



February 2, 2022

House Committee on Environment and Natural Resources

RE: PPGA Comments on HB 4058

Dear Chair Marsh and Members of the Committee:

Thank you for the opportunity to provide some feedback on HB 4058.

The Pacific Propane Gas Association (PPGA) is the state trade association representing Oregon's propane industry. Our membership includes small multi-generational family businesses and large businesses engaged in the retail marketing of propane gas to Oregonians. PPGA members provide propane to the residential, commercial, agricultural, transportation and industrial markets throughout Oregon. Currently, users of propane have found value in propane's environmental benefits, versatility, portability and affordability.

While the PPGA supports the provisions of the legislation to provide heat relief for Oregonians it must oppose the provisions of the bill to establish a heat pump deployment program. This taxpayer funded program will be used to install heat pumps to replace the use of bulk fuels including propane. Oregon's propane companies have reliably been delivering fuel to businesses and homes in Oregon for over 75 years. Oregon's propane companies and their employees are taxpayers and we are concerned about our members being forced to pay into a fund that will then in turn be used to replace the product they sell, thus resulting in devastating effects to their business and employees.

We believe customers have the right to install any heating or cooling system of their choice, but that decision and the costs associated with that decision should be primarily left to the customer. We also believe that the cooling goals of this legislation can be accomplished without the heat pump deployment program which would have devastating impacts to Oregon's family-owned propane businesses.

The PPGA would propose focusing on programs such as weatherization, adoption of more fuel-efficient appliances and equipment to reduce consumer energy burdens rather than punitive measures like state funded fuel switching programs. The PPGA currently offers rebates—funded by the industry—to customers to help efforts to adopt highly efficient appliances and equipment. We believe programs like these can help achieve the goals of reducing energy burden while still treating propane companies equitably in Oregon.

Thank you for allowing us to share our feedback on HB 4058. We would welcome the opportunity to engage in policy efforts that will result in reduced energy burdens for the most vulnerable populations while allowing family-owned propane companies to continue to invest in Oregon.

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