



March 27, 2017

House Energy and Environment Committee

Re: **HB 2020 – possible amendment**

Mr. Chair and Members of the Committee:

My name is Randy Camp of CoEnergy Propane. We are a small, independent locally owned propane provider with offices in Albany and Redmond, Oregon. In the past, in July of last year, I testified before the Joint Interim Committee on Department of Energy Oversight on how unfair the Energy Supplier Assessment is to companies like mine.

The propane industry is made up of a variety of different types companies (national, regional, and local) and is a very competitive market. We are regulated by the Oregon State Fire Marshal's Office. We have no other direct nexus to the Department of Energy; we don't need site certificates from them, for example.

When the Department began to include us in the Energy Supplier Assessment, they told us that they did a phone survey and called each propane company, asking if they sold propane to others who sold it to the public. Since CoEnergy Propane sells to others like gas stations, who in turn sell to the consuming public in cylinders for grill, travel trailers and motorhomes, the answer was yes. We were then assessed the Energy Supplier Assessment. This makes for an unlevel playing field, as many other propane suppliers (my competitors) do not sell to gas stations and thus do not have to pay a fee.

The propane that is sold is assessed twice, as the wholesaler who provides it to us in the first place has to pay a fee also.

Another point of unfair treatment is that all of our sales (with the exception of motor fuel and tank rent), is assessed as well. This includes sales of any appliance, whether it runs on propane or not, all parts & fittings all labor & so on, not just the propane we sell to others that then sell to the consuming public. I doubt that a utility has to pay such a broad assessment. This also puts us on an un-level playing field with businesses that sell appliances but are not propane companies, like appliance stores, hardware stores, hearth & patio businesses, and even the big box stores. The grills we sell for example are subject to the ESA tax, while Walmart's is not.

We have met with the Department of Energy three times in the past over this issue, but nothing has changed. I understand that we have written to the Director of ODOE and he says he may be able to help us, but just in case he isn't able to or does not, we want to keep open our opportunity to amend this bill at some point in the session.

Can you please help us?

Thank you.

A handwritten signature in black ink that reads "Randy W. Camp".

Randy W. Camp  
General Manager  
CoEnergy Propane

