to ensure propane use is safe. PERC has collaborated with half a dozen state propane associations on these conferences and have several in the works for 2012.

Whether we're talking with industry professionals, farmers, construction professionals, or homeowners and their families, safety is a vital component of the work that PERC does.



Training

Training efforts continued at a rapid pace last year with the Propane Education & Research Council offering new courses, an expansion of professional credentialing programs with a number of large and influential industry organizations, a series of webinars, regular presentations and demonstrations at conferences, printed materials, and computer-based learning classes.

Training is conducted in many ways, through traditional presentations in classrooms and delivery workrooms, by distributing DVDs and textbooks, and through webinars.

In the building and construction sector, more than 4,400 students took classes through the Propane Training Academy. The academy now offers more than 20 courses, many of them free, that cover heating and

cooling, propane as part of living off the grid, tankless water heaters, green residential construction, heating oil conversion, and much more.

Students earn credits from PERC training partners like the National Association of Home Builders, the American Institute of Architects, the U.S. Green Building Council, and the National Association of the Remodeling Industry.

The Certified Employee Training Program (CETP) updated several of its core classes, including materials for the Basic Principles and Practices of Propane, Propane Delivery Operations and Cylinder Delivery, Bobtail Delivery Operations, Basic Plant Operations, and the Preparing and Installing Vapor Distribution Systems suite.

Preventing Bobtail Rollovers



A series of webinars introduced the CETP updates to the propane industry. PERC offered four webinars in the fourth quarter of 2011.

The Dispensing Propane Safely program was updated with a new DVD with nine major chapters, ranging from the basics to advanced material, covering such topics as Properties and Characteristics of Propane; DOT Cylinders; Inspecting, Filling and Labeling Small Cylinders; Refueling ASME Motor Fuel and RV Tanks; and Emerging Technologies.

The Propane MaRC, a marketer resource catalog, is an important source for training and other materials for the propane industry. Much of the information is free or available at a modest fee and can be downloaded quickly from the site.

PERC launched the Marketer Training and Technology (MTT) program to help marketers promote the widespread adoption of new and emerging propane products. The program supports industry research and development efforts by enhancing marketers' understanding of equipment that can help offset seasonal propane demand. In the MTT's first two years, PERC partnered with state associations to train more than 1,400 students in 56 sessions in 33 states with its "Capturing New Gallon Opportunities" classes.

One goal of PERC safety and training programs is to make use of strategic partnerships by leveraging efforts and resources with such industry organizations as other PERC advisory committees, marketers, secondary market contacts, agencies, associations, and industry groups.

PERC works with its state associations to conduct safety events, such as Industry Responders' Conferences, and to share information with marketers and drivers. PERC also partners with 17 state organizations to update and maintain their websites, ensuring that information is uniform and timely.

Find AIA, NATE, NARI, and USGBC-approved training courses.

Webinars, videos and live training courses at your fingertips.

Fact sheets and research are yours to download.

For the latest propane training, consider this a tool of the trade.

Make Propane Training Academy your go-to online resource for free continuing-education training courses and other valuable propane application information. The Propane Education & Research Council (PERC) is constantly developing new AIA, NATE, NARI, and USGBC-approved training courses, covering a wide range of topics including the environmental and efficiency benefits of building and remodeling with propane. To take courses like the ones listed below, visit propanetrainingacademy.com.

- A Comparative Analysis of Residential Heating Systems
- Living Off-Grid: Power Generation and Storage Basics
- Expanding Outdoor Living: Using Propane for Efficient and Sustainable Outdoor Living

QR CODE SCAN WITH CODE TO CONNECT TO TRAINING COURSES OR VISIT www.propanetrainingacademy.com

PROPANE
EXCEPTIONAL ENERGY®

Train Right. Build Better.

PROPANE
EXCEPTIONAL ENERGY®

INTERACTIVE TRAINING MODULE

VIRTUAL HOME

Explore our virtual home and learn all about the efficiency and safety features of propane appliances.

[Tour Our Virtual Home](#) ➔

ENERGY CALCULATOR | PROPANE ENERGY POD TOOL | VIRTUAL HOME





Value

The Propane Education & Research Council strives to efficiently build business, provide safety and training for the industry, and promote the development and commercialization of products that expand the market for propane.

These efforts cross our major markets — propane autogas, residential and commercial, and agricultural — and PERC's core priorities, which are safety, training, and research and development.

First and foremost, PERC distributed to its partners representing all 50 states \$10.2 million in matching funds and grants to promote propane and its use as engine fuel, in incentives for a variety of products, and in professional training, consumer safety messages, safe appliance installation rebates, and a number of other uses.

Training was active in the building sector last year. PERC's Propane Training Academy trained more than 4,400 students through 21 free courses. And in a sign of the fledgling revitalization of the building industry, enrollments picked up as the year went on, with December 2011 seeing enrollments rise about 21 percent from the same time a year before.

Most students are seeking greater credentials, and many of the Propane Training Academy courses are certified by the American Institute of Architects, the National Association of Home Builders, the U.S. Green Building Council, and the National Association of the Remodeling Industry.

But some students take courses to help them better sell a propane-related product. Michelle Sperling, an inside sales representative with Florida Public Utilities, was new to her position selling tankless

water heaters when she completed Water Heaters: Retrofitting from Standard Electric to Gas Tankless.

"It looked like really good information, and it was," said Sperling. "As a front-line employee I'm educating potential customers as much as selling them. They always have a lot of technical questions about how a tankless water heater works. I was educating myself on a particular product in order to sell it."

PERC commissioned an independent study in the building sector where researchers reviewed 11 residential home water heating systems in 10 geographic locations across the country to find those that provide the best performance and return on investment.

The researchers found that propane high-efficiency storage systems were very competitive in energy costs; indeed, they came in at about \$100 per year lower than the electric storage tank models. That's something construction professionals can take to homeowners as they consider whether to upgrade to more efficient propane systems.

These results provide the foundation for a number of information products, including fact sheets, trade magazine inserts, training courses, videos, and interactive training tools.

Construction has been slow to come back from the economic downturn. Still, the groundwork has been laid for an expansion of propane uses around new homes when a vibrant American building industry gets back up to speed.

In some cases value is delivered through market intelligence that the industry can use with their customers.

PERC recently upgraded the popular Propane Database and Forecasting Model, expanding the analysis through 2020 and adding more capabilities for users to perform "what if?" scenarios. The free PDFM offers a wealth of information for marketing strategists and for anyone interested in finding opportunities for propane growth.

