



PACIFIC PROPANE GAS ASSOCIATION

*Representing the Propane Gas Industry for
Alaska, Hawaii, Oregon and Washington*

DATE: February 10, 2014
TO: Members of the Oregon House of Representatives
FROM: Lana Butterfield, Pacific Propane Gas Association
RE: Support for HB 4131-A

The Pacific Propane Gas Association (PPGA) fully supports HB 4131-A as we believe it will open up existing infrastructure to sell more alternative fuel. That will bring all the benefits of cleaner air using American-made fuel. HB 4131-A passed unanimously out of House Transportation and Economic Development Committee.

Propane can be used in a variety of ways: barbeques and fuel for vehicles being two of them. Ferrellgas, for example, has about 200 resellers in Oregon – mostly gas stations – and while all sell fuel for barbeques, we estimate that only about ten percent of them currently sell propane for vehicles because the tax collection process for vehicle use is so onerous. HB 4131 will take away the state tax collection portion of that process for vehicle owners who choose to use it. We believe HB 4131 will enable more gas stations to sell alternative fuel for vehicles if they choose to participate.

Our customers will benefit, too. One of the fleets that Ferrellgas services is Sears. They will only use propane-powered vehicles for in-city use. They won't choose to use alternative vehicles in outlying areas because they fear being unable to refill. Another customer, an elevator/escalator repair business, has depots throughout the state but is unable to use their alternative fuel vehicle fleet in all of these areas for the same reason. A lot of school buses use propane, but they must use diesel buses for field trips or away games.

At Co-Energy Propane, the individual drivers who will benefit include ranchers and farmers in Central Oregon, as well as travelers taking vacations, etc. Landscaping businesses, farm implement stores, and other fleet owners will appreciate the greater availability of alternative fuel through HB 4131. We have many other examples within our membership.

HB 4131 utilizes current infrastructure and will increase the use of alternative fuels without depending on government help or ODOE subsidy. We won't have to build more infrastructure on the backs of our existing customers. PPGA members will have to do some education with our resellers and not all may choose to participate, but we think HB 3141 is a great solution for most. PPGA urges your "yes" vote on HB 4131!

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FROM THE DESK OF REPRESENTATIVE
JOHN LIVELY *John Lively*