# Ohio Propane CONSUMER GUIDE

#### Presented by Ohio Propane Education & Research Council





#### **Ohio Propane Gas Association**

E-mail: OPGA@AssnOffices.com Fax: 614/221-1989 Web site: www.OhioPropaneGas.org



#### **Ohio Propane Gas Association**

17 South High Street, Suite 200 Columbus, Ohio 43215 Phone: 614/221-1900

E-mail: OPGA@AssnOffices.com Fax: 614/221-1989

Web site: www.OhioPropaneGas.org

hether you are already using or planning to use propane gas, it is important for you to understand the common practices within the propane industry in Ohio. This booklet is designed to help you make educated decisions when choosing propane as an energy source as well as selecting a propane provider.

Propane gas offers consumers the warmth and efficiency of gas energy beyond the natural gas mains. No matter where you choose to live, you can count on this dependable, portable energy source to meet your utility needs.

What Is Propane?2
Characteristics of Propane2
Odorization of Propane3
Is Propane A Safe Fuel?3
What Should I Do If I Smell Gas?4
Are Propane Companies Utilities?4
Selecting A Propane Company4
How Do I Choose A Propane Gas Supplier And What Do I Look For In A Gas Company?5
How Is the Price of Propane Determined?6
Are There Any Other Charges I Can Expect to See? 6
Do I Need to Purchase A Propane Tank In Order to Buy Propane? 7
Why Do Prices Vary From One Dealer to Another?7
Will a Propane Company Require a Credit Application Prior to Delivering Propane?8
Is There Any Financial Assistance Available If I Need to Purchase Propane?9
How Do I Know When I Am Due For a Delivery?10
Is The Propane Gas Company Required to Provide A Delivery Ticket at the Time of Delivery?10
Should I Expect to Sign A Contract to Establish Propane Service? 11
Conclusion11
Energy-Saving Tips for Your Home12

#### INTRODUCTION

#### lable of Contents



#### WHAT IS Propane?

# Propane gas is a versatile energy form that can be used as a heating and cooking fuel in homes and commercial establishments, as a motor fuel for many types of vehicles, a clean-burning industrial and agricultural fuel, an emergency fuel in disaster areas and situations where electrical service is interrupted.

#### CHARACTERISTICS OF PROPANE

Propane is a hydrocarbon, and along with other liquefied petroleum gases, is a component of both natural gas and crude oil. It is obtained through the refining of crude oil or the processing of natural gas.

Propane is normally transported and stored as a liquid in specially designed containers. It is important that only those containers approved and prepared for use with propane be used to store and transport propane.

When you buy propane, it comes in a liquid state in the tank. When liquid propane changes from a liquid to a gas, it will increase in volume approximately 270 times. The liquid boils and changes to a vapor. This is what you use in your home. Propane vapor is heavier than air (about 1½ times), yet it still mixes with air quite rapidly.

Propane burns and gives off a relatively large amount of heat, about 92,000 BTU's per gallon of propane.

Propane in a flammable mixture with air (oxygen) can be ignited by many different ignition sources. These include, but are not limited to, open flames, electrical sparks, smoking materials, etc.



Propane in its natural state is both colorless and odorless. For these reasons and because propane is flammable, a chemical malodorant with a distinctive smell is added to provide a method of detection in the event of a leak. Ethyl mercaptan is normally used for this purpose since it is chemically stable when mixed with propane and has many of propane's physical characteristics. One can be reasonably assured, if ethyl mercaptan's distinctive odor is detected, propane vapors may also be present. Some people say the smell is like rotten eggs. Ask for a "Scratch & Sniff" pamphlet from your propane dealer.

# ODORIZATION OF PROPANE

Yes, when used properly. The storage, use and handling of propane falls under standards adopted by the National Fire Protection Agency and approved by the American Standards Institute. The State of Ohio Fire Marshal, as well as the Board of Building Standards, has chosen to adopt these standards as guidelines for proper installation of propane systems. Local governments may also have additional codes and standards pertaining to propane. Check with propane professionals in your area.

Most accidents involving propane gas are caused by failure to comply with the established mandatory safety standards or improper use and installation of propane equipment.

Your propane supplier can advise you on questions concerning safety standards and proper installation of equipment.

The use of smoke/fire detectors are highly recommended, as well as required, in some municipalities. Carbon monoxide can be a result of any heating source that uses combustion, regardless of the fuel, when it is not operating properly. The use of carbon monoxide detectors is recommended.

Is Propane A Safe Fuel?



# WHAT SHOULD I Do If I Smell Gas?

Take immediate action! If you smell gas in your house, camper, RV, workplace or around any gas equipment....

