

A Real Estate Agent's Guide to Propane:

Clean American Energy

WHAT IS PROPANE?

Propane is a gas produced from natural gas processing and crude oil refining. Propane is very similar to natural gas, with one major benefit: under pressure propane gas becomes liquid. Therefore, the tanks which you see actually contain liquid petroleum (LP) gas. When an appliance is turned on, the liquid in the tank boils into gas and travels through pressure regulators and piping to the point of use where it is consumed. This allows propane to go to areas where natural gas is not available, but still provide the convenience and amenities that your homebuyers want.

WHERE DOES IT COME FROM?

Nearly 100% of the Propane used in New England comes from the United States via pipeline, rail and truck. Since 2012, the US has been a net exporter of propane, supplying other countries with energy. Of late, significant natural gas liquid deposits have been discovered in the Marcellus Shale of Western New York and Pennsylvania which many experts believe holds up to 99 years worth of gas supply for the Northeast.

IS IT SAFE?

Propane is a safe fuel to use in any home or business. Refer to safety materials from Osterman Propane which may be found on the back of delivery tickets or monthly statements. You may also go online to www.propanesafety.com to learn more about propane safety and consumer preparedness in the event of an emergency.

info@ostermangas.com
www.ostermangas.com

Osterman
Propane
PO Box 29
Whitinsville, MA 01588

congratulations
your new listing has Propane!

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Osterman
Propane

WHY PROpane?

Many new homeowners are moving away from urban areas (serviced by natural gas) into the suburbs. With so many homes beyond the gas mains fueled by oil and electricity, these buyers are seeking the convenience and familiarity of using gas. Thankfully, propane is available where natural gas is not and can provide all of the functions and amenities your buyers are seeking. Propane is very similar to natural gas and has all the same uses and characteristics.

In New England, propane can be significantly less expensive than electric appliances and Propane operates at much higher efficiencies than comparable oil heating and hot water heating equipment.

Uses:

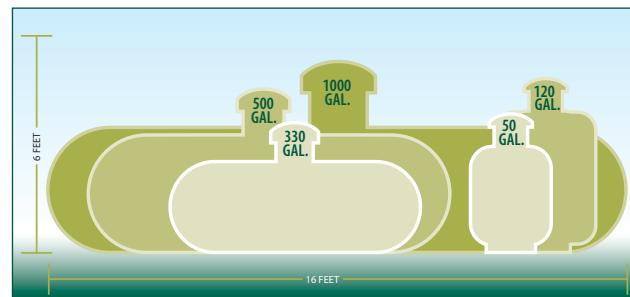
- Central heating
- Hot Water
- Fireplace
- Pool heating
- Garage heat
- Outdoors
- Emergency power
- Cooking / Clothes drying



WHAT ABOUT THIS TANK?

Propane tanks come in varying sizes based on type of use. They range in size from 50 gallons to 1000 gallons. Tanks provided by your propane supplier are typically owned and maintained by them. As part of that responsibility, your propane supplier will perform a visual inspection on every fill and will perform periodic maintenance on the tank or may even replace it when the tank requires service, recertification or repainting.

In some cases you may discover that the tank is owned by the homeowner. While customer owned tanks may garner lower per gallon prices from suppliers, all maintenance and liability for that tank lies with the homeowner. And unfortunately, repairs to a customer owned tank are seldom cheap and may not be covered by homeowners insurance.



WHAT DO I TELL POTENTIAL BUYERS?

The Propane Education and Research Council (PERC) and Osterman Propane have a wealth of knowledge and resources available for you. Contact Osterman Propane to provide you with information about your particular listing or project.

In addition, there are numerous websites and additional information online at the sites below.

www.ostermangas.com

www.propane.com

www.buildwithpropane.com

WHAT IF THAT TANK IS UNDERGROUND?

Propane tanks are installed underground solely for aesthetic reasons. There is little difference in the safety, reliability, or performance of either style tank. Underground propane tanks are heavy duty steel, encased in mastic coating and are buried with cathodic protection. The typical life expectancy of an underground tank is 40+ years. If a propane tank should leak, the liquid propane will turn into a gas and biodegrade into the soil and air without any harmful affects to groundwater or the atmosphere. It is important to check the property records and talk to the propane supplier regarding contracts, easements or UCC filings the propane supplier may have on file.



HOW DO THOSE PRICES COMPARE TO FUEL OIL AND ELECTRICITY?

Propane prices vary based on wholesale costs and volume. Like any commodity customers buy, the more you use, the cheaper it gets. A cooking only customer may use less than 30 gallons a year, which in turn will mean a higher per gallon price. But, based on consumption of only 30 gallons, it still works out to less than \$0.50 a day. That price is comparable to the cost of electricity. However, a home heating customer will have prices far lower because of the increased volume. Over the past decade propane and fuel oil prices have both moved up and down. Remember that the high-efficiency of propane cannot be matched by even the newest fuel oil appliances.

WHAT DO I DO NEXT?

If there is service for propane, but no propane tank, please contact Osterman Propane. If there is already a tank in service, the new homeowner should contact the propane supplier to determine if they will continue with the incumbent supplier or may choose a different company. There should be a label with contact information for the supplier in or around the dome of the tank.