Last October PERC launched the Propane Exceptional Product (PEP) program, which promotes the adoption of new propane-fueled technologies in residential and commercial applications. The program offers incentives up to \$10,000 toward the purchase and use of these products and in exchange participants agree to share information on their use of the product with PERC.

Currently, two types of technology qualify: premium generator sets and

combined heat and power (CHP) systems. The 6-kilowatt Generac EcoGen generator, the Marathon Ecopower CHP, and the Yanmar CP10WN are finding customers through this program.

The PEP program is an adaptation of the Propane FEED program that has proven a winner in the agriculture sector. Propane FEED includes the Mathews Co. Trilogy grain dryer and the GSI X-Stream dryer, two products that PERC helped to develop and commercialize.

Nick Decas, a cranberry farmer in Rochester, Mass., took advantage of the Propane FEED program to buy a General Motors V-8 electronic-ignition irrigation engine that he uses to pump water out of the cranberry bog. Decas said one important reason for choosing propane was the low engine emissions compared with a generator that runs on a conventional fuel. He also appreciates the low maintenance costs and the reliable start up he gets, in warm weather and cold.

Decas appears in a video from PERC that encourages farmers to enroll in the Propane FEED program. PERC posted the video on its www.agpropane.com website and shows it at farm trade shows nationwide.

Creating educational tools is central to the safety training that PERC provides. In response to demand from the industry, PERC updates its safety materials and creates new videos and class materials.

For instance, PERC recently remade its "Dispensing Propane Safely" program designed primarily for refillers of propane cylinders and tanks, including those found at retail locations, at bulk plants, in forklift operations, and in vehicles that run on propane autogas. And the Certified Employee Training Program is constantly under review to ensure that it is easy to use and meets industry needs.

Meanwhile, many of the training materials and classes are easily accessible and available, often for free, on the Propane MaRC, an online resource catalog. Materials can be ordered online, at www.propanemarc.com, or by phone, at 866-905-1075.

PERC is working to build value for your company today and down the road. Together, we're good for business.



Looking Ahead

In this centennial year of the first commercial use of propane, it's natural to take a look back at the history of this vital source of energy for the country.

The foundation of the industry is a great domestically produced fuel that offers low emissions, sells at a competitive price, and is delivered through a national distribution network.

In our first century, one tradition of the industry was for a business to be passed on from one generation to the next, so that propane becomes rooted in the community, helping to build towns and cities across the country.

Another tradition is one of innovation. Propane has always been a business for entrepreneurs — the engineer looking to solve a problem, the propane marketer working hard to grow his local business. Today that spirit is core to

the Propane Education & Research Council, where we seek to encourage new technology and new products that build propane use and sales.

Put these forces together and you have an industry at the cusp of its second century that combines a great product with a strong, knowledgeable workforce dedicated to its success.

That's why we consider "Together, We're Good for Business" a slogan that fits our industry. All of us — marketers, refiners, educators, scientists, engineers, and new product developers — have a contribution to make in growing this important industry.

No doubt we face many challenges. Competition is fierce and consumers have many choices among energy products today. But the future shows promise, too.

For instance, propane autogas is winning converts through fleets of buses and other vehicles manufactured by partners like Blue Bird, Collins Bus, Roush CleanTech, and others. School districts in California, Florida, Texas, and other states see propane autogas as the next step after diesel. It's cleaner, more affordable, more efficient, and just as safe and reliable. It's also made here in America. And the appeal of propane autogas isn't limited to schools. Dozens of police departments and other government entities are using propane autogas to fuel their vehicles.

PERC has helped to develop and commercialize grain dryers that farmers are using to more efficiently harvest their grains. Now that the products are available we are working with the manufacturers as they market these dryers.

One promising market gaining attention is that of generators designed to work in hybrid environments. A handy generator like the Generac LP3250 is designed for large homes and small businesses, and fits a growing demand for power when the energy grid goes down.

Propane-fueled mowers are a natural fit for commercial landscape firms, municipalities, park departments, and any organization with a campus that needs mowing. Propane's low emissions profile is a good selling point for groups that must operate very much in the public eye. The fact that propane costs less to operate and starts in all kinds of weather makes the mower even more competitive.

Looking back at our nation's history, we know that the economy always comes back. This is true of the construction industry as well, though these last few years have sometimes made it difficult to keep that optimistic outlook. But building will resume, and with it will come rising demand for propane-fueled appliances, combined heat and power systems, and other residential and commercial products.

Looking ahead, the growing supply of natural gas is both a positive for the industry and a competitive threat. More natural gas has always meant more propane, though now we may see rising propane exports. At the same time, some of our customers will choose to use natural gas to fuel their vehicles, appliances, and other products.

Fact is, propane has long been a fuel that competes with gas, coal, nuclear power, and other energy sources. Things change. But some things stay the same, like the attractiveness of propane for folks who live or work beyond the reach of the natural gas mains.



But we may never have had as many positives as we do today — a nationwide distribution system with well-trained workforce backed up by marketers, propane gas associations, and PERC, all working to promote the safe, efficient use of the propane.

And PERC is taking the lead on developing a set of propane-fueled products that deliver the goods for farmers, homeowners, and business owners while helping Americans save money and emit less carbon, increasing the country's energy security, and driving new demand for propane.

Put that together, and we're good for business.

2011 | Grants

Partner	Docket	Title	Mission Area	Funding Amount
Engine Distributors Inc.	16081	Certification of 4.0 Engine for Agriculture Apps. (NO COST CHANGE ORDER)	Agriculture	\$-
Gas Technology Institute	16408	Develop and Commercialize Steam Disinfestation Technologies (NO COST CHANGE ORDER)	Research & Development	\$-
Freightliner	16723	8.0L LPG Engine - Medium-Duty Truck & Bus (CHANGE ORDER)	Engine Fuel	\$1,000,000
Propane Education & Research Council	16901	2011 RDAC Support (Jan 2011)	Research & Development	\$230,000
McLanahan	16907	Drying Separated Dairy Cow Bedding Sand Using Propane	Agriculture	\$98,000
Nexight	16935	2011 R&D Outreach	Research & Development	\$228,550
Propane Education & Research Council	16938	2011 S&T Support (Jan 2011)	Safety & Training	\$156,500
Strategic Marketing Resources	16946	2011 Industry Outreach Programs	Industry Programs	\$290,000
Stage-Gate International	16947	PERC Innovation Initiatives	Other	\$262,000
SmartBrief / MasterPrint	16956	2011 Industry Communications	Industry Programs	\$400,000
Hanley Wood/ Atomik Creative Solutions	16959	2011 Residential Training Funding Request	Residential & Commercial	\$3,747,000
Propane Education & Research Council	16960	R&C Advisory Committee (Jan 2011)	Residential & Commercial	\$150,000
Prime	16961	2011 Marketer Technology Training	Industry Programs	\$700,000
ICF International	16962	2011 Propane Market Research & Business Planning Initiative	Other	\$646,580
Propane Education & Research Council	16966	2011 EFAC Oversight & Operating Support (Jan 2011)	Engine Fuel	\$160,000
National Propane Gas Association / Gas Processors Association	17020	Partnership Agreement between PERC, GPA, and NPGA	Industry Programs	\$1,351,000
Buck's Engines	17086	U.S. EPA Certification of 8.0L Stationary Engine	Agriculture	\$120,000
Club Car	17111	Club Car Product Development	Engine Fuel	\$650,000
American Petroleum Institute (API) / ICF International	17117	2010 API Survey and Report (Feb 2011)	Industry Programs	\$189,337
Nexight / Bader Rutter	17127	Propane Challenge	Other	\$2,500,000

