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Mitchell Technical Institute

1800 East Spruce St. • Mitchell, South Dakota 57301 • (800) 684-1969 • www.mitchelltech.edu

October 27, 2016

South Dakota Board of Education
800 Governors Drive
Pierre, SD 57501

Re: Program name change request

Dear Board Members,

In 1993, Mitchell Technical Institute received program approval to start a Propane and Natural Gas Technologies program. The one-year diploma option complemented the existing Powerline Construction and Maintenance program by adding value to the graduate. The combined degree provided graduates the opportunity to be selective in their career choices. Graduates with the AAS degree out-earned diploma graduates by as much as \$10,000 dollars annually. Many students would enroll in the Propane and Natural Gas Technologies program when the Powerline Construction and Maintenance program became waitlisted. In the past five years, however, it has been a struggle to recruit students to the Propane and Natural Gas Technologies program mainly due to a negative perception of employment prospects within the propane industry.

According to ICF International, a global consulting and technology services firm, the propane market has plateaued due to the expansion of the natural gas distribution system and long-term energy efficiency trends. Traditional consumer propane market demands are projected to continue to fall, resulting in fewer career opportunities and competitive wages. Growth in the natural gas supply is leading to lower natural gas prices and expansions of natural gas distribution systems. More than 72 million homes and businesses rely on natural gas for their energy needs, and that demand is expected to grow. The American Gas Association asserts that "increases in natural gas demand will support the long term vitality of natural gas production" (<https://www.aga.org/>).

E. Russell Braziel, president of RBN Energy, wrote in *The American Oil & Gas Reporter*, "Natural gas production in the lower-48 states has increased from less than 50 billion cubic feet a day in 2005 to about 70 bcf/d today. This is an increase of 40 percent over nine years, or a compound annual growth rate of about 4 percent. There is no indication that this rate of increase is slowing. In fact, with continuing improvements in drilling efficiency and effectiveness, natural gas production is forecast to reach almost 90 bcf/d by 2020, representing another 29 percent increase over 2014 output"

(<http://www.aogr.com/magazine/cover-story/u.s.-natural-gas-supply-expanding-to-surplus-levels-demand-growth-will-fall>). Simply put, the natural gas industry is thriving.

A program name change to eliminate "Propane" from the program title has been discussed at advisory board meetings over the past three years. In 2016, the enrollment cap for the Powerline Construction and Maintenance program was raised and recruitment for Propane and Natural Gas Technologies dramatically decreased. Projections for the Fall 2016 semester were bleak and the decision to suspend the program was supported with enrollment and placement data.

Industry partners and members of the Propane and Natural Gas Technologies advisory board were disappointed with the program suspension and offered their assistance to reinstate the program, but with a name change. A meeting to discuss reinstating the program was held on October 21, 2016, with representatives from across the state including Bret Atkins, HR Manager, Black Hills Corporation; Terry Hanson, Trainer, Gas Training Specialists; Bo Secrest, Manager – Division Operations, SourceGas; Dan Hoeffner, Supervisor, Technical and Safety Training, Montana-Dakota Utilities; Brad Sylliaasen, Director of Design & Construction, Xcel Energy; and Anna Pilcher, Manager, Gas Training and Operator Qualification, MidAmerican Energy Company.

Throughout the meeting, industry representatives expressed their enthusiastic endorsement of the decision to continue the program. There are significant workforce concerns in the natural gas industry due to an aging workforce and technician shortages. In-house training is no longer effective and companies are looking to hire graduates who have been properly trained. The current curriculum will be the foundation of the program with only LP and appliance repair to be eliminated. MTI's existing labs and equipment can be repurposed with minimal effort to train solely for natural gas. The opportunities for graduates are tremendous including high wage jobs in locations throughout the Midwest. The projected earnings for a Natural Gas Technician range from \$55,000 – \$70,000 in their first year.

Mitchell Technical Institute requests your support for a program name change from Propane and Natural Gas Technologies to Natural Gas Technology.

Thank you,

A handwritten signature in dark ink, appearing to read "Mark Wilson". The signature is fluid and cursive, with a large initial "M" and a long, sweeping underline.

Mark Wilson
President



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South Dakota Board of Education
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Re: Program reclassification

Dear Board Members,

Mitchell Technical Institute requests to reclassify the Administrative Office Specialist (AOS) program. Currently, the AOS degree is in the Engineering division, but we have found that it is a better fit in the Business and Service Industries cluster. The AOS program is closely related to other Business and Service Industries programs including Accounting/Business Management and Small Business Management. For the purpose of annual reports on enrollment, retention, graduation and placement, it would create a much better picture of where the program fits in our overall curricular structure.

Additionally, we would like to request that the current Accounting/Business Management program be classified as an AAS degree with two emphases: Accounting or Business Management. This would allow students to receive a diploma that was specifically titled to their area of study.

Mitchell Technical Institute respectfully requests these changes.

Thank you,

A handwritten signature in blue ink, appearing to read 'Mark Wilson', with a small blue arrow pointing upwards from the end of the signature.

Mark Wilson
President