

Propane Grants History

March 26th 2009 the DOE announced the Energy Efficiency and Conservation Block Grant awards – Williamson County was awarded \$611,600 using program formulas through 2007 U. S. Census population data.

The grant funding was intended to promote energy efficiency and conservation and to fund projects that reduce energy use and fossil fuel emissions, and that improve energy efficiency. The purpose of the program was to assist eligible entities in:

- *Implementing strategies to reduce fossil fuel emissions in a manner that is environmentally sustainable;**
- *Reduces the total energy use of the eligible entities;**
- *Improves energy efficiency in the transportation sector, building sector or other appropriate sector.**

May 8th 2009 – Commissioner Ron Morrison, Greg Bergeron, Mike Fox, Randy Rodgers, Joe Latteo, and Kathy Grimes met to discuss possible grant projects and budgets.

May 12th 2009 – Intent to participate as a sub-recipient with the Texas Railroad Commission was signed.

December 21st 2009 – Official Commitment letter signed with the Texas Railroad Commission for participation in grant.

December 16th, 2009 – Williamson County received official approval and Assistance Agreement forms for County's DOE Propane Grant project.

March 10th, 2010 – The U. S. Senate passed the Tax Extender bill that includes a one year extension of the 50 cent per gallon tax credit. Reconciliation with House and signing by the President is expected.

Propane Budgets

County's DOE Propane Grant Budget:

Propane Vehicles (OME, retrofits, and Park ATV)	\$166,440.00
Propane Fueling Infrastructure Sites	261,075.00
Energy Efficiency Upgrades to Buildings	181,085.00
Energy Strategy Development	<u>3,000.00</u>
TOTAL	\$611,600.00

Buildings Approved for Energy Efficiency Upgrades:

<u>BUILDING</u>	<u>COST</u>	<u>Annual Maintenance Savings</u>	<u>Anticipated Annual Utility Savings</u>
Parking Garage	\$63,370.86	\$4,391	\$31,860
County Jail	\$63,398.21	\$4,755	\$25,978
CTTC	\$39,316.37	\$2,724	\$ 8,533
Juvenile Gym	\$15,000.00	*	

*Largest savings expected in maintenance area.

Texas Railroad Commission Grant:

Grant not to exceed \$208,420.00 on a cost reimbursement basis as follows:

\$139,170 – Vehicles retrofitting
\$ 69,250 – Infrastructure site at Round Rock Annex
\$208,420

Williamson County EECBG Budget Summary

Propane Vehicles

9 new vehicles - requesting funding for incremental cost between standard and	\$87,045.00
7 existing vehicle conversions	\$73,195.00
2 propane utility vehicles - requesting funding for incremental cost between	\$6,200.00
subtotal	\$166,440.00

Propane Fueling sites

5 sites	\$261,075.00
subtotal	\$261,075.00

Retrofit County Buildings

4 buildings - lighting	\$181,085.00
subtotal	\$181,085.00

Strategy Development

	\$3,000.00
<u>subtotal</u>	<u>\$3,000.00</u>
	\$611,600.00

MOTOR FUEL EXCISE TAX CREDIT

by Heather Ball

Many retailers of propane motor fuel can claim a 50-cent-per-gallon tax credit beginning Oct. 1, 2006. The credit is effective on sales of propane motor fuel for motor vehicles and motorboats for the next three years.

New Excise Tax Rate

The credit is part of the federal highway bill, SAFETEA. The bill raised the excise tax on propane motor fuel for on-highway vehicles from \$0.136 to \$0.183 per gallon, beginning Oct. 1, 2006. The law does not change the current tax exemption for off-highway business uses, such as propane forklift fuel, or for sales to state or local governmental entities.

Propane retailers report excise tax payments on IRS Form 720, "Quarterly Federal Excise Tax Return." Retailers should continue to use this form to report taxable sales of propane motor fuel, but remember that the new excise tax rate is \$0.183 per gallon for the quarter beginning Oct. 1.