2011 | Grants

Partner	Docket	Title	Mission Area	Funding Amount
Roush CleanTech	17132	Ford F-650 6.8L 3V LPI Development	Engine Fuel	\$1,000,000
Fiskars Americas	17134	Fiskars OPE Development	Engine Fuel	\$885,000
Onyx Environmental Solutions, Inc.	17135	Construction Industry Conversion To Propane Driven Engines	Engine Fuel	\$400,000
Miller Brooks	17136	Construction Professional Media Outreach	Residential & Commercial	\$200,000
Hanley Wood/ Atomik Creative Solutions	17137	Construction Professional Trade Shows	Residential & Commercial	\$500,000
The Dunlap Group	17144	California Air Resources Board (CARB) Certification Road Map	Engine Fuel	\$60,000
Artemis Group	17165	2011 Consumer Safety Research	Safety & Training	\$86,750
Bison Engineering	17178	Forklift Cage Engineering Testing & Analysis	Research & Development	\$15,000
Nexight	17181	Residential & Commercial Demonstration Program	Research & Development	\$665,034
National Propane Gas Association	17183	A Different Approach to Providing Protection from Vehicle Impact	Research & Development	\$15,000
CLMI / Milliman	17185	Workforce injury reduction program	Safety & Training	\$271,110
Logica3	17186	Crane Operator Training Course	Safety & Training	\$263,300
Milliman	17209	S&T Best Practices Pilot	Safety & Training	\$136,670
BGT / Rickards Consulting	17211	Safety & Training Industry Outreach	Safety & Training	\$81,750
Harris Interactive	17212	2011 Residential and Commercial Audience Attitude Tracking	Residential & Commercial	\$151,000
ICF International	17237	Study of Propane Industry Impact on U.S. & State Economies	Industry Programs	\$89,000
Texas Railroad Commission (AFRED)	17243	Propane Autogas Maintenance & Training	Engine Fuel	\$340,730
Logica3	17264	Snowfall Protection Brochure	Safety & Training	\$42,950
L. B. White Company, Inc.	17289	Agricultural Heating Systems Fuel Efficiency	Agriculture	\$135,000
Propane Education & Research Council	17292	2011-2012 Partnership with States	Industry Programs	\$1,500,000
National Propane Gas Association	17297	Using Master Meters to Verify Liquid Meter Performance	Research & Development	\$20,000

2011 | Grants

Partner	Docket	Title	Mission Area	Funding Amount
The Sales Network	17331	EFAC Professional Services (July 2011– July 2012)	Engine Fuel	\$300,000
Gas Technology Institute	17371	Carbon Management Information Center Consortium 2012	Research & Development	\$50,000
Battelle / GOW-MAC Instrument Company	17374	Transfer of Water Detection Technology for Commercialization	Research & Development	\$13,000
J.J. Keller	17376	Transport Operator Training Program	Safety & Training	\$237,500
Dashe & Thomson	17377	Converting 4.1 and 4.2 E-Learning Programs to SCORM Compliant Framework	Safety & Training	\$138,130
Nexight / Osborn & Barr	17382	Propane FEED Program	Agriculture	\$650,000
Behlen Manufacturing Company	17385	Commercialization of Afl's Four Row Banded/Full Flamer	Agriculture	\$251,000
Petral Worldwide	17386	2011-2016 Propane Supply/Demand Forecast	Industry Programs	\$36,000
PowerSteering	17412	PowerSteering Project Portfolio Management	Other	\$55,000
Power Solutions, Inc.	17440	PSI Prime/Mobile Industrial Irrigation Engines	Agriculture	\$149,000
The Sales Network	17443	Commercial Mower Dealer Demonstration Program	Engine Fuel	\$788,900
Propane Education & Research Council	17447	Propane MaRC Upgrade	Industry Programs	\$250,000

2011 | Approved Rebates

DOCKET #	TITLE	PAYEE	STATE	REBATE	PARTNERSHIP	TOTAL
16951	Purchasing Propane Gas in New York State: Consumer Guide	New York PERC	NY	\$2,500.00		\$2,500.00
17027	Reimbursement for Administrative foundation costs.	Louisiana Propane Gas Foundation	LA	\$171.35		\$171.35
17030	2010 Mountain Plains Convention Safety and Training Workshops	Nebraska PERC	NE	\$12,336.17		\$12,336.17
17040	2010 Colorado E-Learning Distribution	Colorado PERC	CO	\$18,049.38		\$18,049.38
17042	2010 Colorado NFPA Handbooks	Colorado PERC	CO	\$31,627.20		\$31,627.20
17046	2011 Colorado Safe Water Heater Installation Rebate	Colorado PERC	CO	\$19,000.00	\$19,000.00	\$38,000.00
17055	2011 Indiana Safety and Training Program	Indiana PERC	IN	\$310,000.00	\$32,300.00	\$342,300.00
17075	PERC/NPGA Leadership Summit - Nov 2010 - Reimbursement	Ohio PERC	OH	\$747.19		\$747.19
17078	2010 External Professional Training	Kentucky PERC	KY	\$5,881.56	\$5,881.56	\$11,763.12
17104	VAPGA Safety and Training 2011	Virginia PERC	VA	\$164,275.00	\$500.00	\$164,775.00
17105	2011 VAPGA Safe Appliance Rebate Programs	Virginia PERC	VA	\$28,000.00	\$28,000.00	\$56,000.00
17106	OK Demonstration Vehicle Data Collection	Natural Resource Education Foundation	OK	\$32,852.00		\$32,852.00
17109	Wisconsin Safety & Training, including CETP 2011	Wisconsin PERC	WI	\$270,250.00		\$270,250.00
17110	2011 CETP Rebate Program	New England PERF	New England	\$200,000.00		\$200,000.00
17114	Texas Propane Magazine	Propane Council of Texas	TX	\$38,704.00		\$38,704.00
17120	2011 Propane Appliance Safe Installation Rebate	Kentucky PERC	KY	\$79,006.90	\$8,868.44	\$87,875.34
17121	Certified Employee Training Program	Kentucky PERC	KY	\$40,000.00		\$40,000.00
17122	2011 Supplemental Radio Campaign	Pennsylvania Propane Foundation	PA	\$140,702.00	\$4,298.00	\$145,000.00
17123	2011 Training Program	Pennsylvania Propane Foundation	PA	\$88,000.00		\$88,000.00
17124	2011 PA Manufactured Housing Association Partnership	Pennsylvania PERC	PA	\$27,500.00		\$27,500.00
17125	2011 Poultry Progress Day Partnership	Pennsylvania Propane Foundation	PA	\$1,100.00		\$1,100.00
17126	2011 Pennsylvania Builders Association Advertisement	Pennsylvania Propane Foundation	PA	\$14,300.00		\$14,300.00