- Promptly get everyone out of the building, vehicle, RV, trailer or area.
- Do not turn on or off light switches, appliances or thermostats, and do not use the telephone.
   An electric spark could ignite the gas.
- 3. Close all gas tank or cylinder supply valves.
- Call your supplier or, if the number is not available, call your local fire department from a neighbor's phone.
- Stay outside until the problem has been corrected.

### ARE PROPANE Companies Utilities?

No, propane companies are private businesses. Doing business with a propane company is much like any other purchase you may make. Propane companies sales practices are not governed by the Public Utilities Commission of Ohio. The propane consumer has the opportunity to choose a company, which in their opinion, is best suited to their lifestyle and financial situation. It is in your best interest to investigate credit terms and delivery policies when considering a propane company.

#### SELECTING A Propane Company

The propane industry in the state of Ohio has much to offer the consumer. A consumer has the opportunity to investigate and choose their energy provider. Propane companies offer a wide variety of programs, services, and benefits. On the following page are questions that may help guide you through selecting a propane provider.



The propane consumer in the State of Ohio can find propane companies that offer programs that rival the municipal utilities. As a consumer, it is in your best interest to determine what you expect from an energy provider. Remember that the actual purchase of the propane is only a small part of using propane as a reliable energy source. As with any business, there are a number of questions you should answer before you decide to buy from a propane supplier, especially when considering a company which will supply fuel to heat your home or business:

- Does your supplier offer a G.A.S. CHECK (Gas Appliance System Check) or a type of gas inspection program for your propane system?
- 2. Does the company offer a keep fill delivery, budget billing, meter billing, volume pricing discounts, and sales of gas appliances?
- 3. Does the company offer emergency service, trained and certified employees?
- 4. Does the company have a local staffed office that can respond to service calls quickly?
- 5. Does the company have an ongoing training program for its employees?
- 6. Is there a 24-hour emergency answering machine or service?
- 7. Have there been unresolved complaints filed with the Better Business Bureau or the Attorney General's office?
- 8. Does your supplier have storage facilities within a reasonable distance of your home so you are assured a reliable supply of propane during the winter months?
- 9. How long has the propane company been in business?
- To check on complaints that may have been filed call the state Attorney General's office at 800.282.0515, and your local Better Business Bureau.

HOW DO I CHOOSE
A PROPANE GAS
SUPPLIER AND
WHAT DO I LOOK
FOR IN A
PROPANE
COMPANY?



# How Is the Price of Propane Determined?

The propane industry is a very competitive industry. The price of propane is established by the individual company. Propane pricing can be invoiced three different ways:

- Bulk propane is priced by the gallon, and is stored and handled as a liquid product. The liquid is pumped into the customer's container using an approved measuring devise, usually a flow meter. These flow meters are periodically inspected for accuracy by the State of Ohio Department of Agriculture.
- 2. Portable propane cylinders are normally filled by weight and the price of propane is figured by the pound. The liquid propane is weighed on an approved scale as the cylinder is filled. Scales used for the resale of propane must also be inspected for accuracy by the State of Ohio Department of Agriculture. One liquid gallon of propane weighs approximately 4.24 pounds.
- The third way propane can be priced is by the cubic foot.
   This is done by installing a vapor meter and measuring the propane as it is consumed. There are approximately 36 cubic feet in one gallon of propane.

# ARE THERE ANY OTHER CHARGES I CAN EXPECT To See?

In addition to the cost of the propane, there are minimum costs to the supplier to bring propane service to the consumer:

- Installation charge
- Service charges
- Pickup or disconnect charges
- Lease or rental of equipment charges
- Minimum Annual Usage Requirement (if you are a low volume user, you may be assessed a usage fee)

ASK YOUR PROPANE SUPPLIER FOR DETAILS ON THESE POTENTIAL CHARGES.



Small propane cylinders such as the ones used on gas grills or campers are normally owned by the consumer. These cylinders are portable and normally taken to be refilled at a propane refilling station or exchange cabinet. The majority of the large stationary bulk tanks in Ohio, which are filled at the customer's site, are owned by the propane company that provides propane service to the property. The propane company provides the tank on a lease or a loan basis to the customer. The tank may only be filled by the tank owner or the owner's authorized representative. In the State of Ohio it is illegal for propane to be put into, or taken out of, a propane tank without the tank owner's permission. The propane company accepts the responsibility for the tank's continued suitability to safely store propane. Customers who choose to purchase their propane tanks have the opportunity to purchase propane from different companies if they should choose to. Customers who own their tank also accept responsibility for assuring the tank's continued suitability to store propane safely. Check with potential propane supplier's policies pertaining to deliveries to customer owned tanks.

