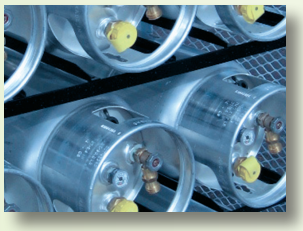
Bergquist Bulletin

FALL/WINTER 2024



***We Stock Over 12,000 Essential Items!***

BASIC ESSENTIALS
- First Stage Regulators
- Second Stage Regulators
- Integral Two Stage
- 2-PSI Service Regulators
- Changeover Regulators
- Hogtails/Pigtails
- Copper Tubing
- Brass Fittings
- Hoses
- Pumps
- Paint
- Internal Valves
- ESVs

PLASTIC PIPE & FITTINGS
- X-Risers
- Con-Stab Fittings
- PE Tubing

RETAIL PROPANE
- Cylinders
- Cylinder Cabinets
- OPD Valves

AND MORE!

**BERGQUIST SEMINARS!**

Visit the *Bergquist Academy* at bergquistinc.com to view upcoming training programs or call us at 800-537-7518.

**WE'RE HERE FOR YOU!**

*When you call Bergquist, you get your questions answered by the people who **know** propane equipment.*

# How New Handbook 130 Regulations Will Transform the Propane Industry

## Starting in 2026, propane marketers must comply with new Handbook 130 regulations requiring automatic temperature compensation for small liquid propane meters

Gary Bozigar | Butane Propane News | July 2024

Since the turn of the century, the propane industry has experienced two significant code changes that impacted the way we operate. The OPD (overfill protection device) cylinder valve mandate was instituted in 2002. Nine years later, 2011 NFPA 58 bulk storage upgrade requirements came into effect. Both new codes were mandated to enhance consumer and industry safety and benefited everyone who handles propane. We will soon experience a third major code change to the betterment of both propane marketers and end users alike.


Beginning in 2026, or 15 years past the 2011 NFPA 58 bulk storage upgrade requirement, a new and major code change will be implemented. The new change is not coming from NFPA 58 (our primary code book for the safe handling of propane) but from an ancillary code book, Handbook 130. Handbook 130 governs weights, measures and the sale of commodities. The mandated change will affect many more installations than the 2011 NFPA 58 bulk storage upgrade ever did.

In the 2024 version of Handbook 130, changes are laid out for small liquid propane meters. Per Handbook 130, small LP liquid meters are defined as those having a flow rate of less than 20 gallons per minute. These small meters will now require automatic temperature compensation to meet code to dispense propane by volume. Unless marketers operate in one of the few states that currently require automatic temperature compensation for all liquid propane meters, their installations will be included in those affected.

Automatic temperature compensation (ATC) corrects the volume of propane being measured to 1 gallon at 60 F. A meter without ATC in cooler months allows consumers to get more propane than what they're paying for and, alternatively, less propane in the summer.

A non-ATC meter at 60 F provides 5 true gallons of propane in a 20-pound cylinder. Let's say the ambient temperature is 40 F; a cylinder will be filled with 5.16 gallons of propane while the meter's register shows five gallons. At 80 F, a consumer receives 4.84 gallons of propane. Again, the register will read 5 gallons. At $3.99 per gallon of propane, for example, the difference in

*continued on page 3*

# The Many Benefits of Additional Bulk Propane Storage

Richard Constant
Oil & Energy Magazine
July 2024

## *Lower prices and reliable supply are just the beginning*

With summer coming into full swing, companies are beginning (or have already begun) to plan plant upgrades. With each passing winter, propane marketers try to learn from past issues or problems they may have had during their busy season. Other than general maintenance – which tends to take a backseat to everyday business in the colder months – the main topic commonly mentioned this time of year is additional propane storage or increasing current storage capacity. No one has ever come out of a cold busy winter and said, “Gee I wish we didn’t have such large storage capacity.”