Eligible Entities

A registered Alternative Fueler claims the 50-cent-per-gallon tax credit. Private individuals, propane suppliers, private companies, non-profit agencies and government entities may be eligible to claim the credit. Even though state and local government agencies are exempt from paying the excise tax, they can still qualify for the credit.

The Alternative Fueler can be either the retailer or the user of propane motor fuel, as described in the Eligible Events discussion below.

Only one party can claim the credit on any given gallon of propane motor fuel: the retailer or the user. Whoever is liable for the motor fuel excise tax, or would be liable but for the exemption, is eligible to claim the credit.

Eligible Events

The eligible event that triggers a claim is the sale of propane for use, or the use of propane, in a motor vehicle or motorboat.



Only one party can claim the credit on any given gallon of propane motor fuel: the retailer or the user. Whoever is liable for the motor fuel excise tax, or would be liable but for the exemption, is eligible to claim the credit.

Example A. Propane retailer refuels a privately owned or government vehicle at his/her retail outlet. The retailer is the Alternative Fueler.

Example B. Propane retailer sells bulk fuel to a motor fuel customer. The customer gives the retailer a written statement saying that all the fuel purchased will be used for taxable use. In this case the propane retailer is the Alternative Fueler. The statement from the customer can be informal, but it must be in writing.

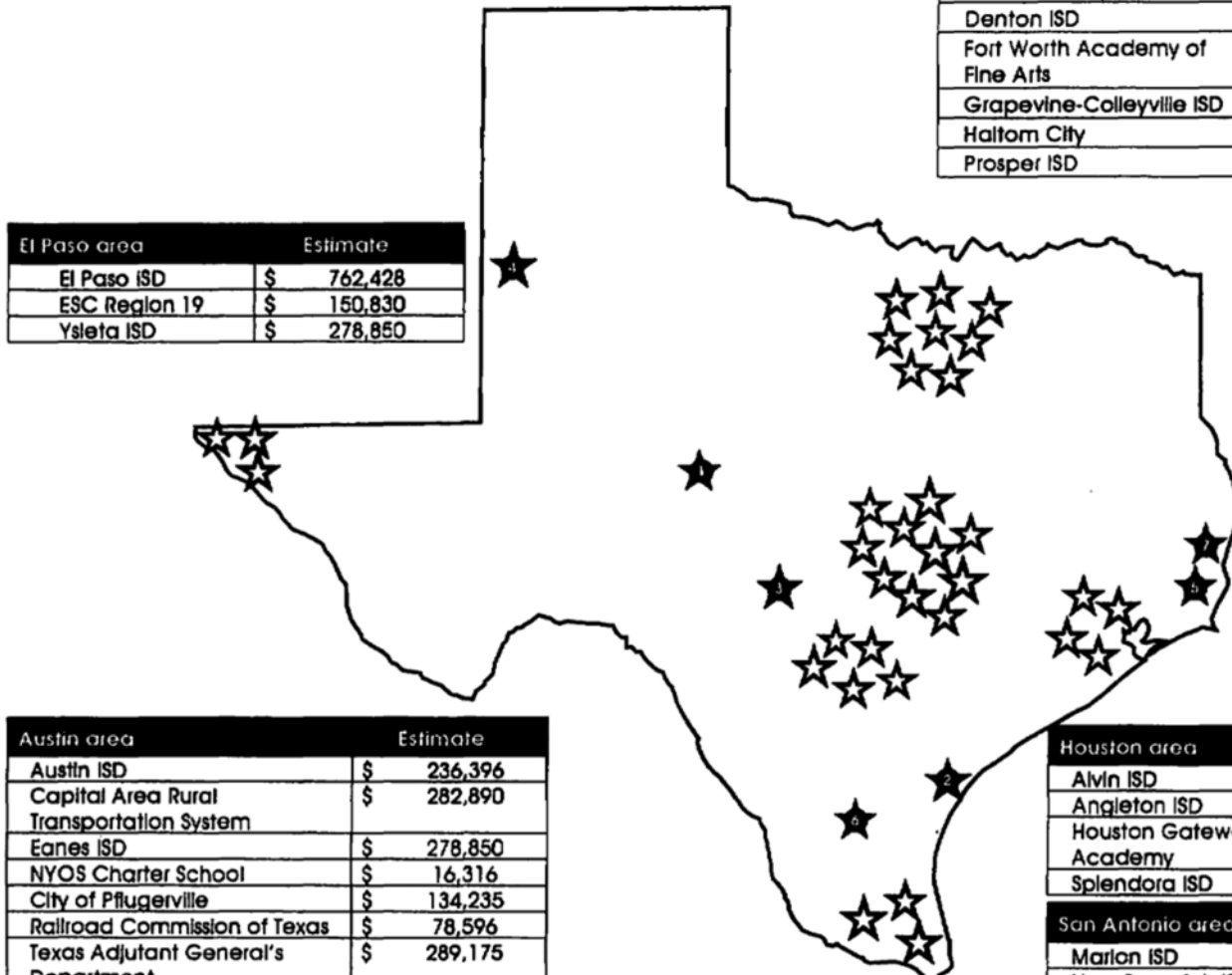
Example C. Propane retailer sells bulk fuel or delivers filled cylinders to a private or state or local government motor-fuel customer (user). The customer refuels its own vehicles or places cylinders onto its vehicles. There is no written statement as described in