Propane marketers operate in a very competitive marketplace and prices may vary from one company to another. Propane companies can offer many services and programs to their customers. At times, the cost of some of these services and programs can be included in the price of the propane. Companies that provide complete propane services normally will be slightly more expensive than companies that provide limited or no additional services or programs. Some companies may not include the cost of services and programs in the price of the propane and may have add-on costs for these options. These costs may be in the form of tank lease fees, minimum usage fees, refund policy, delivery charges, penalties for exiting a contract, etc. It is to the advantage of each consumer to take the time to educate themselves as to the options and charges offered by each propane company they are considering. As you can see, the price of the propane is only one step in evaluating

a propane company.

# Do I NEED TO PURCHASE A PROPANE TANK IN ORDER TO BUY PROPANE?

Why Do Prices Vary From One Dealer to Another?



# WILL A PROPANE COMPANY REQUIRE A CREDIT APPLICATION PRIOR TO DELIVERING PROPANE?

Most likely. It is a common practice for most gas companies to request a credit application from customers or potential customers. If credit is approved, you could have a variety of payment plans (budget, monthly billing, and one gas delivery which means the previous delivery must be paid before another delivery is made). Applicants, whose credit has not been approved, may be required to pay cash on delivery. Credit policies may vary by company.





Yes, there are a number of resources available if your household qualifies. Contact the following organizations for details:

- Ohio Department of Development (ODOD), Ohio's energy assistance program. This federally funded program may be able to assist you in paying for propane gas. For more information call 1.800.282.0880.
- 2) Local Community Action Office
- Local charity organizations (Churches, Veterans Administration, etc.)

MAKE SURE YOU CHOOSE A COMPANY THAT ACCEPTS THESE PROGRAMS.

Is There Any Financial Assistance Available If I Need to Purchase Propane?



#### 12

### HOW DO I KNOW When I Am Due For A Delivery?

Is the Propane
Gas Company
Required to
Provide A
Delivery Ticket
at the Time of
Delivery?

If you are on automatic delivery, your propane supplier will know when to fill your tank(s). They monitor your consumption and refill your tank accordingly.

If you are on will-call delivery, most companies ask you to call your propane supplier when your tank gauge is at 30% to schedule a delivery.

#### Yes, the ticket must include:

- 1. Name and address of company delivering
- 2. Name and address of purchaser
- 3. Date
- 4. Price per gallon, pound, or cubic foot
- 5. Description of product sold (propane)



Many propane companies have some type of formal agreement between the propane company and the customer. The content of these agreements vary a great deal from company to company. IT IS HIGHLY RECOMMENDED THAT YOU, AS THE CUSTOMER, THOROUGHLY READ AND UNDERSTAND ALL OF THE CONTRACT. If the contract contains wording that you do not agree with, or that you do not understand, do not sign the contract. Do not even verbally agree to start business with the company. Contracts and/or agreements are legally binding. By signing the document you have agreed to conduct business with the company in the ways outlined in the document. The time to discuss concerns with the contract is before the contract is in place.

Ask to see the company's contract before you agree to the installation of a propane tank. Look for the fine print details. They could contain information about penalties or add-on charges that the customer is responsible for. The majority of propane company contracts/agreements are very easy to understand

propane is a very safe and economical energy source. As with all energy sources, proper installation and maintenance of the energy distribution system and equipment is the first step in insuring safety. Consult your propane provider for additional customer education and safety programs that might be offered.

SHOULD I BE EXPECTED TO SIGN A CONTRACT TO ESTABLISH PROPANE SERVICE?

Conclusion



# ENERGY-SAVING TIPS FOR YOUR HOME

#### **HOME HEATING:**

- Residential heating systems need regular tune-ups. Contact your local propane supplier to inquire about a home heating system inspection program.
- Change your furnace filter monthly. Clean filters will save you money on your heating bill.
- Consider investing in a furnace thermostat timer that can save money by lowering your home's temperature when you are not at home.
- Protect against drafts around windows and doors by caulking and weather-stripping.
- If you are purchasing a fireplace, consider selecting one fueled by propane. Propane fireplaces burn more efficiently than wood-burning models and distribute heat more evenly throughout the room.

#### WATER HEATERS:

- You can save more than 10 percent on your water-heating bill by turning down your water heater from the standard 140 degrees to 130 degrees.
- To extend your water heater's life and increase energy efficiency, drain it every six months to remove lime deposits and sediment.
- Install flow-restricting showerheads. You can reduce hot water usage by up to 50 percent without affecting shower pressure.
- Repair leaky faucets. A leak that fills a coffee cup in 10 minutes wastes 3,200 gallons of water a year.

#### **HOME APPLIANCES:**

- Gas ranges with electronic ignition systems will use 40 percent less energy than a standing pilot system.
- Be sure that all burners are burning with a blue, cone-shaped flame. A yellow flame indicates clogged air inlets or burners that need adjustment. Contact your propane supplier's service department immediately if you do not see a blue flame.
- Check the seal on your oven door. Gaps or tears in the seal will let heat escape and waste energy.

