Riding the Bus to Greater Sales

The market for propane is changing. Sales for home heating have been declining due to warm winters and more efficient heating technology. Marketers can no longer rely on selling the bulk of their propane during the cold months, and must become four-season sellers.

In recent years, a number of manufacturers and the Propane Education & Research Council have developed new propane-burning technology.

Many school districts are choosing to operate their bus fleets with propane autogas, a fuel that offers the same convenience, range and power as diesel and gasoline, but with lower emissions, and at a competitive price point per gallon.

Districts Choose Propane

For instance, the Portland (Ore.) School District this year said it would buy 86 new Vision buses from Blue Bird that use Roush CleanTech propane autogas technology. Portland is also on track to purchase a number of Type A buses from Collins Bus that use CleanFuel USA propane autogas technology.

The district will quickly save money on its bus fuel costs, said Mark Elias, area general manager for First Student, a provider of student transportation services that operates the buses for Portland’s schools. “In their first year of operation, these propane autogas school buses are expected to save $500,000 to $700,000 in fuel and maintenance costs over their diesel counterparts,” Elias said.

And in Lafayette, Ind., the Tippecanoe School Corp. (TSC), the second largest by size in the state, went shopping for a reliable bus that met rigorous clean air standards. It invested about $500,000 in five propane-autogas-fueled Vision buses and began using the Type C, classic yellow 78-passenger seat buses during its summer session.

The TSC buses meet all Environmental Protection Agency and California Air Resources Board certifications, and use a Roush CleanTech liquid propane autogas fuel system, and a Ford 6.8-liter engine.

“We are one step closer to TSC’s goal of creating an environment that is conducive to better health for school children,” said Kevin Neafie, the district’s transportation director. “The propane-powered Vision buses reduce emissions and virtually eliminate particulates released into the atmosphere.”
What Managers Want

These insights can help marketers understand what district fleet managers are looking for as they research a possible switch to an alternative fuel. Here’s how propane autogas stacks up:

**Costs:** A bus that runs on propane autogas is cheaper to fuel per mile than a bus that operates on diesel. There are price differences by region but a dollar's worth of propane autogas will take a bus further than a dollar's worth of diesel.

**Emissions:** Propane-autogas-fueled vehicles emit 12 percent less carbon dioxide, about 20 percent less nitrogen oxide, and up to 60 percent less carbon monoxide than gasoline-powered vehicles. And propane autogas can reduce greenhouse gas emissions by up to 25 percent compared with its gasoline-fueled counterparts.

**Safety:** The federal government considers propane a safe motor fuel. A propane tank is 20-times more puncture resistant than a gasoline tank, and propane has the lowest flammability range of all the alternative motor fuels.

**Power:** Studies show that propane-autogas-fueled buses have the same torque and power as gasoline-fueled buses.

**Refueling:** Propane autogas refueling systems, including a tank and no-spill dispenser, are compact and easy to install. On average, a propane refueling station costs about 10 percent of that of a CNG station.

**A home grown fuel:** Nearly 97 percent of the propane consumed in the U.S. is produced domestically.

Ring the Bell

Selling propane autogas to a school district is a new experience for most marketers and it can be tough getting into this market. Don’t get discouraged. Remember -- propane is an abundant, domestically-produced, competitively-priced fuel, and it offers great benefits in helping America meet its energy needs.

Here are some tips to learning about propane autogas, and the needs of local school districts.

Contact Mike Taylor, PERC’s director of autogas business development. Mike is an autogas veteran who led Heritage Propane’s fleet management office, and spent more than 20 years in the school transportation industry. Contact Mike at (202) 452-8975 and michael.taylor@propane.com.

These websites can get you started, there are many, many more:

- DOE, alternative fuel data, [www.afdc.energy.gov/afdc/about.html](http://www.afdc.energy.gov/afdc/about.html)
- DOE Clean Cities, [www.energy.gov/clean-cities](http://www.energy.gov/clean-cities) promotes the use of alternative fuel vehicles on a state by state basis
- The Environmental Protection Agency's Clean School Bus campaign, [www.epa.gov/cleanschoolbus/csb-overview.htm](http://www.epa.gov/cleanschoolbus/csb-overview.htm)
- PERC's [www.autogasusa.org](http://www.autogasusa.org)

Some school districts contract companies like First Student [www.firststudentinc.com](http://www.firststudentinc.com) to operate and manage their transportation needs. Many districts don’t outsource these services. Ask the transportation director of your school district how it manages its buses.

Keep up with the local news. Buying school buses can be a major investment for a district so there should be coverage. You need to know more than sports scores to make a sale.

Get in the game – attend school board meetings; the schedule is often listed in the local papers. You may know some of the leaders of the school district or of the schools that your children attend. Attend chamber of commerce and business organization events in your community.

As the propane industry shifts gears, propane autogas offers a growth sector for marketers seeking new opportunities. Invest the time to learn about this promising market and you could see your sales accelerate.