2011 | Approved Rebates

DOCKET #	TITLE	PAYEE	STATE	REBATE	PARTNERSHIP	TOTAL
17128	Reimbursement for foundation costs for Attorney Fees.	Louisiana Propane Gas Foundation	LA	\$1,237.50		\$1,237.50
17139	Propane Training & Education 2011	West Virginia PREF	WV	\$45,000.00		\$45,000.00
17141	2011 California Hazmat Refresher / DOT Compliance Training	Western PERC	CA	\$4,500.00		\$4,500.00
17142	Safe Installations of Appliances Program Additional Funds	North Carolina PERC	NC	\$19,250.00		\$19,250.00
17145	2011 Colorado Employee Training Program	Colorado PERC	CO	\$159,550.00		\$159,550.00
17146	NYPGA CETP Classes 2011	New York PERC	NY	\$115,500.00		\$115,500.00
17148	2009 Propane Tank Locator Safety Decal	Colorado PERC	CO	\$3,469.58		\$3,469.58
17149	2011 Community College Scholarship Program - HVAC Students	New York PERC	NY	\$41,312.00	\$14,238.00	\$55,550.00
17150	2011 Community College Scholarship Program - Fire Sciences	New York PERC	NY	\$41,312.00	\$14,238.00	\$55,550.00
17151	2011 Emergency Response	New York PERC	NY	\$18,328.72	\$21,780.00	\$40,108.72
17152	2011 NYPGA Engine Fuel Road Shows	New York PERC	NY	\$24,000.00	\$20,000.00	\$44,000.00
17154	2011 MD External Professional Training	Mid Atlantic PREF	MD	\$10,945.00	\$10,945.00	\$21,890.00
17155	Consumer Safety Messaging 2011	Mid Atlantic PREF	DE	\$6,500.00	\$6,500.00	\$13,000.00
17156	Consumer Safety Messaging 2011	Mid Atlantic PREF	MD	\$13,250.00	\$13,250.00	\$26,500.00
17157	External Professional Training - Propane Emergencies	West Virginia PERC	WV	\$10,958.00	\$10,958.00	\$21,916.00
17158	Engine Fuel Road Shows 2011	Mid Atlantic PREF	DE	\$9,000.00		\$9,000.00
17169	Safety Spots on Miss State, Ole Miss, Miss Southern baseball	Mississippi PERC	MS	\$23,425.00		\$23,425.00
17170	State-wide safety campaign	Mississippi PERC	MS	\$50,000.00		\$50,000.00
17174	2011 Safety & Education Training Program	Propane Education Foundation of Alabama	AL	\$63,400.00		\$63,400.00
17175	2011 Trainer Contract	Minnesota PERC	MN	\$112,270.00		\$112,270.00
17176	2011 Training and Seminar Site Costs	Minnesota PERC	MN	\$120,000.00		\$120,000.00
17177	2011 Furnace Installation Safety Rebate Program	Minnesota PERC	MN	\$100,000.00		\$100,000.00
17187	Conversion of State Trucks to Propane & Data Collection	Mississippi PERC	MS	\$31,000.00	\$26,523.00	\$57,523.00

2011 | Approved Rebates

DOCKET #	TITLE	PAYEE	STATE	REBATE	PARTNERSHIP	TOTAL
17188	Commercial Mower Purchase/Placement/Data Collection	Mississippi PERC	MS	\$60,500.00		\$60,500.00
17192	Safe Installation of Appliances Program - Additional Funds	North Carolina PERC	NC	\$30,086.00	\$714.00	\$30,800.00
17195	On-Road Vehicle Purchase/Placement and Data Collection	Mississippi PERC	MS	\$76,500.00		\$76,500.00
17201	Safety, CETP & Propane Fire Training - 2011	North Dakota PERC	ND	\$103,400.00		\$103,400.00
17203	Training Wyoming Fire Marshal's Inspectors on Propane Codes	Interwest PERC	WY	\$3,084.00		\$3,084.00
17207	2011 Colorado Fire Training	Colorado Propane Education and Research Council	CO	\$14,217.00	\$14,217.00	\$28,434.00
17210	2011 Arizona Safe Water Heater Installation Rebates	Interwest PERC	AZ	\$44,832.00	\$21,168.00	\$66,000.00
17213	Duty to Warn Project	Propane Council of Texas	TX	\$94,400.00		\$94,400.00
17214	Propane Forklift Safety Flip Chart	Propane Council of Texas	TX	\$47,200.00		\$47,200.00
17215	2010 Leadership Summit Reimbursement Request	Interwest PERC	AZ, NM, MT, WA	\$1,207.44		\$1,207.44
17216	2010 - 2011 Directors and Officers Insurance	Western PERC	CA	\$1,234.00		\$1,234.00
17217	2009 Tax Return - Auditing and Filing Expenses	Western PERC	CA	\$3,300.00		\$3,300.00
17218	Green Renovation Project	North Carolina Propane Foundation	NC	\$137,500.00		\$137,500.00
17219	2011 Publication of SCPGA News Magazine	South Carolina PERC	SC	\$24,771.00		\$24,771.00
17220	2011 Historical Records and Safety Literature Storage	South Carolina PERC	SC	\$1,350.00		\$1,350.00
17221	2011 Certified Employee Training & Gas Check	South Carolina PERC	SC	\$38,500.00		\$38,500.00
17223	Football Radio #15 - Consumer Safety Messaging	Ohio PERC	OH	\$36,821.00	\$11,179.00	\$48,000.00
17225	Basketball radio #6	Ohio PERC	OH	\$35,620.00	\$11,180.00	\$46,800.00
17226	Development and Safety Balloon Program	Propane Council of Texas	TX	\$73,455.00		\$73,455.00
17233	2010 Trade Shows and Safety Campaign	Mid Atlantic PERF	DE, MD	\$32,027.35		\$32,027.35
17235	Mower & Data Collection Incentive Program (Add'l funds)	Propane Council of Texas	TX	\$4,080.00	\$3,000.00	\$7,080.00
17239	2011 R F OHL Fuel Emergency Training	Pennsylvania Propane Foundation	PA	\$1,265.00		\$1,265.00
17240	2011 Eddinger Propane Emergency Training	Pennsylvania Propane Foundation	PA	\$1,375.00		\$1,375.00

