



February 28, 2023

House Committee on Climate, Energy, and Environment

RE: PPGA Comments on HB 3152

Dear Chair Marsh and Members of the Committee:

Thank you for the opportunity to provide some feedback on HB 3152.

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.

Thank you for the opportunity to provide feedback on HB 3152. The PPGA agrees there is a compelling need to combat climate change and believes propane is part of the solution to reduce greenhouse emissions in Oregon. While this bill may not directly impact many propane customers who use propane for residential purposes, we are concerned about the broad implications of this legislation and ask you to oppose HB 3152 for the following reasons:

The PPGA believes consumer choice for the energy products they want and decarbonization of the residential building sector can co-exist instead of forcing a one-size-fits-all approach. The PPGA strongly supports programs that focus on weatherization, adoption of more fuel-efficient appliances and equipment to reduce consumer energy burdens. The PPGA currently offers rebates—funded by the industry—to consumers to help efforts to adopt highly efficient appliances and equipment.

Unfortunately, HB 3152 eliminates the choice of highly efficient and cost-effective gas options and prescriptively mandates only one energy source. Mandating one energy source will add costs to consumers. We think it is short sighted to keep homeowners using less efficient appliances instead of allowing them to upgrade their appliances simply because they choose to use a gas appliance. This will only result in higher energy costs and higher greenhouse gas emissions.

Importantly, residential buildings can currently be built with gas infrastructure and still achieve Zero Net Energy (ZNE) construction status. By constructing buildings in an extremely energy efficient manner (e.g., minimal air loss, robust insulation), utilizing efficient appliances, and generating electricity onsite from solar or wind, buildings can still achieve ZNE status while also using gas for energy intensive applications, such as space and water heating. ZNE residential homes are currently being built using an "all of the above" energy approach that includes the use of gas. These same technologies can be applied to the residential market in Oregon.

Finally, the PPGA is also concerned about changing the fundamental role of the Oregon Public Utility Commission (PUC). The PUC mission states, “Our mission is to ensure Oregonians have access to safe, reliable and fairly priced utility services that advance state policy and promote the public interest. We use an inclusive process to evaluate differing viewpoints and visions of the public interest and arrive at balanced, well-reasoned, independent decisions supported by fact and law.” HB 3152 is inconsistent with the mission of the PUC and turns the PUC into an environmental regulator. The PPGA strongly opposes changing the mission of the PUC and believes the PUC best serves Oregonians by focusing on its core mission.

Thank you for the opportunity to provide testimony on HB 3152. We encourage the committee to oppose HB 3152.

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