Most propane marketers talk about additional storage capacity after a particularly cold winter – or if there has been a shortage or a large spike in pricing. **There are always added benefits to extra storage**. It will give you the opportunity to purchase more propane in the off season when prices are generally lower. It will allow you to hold your contract price for gas in the event of a spike in cost. You will have more product on hand if there is a delay in delivery, like a snowstorm or ice storm that knocks out power to your customers for a few days. You can provide better customer service for your community if you keep supplying their needs during adversity.

When it comes to plant upgrades or facility storage, the two negative arguments you may hear are: Lack of space for additional storage and total costs involved. While lack of space is a problem that is hard to overcome, we witness more companies putting in remote or satellite plants just for the extra storage. This storage is typically further away than the main facility. Oftentimes, the new bulk storage is in a remote area strategically located close to a cluster of customers. It’s used more for convenience – as a location to not have to drive back to the office or main plant just to refill your truck to finish your already busy workday.

The cost issue can be looked at with optimism. Yes, bulk storage tanks are expensive. The equipment is expensive. However, it must be looked at as an investment in your company. Having extra storage makes sense.

Every manufacturer of LP equipment is making newer, better, and safer equipment for LP storage and transportation. If you are looking to increase your loading time efficiency, for instance, many newer pumps have the potential to load your truck up to 25 percent faster than an existing pump. If you have an LP-storage tank at a remote location and need to self-load your truck without power, truck manufacturers can build you a new truck with that in mind.

If you are just looking to increase your current onsite storage, there are new products on the market that make your everyday operations smoother. The adoption of tank monitoring technology has increased substantially over the last few years. You can remotely view tank volume to help direct a delivery to a location you might otherwise have had to drive out to and check inventory levels. There is the option of a Variable Frequency Drive, or phase converter, for your plant pump if you have issues getting power in a remote area. You can get relief valve manifolds that allow the changing of entire relief valves (or in some cases a relief valve cartridge) while gas remains in the tank. This helps to avoid the expense of burning down a tank, or re-pressurizing a tank into service.

Whether it’s storage at a rail terminal, storage at a propane marketer facility, or a tank on a high-volume dispenser, storage issues are basically the same. We all try to make the best of what we have available to us. The limitations usually come down to tank size or lack of space to expand. This has always been an issue for most pro-pane storage facilities. Since the 2011 bulk-storage compliance upgrades, pro-pane marketers essentially fall under the same compliance and safety standards.

If you have concerns or are thinking about increasing your storage capacity, reach out to your local propane distributor or plant builder. They are the equipment specialists. Propane equipment distributors and plant builders are the people who know how to best use these products to attain desired efficiencies. They would be glad to spend the time to answer questions and make recommendations for an idea that would be beneficial to your company and your storage facility.

*Richard Constant is the OEM Equipment Sales Director at Bergquist Inc. He can be reached at richard.constant@bergquistinc.com.*

# How New Handbook 130 Regulations Will Transform the Propane Industry (continued)

propane dispensed and the reading on the register equates to $0.64 either way.

Propane marketers will sell a true gallon of propane, and the consumer will be paying for a true gallon, at any temperature, with automatic temperature compensation.

Prior to the 2024 edition, small, low-flow liquid propane meters were exempt from requiring automatic temperature compensation. The change in the 2024 version of Handbook 130 will affect thousands of liquid propane dispensing meters in the field. Think about how many dispensing stations are in your town, your county or your area of service. How many fueling stations are in your area for fleets? This code change will have a far-reaching impact on the propane industry and the thousands of dispensing installations across the country.

As we move forward with this new code, please keep the years 2026 and 2030 present in your mind. Per Section 2.21.2 Metered Sales by Liquid Volume: By Jan. 1, 2026, all liquid propane meters with a flow rate of less than 20 GPM (gallons per minute) placed into service will be mandated to have automatic temperature compensation. This will apply to all new installations and existing installations that are upgraded due to equipment failure, or installations that are moved and placed back into service. This is a new change in the 2024 edition of Handbook 130, as low-flow liquid propane meters have operated under an exemption from automatic temperature compensation since 1986.