Example B. The customer (user) is the Alternative Fueler.

NOTE: Example B does not apply to governmental entities or other non-taxable uses of propane, even if they buy fuel in bulk, because they cannot issue the written statement that the fuel will go for a taxable use. Customers who only use part of the purchased fuel for motor-fuel purposes may also not use the written statement.

RAILROAD COMMISSION

DOE PARTNER FLEETS



El Paso area	Estimate
El Paso ISD	\$ 762,428
ESC Region 19	\$ 150,830
Ysleta ISD	\$ 278,850

DFW area	Estimate
Arlington ISD	\$ 508,174
Azie ISD	\$ 48,948
Dallas County Schools	\$ 567,300
Denton ISD	\$ 523,590
Fort Worth Academy of Fine Arts	\$ 16,316
Grapevine-Colleyville ISD	\$ 139,250
Haltom City	\$ 169,200
Prosper ISD	\$ 232,410

Austin area	Estimate
Austin ISD	\$ 236,396
Capital Area Rural Transportation System	\$ 282,890
Eanes ISD	\$ 278,850
NYOS Charter School	\$ 16,316
City of Pflugerville	\$ 134,235
Railroad Commission of Texas	\$ 78,596
Texas Adjutant General's Department	\$ 289,175
Texas Department of Transportation*	\$ 2,884,000
Texas Health and Human Services Commission*	\$ 161,000
Williamson County	\$ 208,420

Houston area	Estimate
Alvin ISD	\$ 587,376
Angleton ISD	\$ 216,094
Houston Gateway Academy	\$ 101,882
Splendora ISD	\$ 134,514

San Antonio area	Estimate
Marion ISD	\$ 134,514
New Braunfels ISD	\$ 134,514
Northside ISD	\$ 544,706
City of San Antonio	\$ 938,219
Southwest ISD	\$ 97,896

Rio Grande Valley	Estimate
Pharr-San Juan-Alamo ISD	\$ 142,654
Rio Hondo ISD	\$ 32,632
South Texas ISD	\$ 148,322

Other	Estimate
① Christoval ISD	\$ 118,198
② Gregory-Portland ISD	\$ 16,316
③ Kerrville ISD	\$ 16,316
④ City of Levelland	\$ 14,000
⑤ Lumberton ISD	\$ 7,000
⑥ Ramirez CSD	\$ 16,316
⑦ Southeast Texas Regional Planning Commission	\$ 291,190

* Agencies will deploy vehicles statewide.