2011 | Approved Rebates

DOCKET #	TITLE	PAYEE	STATE	REBATE	PARTNERSHIP	TOTAL
17241	2011 Swenson Fuels Emergency Training	Pennsylvania Propane Foundation	PA	\$1,150.00		\$1,150.00
17242	Reimbursement Request - D & O Insurance - 2011	Pennsylvania Propane Foundation	PA	\$1,125.00		\$1,125.00
17244	2011 Statewide Safety Awareness and Training	New York PERC	NY	\$6,000.00		\$6,000.00
17247	2011 Industry Responders' Conference - Communications Plan	New York PERC	NY	\$5,900.00		\$5,900.00
17248	2011 NYPGA Scholarship Program - Public Relations Services	New York PERC	NY	\$5,700.00		\$5,700.00
17259	Propane Safety and Training 2011 - MD	Mid Atlantic PERF	MD	\$72,681.00		\$72,681.00
17260	Propane Safety and Training 2011 - DE	Mid Atlantic PERF	DE	\$31,149.00		\$31,149.00
17261	Education/Training for Georgia Propane Industry Workers	Georgia PERC	GA	\$65,000.00		\$65,000.00
17263	Mobile Energy Education Training Unit	Pennsylvania Propane Foundation	PA	\$4,950.00		\$4,950.00
17265	CETP #14	Ohio PERC	OH	\$150,000.00		\$150,000.00
17266	Bobtail Safety Seminar - 2011 MAPGA Summer Meeting	Mid-Atlantic PREF	MD	\$3,500.00		\$3,500.00
17267	Emergency Responder Education Program #6	Ohio PERC	OH	\$60,000.00		\$60,000.00
17268	Farm Science Safety Review #9	Ohio PERC	OH	\$50,000.00		\$50,000.00
17269	Safety valve shut-off tag #2	Ohio PERC	OH	\$3,620.00		\$3,620.00
17273	Mower & Data Collection Incentive Program	Georgia PERC	GA	\$49,223.00	\$49,223.00	\$98,446.00
17280	2011 Emergency Response - Add'l Funds	Indiana PGF	IN	\$3,582.50	\$3,582.50	\$7,165.00
17291	2011 Engine Fuel Initiatives	New York PERC	NY	\$9,043.64		\$9,043.64
17293	10-11 Consumer Safety Radio Advertising - Addendum to 16859	Natural Resources Education Foundation	OK	\$10,732.00		\$10,732.00
17295	SE Convention 2011 Reimbursement	Iowa PERC	IA	\$712.40		\$712.40
17298	2010-2011 Safe Installations of Water Heaters Program (Add'l Funds)	Propane Education Foundation of FL	FL	\$47,288.00	\$47,288.00	\$94,576.00
17299	Consumer Safety Tip & Recipe Calendar	Propane Council of Texas	TX	\$48,970.00		\$48,970.00
17300	2011 VAPGA Safe Appliance Rebate Program - Add'l Funds	Virginia PREF	VA	\$2,839.10	\$2,838.90	\$5,678.00

2011 | Approved Rebates

DOCKET #	TITLE	PAYEE	STATE	REBATE	PARTNERSHIP	TOTAL
17301	Southeast Propane Convention	South Dakota PERC	SD	\$811.80		\$811.80
17304	2011 Propane Web Services - California	Western PERC	CA	\$500.00		\$500.00
17305	2011 Propane Web Services - New England	New England Propane Foundation	New England	\$500.00		\$500.00
17306	2011 Propane Web Services - South Carolina	South Carolina PERC	SC	\$500.00		\$500.00
17310	2011 Propane Web Services - Georgia	Georgia PERC	GA	\$500.00		\$500.00
17311	2011 Propane Web Services - Missouri	Missouri PERC	MO	\$500.00		\$500.00
17312	2011 Propane Web Services - Arizona	Interwest PERC	AZ	\$500.00		\$500.00
17313	2011 Propane Web Services - Colorado	Colorado PERC	CO	\$500.00		\$500.00
17314	2011 Propane Web Services - New Mexico	Interwest PERC	NM	\$500.00		\$500.00
17315	2011 Propane Web Services - Alaska	Interwest PERC	AK	\$125.00		\$125.00
17316	2011 Propane Web Services - Hawaii	Interwest PERC	HI	\$125.00		\$125.00
17317	2011 Propane Web Services - Oregon	Interwest PERC	OR	\$125.00		\$125.00
17318	2011 Propane Web Services - Washington	Interwest PERC	WA	\$125.00		\$125.00
17319	2011 Propane Web Services - Idaho	Interwest PERC	ID	\$125.00		\$125.00
17320	2011 Propane Web Services - Montana	Interwest PERC	MT	\$125.00		\$125.00
17321	2011 Propane Web Services - Utah	Interwest PERC	UT	\$125.00		\$125.00
17322	2011 Propane Web Services - Wyoming	Interwest PERC	WY	\$125.00		\$125.00
17323	2011 Propane Web Services - Indiana	Indiana PERC	IN	\$500.00		\$500.00
17324	2011 Propane Web Services - Iowa	Iowa PERC	IA	\$500.00		\$500.00
17325	2011 Propane Web Services - New York	New York PERC	NY	\$500.00		\$500.00
17326	2011 Propane Web Services - Wisconsin	Wisconsin PERC	WI	\$500.00		\$500.00
17327	2011 Propane Web Services - Nebraska	Nebraska PERC	NE	\$500.00		\$500.00
17328	2011 Propane Web Services - Nevada	Interwest PERC	NV	\$500.00		\$500.00
17329	2011 Propane Web Services - Florida	Propane Education Foundation of FL	FL	\$500.00		\$500.00