The second date to remember: By Jan. 1, 2030, all liquid propane meters in service will require automatic temperature compensation to dispense propane. The deadline to upgrade meters already in service is listed in the 2024 version of handbook 130 2.21.1 section C.

As the code is currently written, there is no legacy provision in the 2024 Handbook 130 code for meters currently in service. So, the last day of service for non-temperature compensated meters is Dec. 31, 2029. Please note there is currently no legacy provision in the new code.

The lack of a legacy provision will force in-service meters to either be upgraded with an automatic temperature compensation kit or to be replaced with a meter with factory-installed automatic temperature compensation. Depending on the meter model installed, upgrading to an automatic temperature compensation kit will cost between $1,700 to $2,000 on average per meter. The cost to meet code may be higher if your meter is of a type that is not upgradable.

Once an upgrade kit is installed, the meter will then need to be recalibrated. Some states may require a new or modified meter placed into service to be checked and certified by an independent mobile propane prover. The cost required to meet certification will likely be passed along to the consumer. However, propane marketers initiating the upgrade to remain code compliant will bear any initial costs.

The propane industry has just under six years to begin the process of upgrading (or retiring and replacing) the thousands of non-temperature compensated, low-flow, propane-dispensing meters currently in service. Develop an upgraded plan today to spread the cost of the new code change over the next five years to ensure your dispensing meters are in code compliance by 2030.

*Gary Bozigar is director of propane technologies with Bergquist Inc. He has held sales, management and leadership positions in propane retail and propane equipment distribution for over 20 years. Bozigar can be reached at gary.bozigar@bergquistinc.com.*

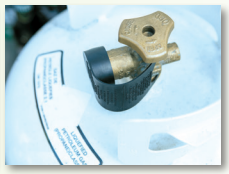

**This season's *Heaters + Outdoor Living Catalog* is now available on our website...**

https://bergquistinc.com/about-us/catalog

Shop from brands such as Broilmaster, Empire, L.B. White, Mr. Heater, Rinnai, White Mountain Hearth, and more. A printed version is also available upon request. Please contact us at 800-537-7518 to get your copy today.

FALL/WINTER 2024

# Bergquist Bulletin


1100 King Road
Toledo, OH 43617

*Your Propane Equipment Experts*

**HOME OFFICE & WAREHOUSE**
1100 King Rd.
Toledo, OH 43617
**800-537-7518**

**BOWLING GREEN**
1344 Memphis Junction Rd.
Bowling Green, KY 42101
**800-448-9504**

www.bergquistinc.com

Newsletter produced by Pro Image Communications

## Welcome Jim Baker and Kevin Demis

Jim Baker has joined Bergquist as territory sales specialist. In this newly created position, Jim will be tasked with both area sales manager and inside sales duties. His area sales responsibilities include meeting face to face with propane marketers in the Mid-Atlantic states to recommend equipment that solve their operational challenges. Jim will also be available for inside sales inquiries, as well as making outbound telephone calls to customers in the Mid-Atlantic region.

*Jim Baker*

Jim resides in Plain City, OH. He began working in the propane industry 26 years ago driving a forklift cylinder delivery route for a major propane marketer. In 2014, Jim began working for another major propane marketer where he drove a bobtail and was then promoted to site manager.

Jim enjoys golf, traveling, and spending time with family and friends in his spare time.

*Kevin Demis*

Kevin Demis joined Bergquist in July as part of our purchasing team. Kevin brings 13 years of experience in buying from a wholesale master-hardware distributor in Toledo, OH. Prior to that, he held various roles in the home improvement department at The Andersons Retail Store in Columbus, OH.

Kevin earned a BA from The Ohio State University. He is particularly passionate about inventory management, product knowledge, and teamwork. Kevin is excited to help establish and contribute to the goals of the purchasing department and Bergquist overall.

Outside of work, Kevin enjoys his time outdoors, fishing, gardening and watching The Ohio State Buckeyes sports teams, and spending time with his family.