



# CoEnergy Propane

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HOUSE REVENUE COMMITTEE  
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SUBMITTED BY: RANDY CAMP

April 25, 2011  
House Bill 3632  
House Revenue Committee

## Co-Chairs and Committee Members:


I am Randy Camp, General Manager of Co-Energy Propane in Corvallis. HB 3632 focuses on natural gas to the detriment of propane, which actually is a derivative of natural gas. In the Pacific Northwest, the majority of propane sold and used by my company is made from natural gas, not oil, which is the other source of propane. As the demand for natural gas increases, the production of propane increases. The two fuels go hand in hand in the production process. Therefore, with all the new natural gas projects in the U.S. (shale gas, Marcellus Range, etc.) we can expect propane supply from natural gas to increase.

Under federal law, propane is defined as a clean alternative fuel. Propane and natural gas fleets are virtually the same in terms of greenhouse gas (CO2) emissions. It only makes sense if you are looking at natural gas as an alternative fuel for Oregon, not to consider propane as well would be a mistake.

Many propane dealers are small businesses, while natural gas companies are large utilities. My company, is one of those small businesses that covers from north of Salem to south of Eugene, from the Oregon Coast to the high desert of Oregon out of two offices, one in Corvallis and the other in Redmond. We are Oregon-owned and operated. Money spent with us stays in Oregon, it does not cross the state line. Why should government focus solely on a huge natural gas utility at the expense of small retailers in Oregon? Also, why should the state become the marketing arm for large utilities and take away my current and prospective customers as a small business owner, when propane is a clean alternative fuel as well? This is detrimental to all other alternative fuels and is bad public policy. You also need to look at the entire State of Oregon, which by and large is made up of rural communities, in many cases not even served by natural gas lines. CNG refueling stations must be built on a natural gas line. Conversely, propane refueling stations can be placed anywhere – rural, suburban, etc. With many Oregon communities outside of the gas mains, propane is more practical for a state like ours.

I believe that it is in the best interest of Oregon and its residents to have propane considered if you move forward with this issue. If you have any questions at all, please do not hesitate to give me a call, and thank you for your consideration.

*Randy W. Camp*  
General Manager

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