2011 | Approved Rebates

DOCKET #	TITLE	PAYEE	STATE	REBATE	PARTNERSHIP	TOTAL
17330	Michigan Propane Safety and Education Rebate 2011/2012	Michigan PERC	MI	\$678,050.00	\$104,884.00	\$782,934.00
17334	2011 Commercial Mower Purchase/Placement Data Collection	Nebraska PERC	NE	\$55,622.00	\$24,378.00	\$80,000.00
17336	10-11 Consumer Safety Radio Advertising	Louisiana Propane Gas Foundation	LA	\$14,192.00	\$10,808.00	\$25,000.00
17337	Reimbursement of Audit Fees	Iowa PERC	IA	\$3,185.00		\$3,185.00
17338	Propane Safety Awareness Campaign 2011	PERC of Kansas	KS	\$37,950.00		\$37,950.00
17340	Kansas State Fair Sponsorship 2011	PERC of Kansas	KS	\$18,480.00		\$18,480.00
17341	2011 Nevada Safe Water Heater Installation Program	Interwest PERC	NV	\$27,823.00	\$10,177.00	\$38,000.00
17342	2011 Alaska Engine Fuel Road Show	Interwest PERC	AK	\$3,202.00	\$2,798.00	\$6,000.00
17347	Utah Propane Emergencies	Interwest PERC	UT	\$12,668.00	\$11,332.00	\$24,000.00
17352	2011 Hawaii Safe Appliance Rebate Program	Interwest PERC	HI	\$12,348.00	\$5,652.00	\$18,000.00
17354	Propane Emergency Fire Training - 2011	Nebraska PERC	NE	\$6,000.00	\$5,000.00	\$11,000.00
17358	Safe Installation of New Energy Efficient Propane Appliances	Illinois PERC	IL	\$99,449.00	\$99,449.00	\$198,898.00
17359	District Meetings WPGA/WPERC 2011	Wisconsin PERC	WI	\$10,000.00		\$10,000.00
17367	2010 Mountain Plains Convention Safety and Training Workshops	Colorado PERC	CO	\$10,050.88		\$10,050.88
17368	2011 Duty to Warn Notification	South Carolina PERC	SC	\$13,500.00		\$13,500.00
17369	Training Seminar at 2010 SCPGA / GPGA Convention	South Carolina PERC	SC	\$7,000.00		\$7,000.00
17379	3i Show Agriculture Show 2011	PERC of Kansas	KS	\$3,273.26		\$3,273.26
17380	2011 Public Relations Program	New England Propane Foundation	New England	\$15,000.00		\$15,000.00
17381	Propane Dispensing Station for Propane Village	North Carolina PERC	NC	\$26,933.00		\$26,933.00
17390	Tennessee Propane Gas Association Road Show 2011	Tennessee PERC	TN	\$6,000.00	\$6,000.00	\$12,000.00
17392	California Safe Installation of Appliance Rebates 2011-12	Western PERC	CA	\$25,000.00	\$25,000.00	\$50,000.00
17393	2011 California Propane On-Road Vehicle Data Collection	Western PERC	CA	\$25,000.00	\$25,000.00	\$50,000.00
17394	2011 California Commercial Mower Data Collection	Western PERC	CA	\$12,500.00	\$12,500.00	\$25,000.00

2011 | Approved Rebates

DOCKET #	TITLE	PAYEE	STATE	REBATE	PARTNERSHIP	TOTAL
17395	2011 California Propane Forklift Safety Flip Chart	Western PERC	CA	\$20,000.00		\$20,000.00
17396	2011 California Propane Customer Safety Handbook	Western PERC	CA	\$3,000.00		\$3,000.00
17397	2011 California RV Safety Outreach	Western PERC	CA	\$3,500.00		\$3,500.00
17398	2011 California Winter Safety Outreach	Western PERC	CA	\$3,000.00		\$3,000.00
17404	Technical Training Fund	New England Propane Foundation	New England	\$35,000.00		\$35,000.00
17405	Water Heater and Central Heating System Safe Installation Rebates	New England Propane Foundation	New England	\$175,000.00	\$127,837.00	\$302,837.00
17406	Operating Expenses 2010	New Jersey PERF	NJ	\$3,000.00		\$3,000.00
17407	2011-2012 Regulator Rebate	Alabama Propane Foundation	AL	\$18,920.00		\$18,920.00
17408	2011-2012 Safe Installation of Water Heaters Program	Alabama Propane Foundation	AL	\$21,600.00	\$21,600.00	\$43,200.00
17409	Education Training Facility	Iowa PERC	IA	\$143,000.00		\$143,000.00
17410	Commercial Mower Data Collection Program	Alabama Propane Foundation	AL	\$5,250.00	\$5,250.00	\$10,500.00
17411	2011-2012 Newsletter	Iowa PERC	IA	\$30,000.00		\$30,000.00
17413	2011 Long Island PGA Autogas Road Show	New York PERC	NY	\$15,000.00		\$15,000.00
17415	2010 Safe Installation of Appliances - Additional Funds	Illinois PERC	IL	\$124,636.36		\$124,636.36
17416	2011 Service Man's Training - Additional Funds	Tennessee PERC	TN	\$30,000.00		\$30,000.00
17417	Propane Safety Awareness Campaign 2011	Wisconsin PERC	WI	\$41,875.00	\$41,875.00	\$83,750.00
17418	11-12 Consumer Safety Education Radio Advertising	Natural Resources Education Foundation	OK	\$91,930.30		\$91,930.30
17422	Gas Safety Training Classes	Propane Education Foundation of Florida	FL	\$30,000.00		\$30,000.00
17423	2011 Safe Transport & Handling Training	South Carolina PERC	SC	\$12,000.00		\$12,000.00
17424	2012 Safety & Education Training	Alabama Propane Foundation	AL	\$48,914.00		\$48,914.00
17425	2011 Safe Installation of New Energy Efficient Propane Appliances - Add'l Funds	Illinois PERC	IL	\$251,044.37	\$100,780.00	\$351,824.37
17426	Florida Commercial Propane Mower Incentive Program	Propane Education Foundation of Florida	FL	\$100,000.00		\$100,000.00

2011 | Approved Rebates

DOCKET #	TITLE	PAYEE	STATE	REBATE	PARTNERSHIP	TOTAL
17427	Appliance Installation Safety Rebate Program	Minnesota Propane Education and Research Council	MN	\$258,148.00	\$91,852.00	\$350,000.00
17429	First Contact Safety Training E-Learning	Propane Council of Texas	TX	\$12,980.00		\$12,980.00
17430	Sunbelt Ag Expo 2011	Georgia PERC	GA	\$13,670.00		\$13,670.00
17433	Arkansas PGA 2011 Safety and Training Projects	Arkansas PERC	AR	\$115,000.00	\$15,000.00	\$130,000.00
17442	Mower & Vehicle Data Collection	Propane Council of Texas	TX	\$66,281.43	\$66,281.43	\$132,562.86
17452	Marketer Technology Training Reimbursement Expenses	Propane Educaiton Foundation of Florida	FL	\$1,546.41		\$1,546.41
17456	2011 Energy Outreach Colorado	Colorado PERC	CO	\$25,900.00		\$25,900.00
17458	2012 Colorado Cylinder Requalification CGA Pamphlets	Colorado PERC	CO	\$7,421.60		\$7,421.60
17459	2012 Colorado NFPA 54 Handbooks	Colorado PERC	CO	\$13,714.15		\$13,714.15
17460	2012 Winter Storm and Wild Fire Safety Press Releases	Colorado PERC	CO	\$2,000.00		\$2,000.00
17461	2012 Nevada Cylinder Requalification CGA Pamphlets	Interwest PERC	NV	\$5,544.00		\$5,544.00
17462	2011 Nevada Employee Training Reimbursement	Interwest PERC	NV	\$16,906.06		\$16,906.06
17463	Educational Platform for Propane Village	North Carolina PERC	NC	\$12,000.00		\$12,000.00
17464	Educational Training Facility	North Carolina PERC	NC	\$125,000.00		\$125,000.00
17466	Safe Installations of Appliances 2011-2012 Program	North Carolina PERC	NC	\$90,750.00	\$90,750.00	\$181,500.00
17467	NC Consumer Safety Education Project/Duty to Warn	North Carolina PERC	NC	\$15,000.00	\$15,000.00	\$30,000.00
17469	2012 External Professional Training	North Carolina PERC	NC	\$5,000.00		\$5,000.00
17470	External Professional Training Partnership 2012 - MD	Mid Atlantic PREF	MD	\$10,945.00	\$10,945.00	\$21,890.00
17471	2011-2012 Commercial Mower Data Collection	North Carolina PERC	NC	\$24,750.00	\$312.00	\$25,062.00
17472	Consumer Safety Messaging 2012 - DE	Mid Atlantic PREF	DE	\$6,000.00	\$6,000.00	\$12,000.00
17473	Consumer Safety Messaging 2012 - MD	Mid Atlantic PREF	MD	\$12,500.00	\$12,500.00	\$25,000.00
17474	Engine Fuel Road Shows 2012 - DE	Mid Atlantic PREF	DE	\$5,500.00		\$5,500.00
17475	Engine Fuel Road Shows 2012 - MD	Mid Atlantic PREF	MD	\$6,000.00		\$6,000.00

2011 | Approved Rebates

DOCKET #	TITLE	PAYEE	STATE	REBATE	PARTNERSHIP	TOTAL
17481	2011 Nevada Marketer Technology Training Reimbursement	Interwest PERC	NV	\$1,726.00		\$1,726.00
17482	Foundation Admin 2012	New England PERF	New England	\$15,000.00		\$15,000.00
17483	Kansas Duty to Warn Project 2011	Kansas PERC	KS	\$30,720.00	\$30,720.00	\$61,440.00
17484	PGANE PRO CONNECT PROGRAM	New England PERF	New England	\$10,000.00		\$10,000.00
17486	PGANE Emergency Response Projects 2012	New England PERF	New England	\$40,000.00		\$40,000.00
17487	California Propane Emergency Response/HazMat Training 2012	Western PERC	CA	\$129,500.00		\$129,500.00
17489	Air Quality Consultant 2012	Western PERC	CA	\$30,000.00		\$30,000.00
17490	California Training and Safety Ed. of Propane Vehicles 2012	Western PERC	CA	\$45,000.00		\$45,000.00
17491	California Fuel Quality and Supply Consultant 2012	Western PERC	CA	\$30,000.00		\$30,000.00
17492	World Ag Expo - 2012	Western PERC	CA	\$17,500.00		\$17,500.00
17493	California Certified Employee Training Program (CETP) 2012	Western PERC	CA	\$30,000.00		\$30,000.00
17494	California Low-Emission Equipment Rebate 2012	Western PERC	CA	\$100,000.00		\$100,000.00
17495	California Regulator Rebate 2012	Western PERC	CA	\$25,000.00		\$25,000.00
17496	California LIHEAP Consumer Safety Education Program 2012	Western PERC	CA	\$1,000.00	\$1,000.00	\$2,000.00
17497	California Propane Road Show 2012	Western PERC	CA	\$5,000.00	\$5,000.00	\$10,000.00
17498	Western Propane Gas Association Fire School 2012	Western PERC	CA	\$10,000.00	\$10,000.00	\$20,000.00
17499	2012 California Hazmat Refresher/DOT Compliance Training	Western PERC	CA	\$4,500.00		\$4,500.00
17500	SE Convention, Audit Fees, and Tax Prep	North Carolina PERC	NC	\$6,000.00		\$6,000.00
17502	2012 Utah Cylinder Requalification CGA Pamphlets	Interwest PERC	UT	\$3,314.35		\$3,314.35
17503	2012 Wyoming Cylinder Requalification CGA Pamphlets	Interwest PERC	WY	\$4,605.20		\$4,605.20
17506	2011 Safe Installations of Propane Appliances Program	Georgia PERC	GA	\$25,000.00	\$25,000.00	\$50,000.00
17507	Education/Training for Georgia Propane Industry Workers #2	Georgia PERC	GA	\$25,363.77		\$25,363.77
17510	GPGA Filing of 2009&2010 Tax Returns	Georgia PERC	GA	\$2,500.00		\$2,500.00

2011 | Approved Rebates

DOCKET #	TITLE	PAYEE	STATE	REBATE	PARTNERSHIP	TOTAL
17512	California Propane On-Road Vehicle Data Collection 2011	Western PERC	CA	\$15,000.00	\$15,000.00	\$30,000.00
17513	2011 California Propane Customer Safety Handbook, part 2	Western PERC	CA	\$1,000.00		\$1,000.00
17514	2010 Directors & Officers Insurance	New Jersey PERF	NJ	\$1,104.25		\$1,104.25
17515	Safety Spots on Miss State, Ole Miss, Miss Southern Baseball	Mississippi PERC	MS	\$25,925.00		\$25,925.00
17521	2011 Nevada Educational Seminar Reimbursement	Interwest PERC	NV	\$9,178.74		\$9,178.74
17523	Operating Expenses for 2011 Leadership Summit	Iowa PERC	IA	\$777.05		\$777.05
17524	2012 Indiana Safety and Training Program	Indiana Propane Gas Foundation	IN	\$253,900.00	\$70,000.00	\$323,900.00
17525	Missouri Safe Appliance Installation Program FY12	Missouri PERC	MO	\$240,005.20	\$70,970.00	\$310,975.20
17527	2011 Leadership Summit Reimbursement	New England PERF	New England	\$1,586.00		\$1,586.00
17528	2012 CETP and Safety Classes	Iowa PERC	IA	\$120,000.00		\$120,000.00
17530	2011 District Meetings	Iowa PERC	IA	\$30,000.00		\$30,000.00
17531	2011 Iowa Duty to Warn Project	Iowa PERC	IA	\$60,000.00	\$50,000.00	\$110,000.00
17534	Filing of IRS Tax Form 990 Year End 2010	North Dakota Propane Gas Foundation	ND	\$820.00		\$820.00

\$8,591,891.16	\$1,628,320.83	\$10,220,211.99
----------------	----------------	-----------------

STATEMENT OF FINANCIAL POSITION

DECEMBER 31,	2011	2010
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 943,626	\$ 188,466
Accounts receivable	12,067	30,906
Investments, current portion	12,573,962	15,707,285
Assessments receivable	4,393,000	5,773,000
Inventory, net	415,129	833,208
Prepaid expenses	392,263	151,113
Total Current Assets	18,730,047	22,683,978
Property and Equipment		
Office equipment	31,653	100,682
Office furniture	178,009	178,009
Computer hardware and software	3,757,279	4,536,396
Leasehold improvements	321,912	321,912
Less: accumulated depreciation	(2,670,752)	(3,386,269)
Total Property and Equipment, Net	1,618,101	1,750,730
Other Assets		
Other	170,302	182,691
Investments, net of current portion	21,489,079	24,387,232
Total Other Assets	21,659,381	24,569,923
Total Assets	\$ 42,007,529	\$ 49,004,631
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accrued expenses	\$ 4,082,553	\$ 2,883,210
State rebate obligation	8,787,812	9,430,864
Total Current Liabilities	12,870,365	12,314,074
Net Assets		
Undesignated	7,721,829	8,887,278
Designated	21,211,495	27,569,177
Total Net Assets	28,933,324	36,456,455
Total Liabilities and Net Assets	\$ 42,007,529	\$ 49,004,631

STATEMENT OF ACTIVITIES & CHANGES IN NET ASSETS

YEARS ENDED DECEMBER 31,

2011

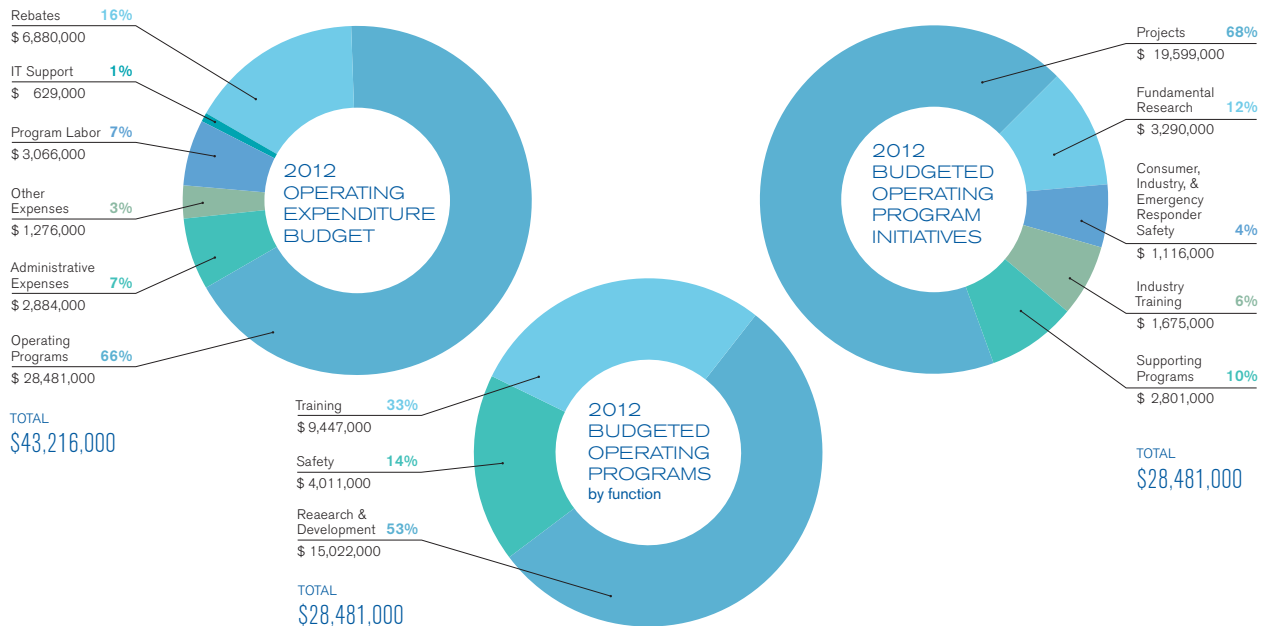
2010

Revenue

Assessment revenue	\$ 32,928,868	\$ 38,328,903
Less: State rebates	(6,585,776)	(7,665,785)
Net assessment revenue	26,343,092	30,663,118
Investment income	402,788	512,178
Fulfillment sales	1,557,127	1,503,183
Less: Costs of goods sold	(1,721,078)	(1,624,774)
Net fulfillment revenue	(163,951)	(121,591)
Total Revenue	26,581,929	31,053,705

Expenses

Programs		
Residential and commercial	6,366,026	5,634,355
Safety and training	3,601,887	3,455,273
Research and development	5,170,146	2,614,738
Engine Fuel	8,741,157	7,761,427
Industry	4,520,226	3,603,639
Agriculture	2,208,594	2,929,498
Total program expenses	30,608,036	25,998,930
General and Administrative		
Administrative costs	2,704,961	2,800,095
Collection costs	129,847	138,764
Depreciation	662,216	618,505
Total general and administrative expenses	3,497,024	3,557,364
Total Expenses	34,105,060	29,556,924
Changes in net assets	(7,523,131)	1,497,411
Net assets at beginning of year	36,456,455	34,959,044
Net assets at end of year	\$ 28,933,324	\$ 36,456,455



Propane Education & Research Council

1140 Connecticut Ave. NW, Suite 1075
Washington, DC 20036

(p) 202-452-8975 propanecouncil.org
(f) 202-452-9054 usepropane.com

