

April 14, 2025

Senator Chris Gorsek, Co-Chair
Representative Susan McLain, Co-Chair
Joint Committee on Transportation
Oregon State Capitol
900 Court Street NE
Salem, Oregon 97301

Re: Opposition to HB 2945

Dear Chair Gorsek and Chair McLain:

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 corporations 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, there are many environmental and customer benefits of using propane, including the alternative fuel vehicle market.

While we support decarbonizing the transportation sector the PPGA is opposed to HB 2945 for its one-sized and uneconomical approach to decarbonizing the school transportation sector.

Why Propane for School Buses

Lower Acquisition Cost: New propane buses cost a third of the price of new electric buses, allowing districts to purchase more clean school buses within budget.

Lower Infrastructure Costs: Grid-free autogas refueling stations – which can be public, private, or even temporary stations – are a fraction of the cost of tying a new charging station into the electric grid.

Clean Performance: Today's propane engines are 90% cleaner than mandated EPA standards, helping school districts meet sustainability goals while keeping their passengers healthier and their communities safer. The engines are certified to CARB's ultra-low NOx standards of 0.02 g/hp-hr and emit virtually no particulate matter emissions. As technology continues to advance, the near-zero propane engines will continue to move further down the path to zero.

Proven Technology: Propane autogas is the most widely used alternative fuel for school buses, reliably helping districts run routes without worrying about recharging or range restrictions. As of 2024, Oregon ranks 7th out of 51 (including D.C.) for the total number of propane school buses (appx 1,500) and 3rd out of 51 for propane bus penetration within the school bus fleet. Propane has been decarbonizing the school transportation market in Oregon for over 30 years in all types of school districts in Oregon—small and large; rural, suburban and urban.

Renewable Propane: While conventional propane is extremely clean and a great source to reduce emissions in Oregon, our industry continues to make additional investments in fuel decarbonization. Renewable propane has become available and is primarily used for transportation purposes in the Oregon Clean Fuels. Renewable propane can be produced from feedstocks that make it cleaner than the current electricity grid mix in Oregon. This bill discourages industry investment in renewable propane.

Concerns with HB 2945

Concept of “zero emissions” school buses: While electric school buses may have zero tailpipe emissions, they are not zero emission vehicles. Every energy source and every product should be judged against a full fuel cycle to know its true environmental impact. When a full fuel cycle approach is adopted, we are confident propane can be the right choice for many school districts in their efforts to decarbonize their school bus fleet.

Inconsistent with EPA’s Clean School Bus Program: The Bipartisan Infrastructure Law, recognized the value of propane school buses in decarbonizing school transportation. School districts in Oregon have already benefited from this legislation by purchasing propane school buses. This legislation risks jeopardizing these districts’ investments by mandating them switch to electric buses that are far more expensive and might not meet their route needs.

Districts Using Propane

Adoption of propane school buses has been made across all kinds of Oregon school districts because of the affordability of propane buses, the affordability of its associated infrastructure while also allowing districts to achieve significant reduction in emissions and other air pollutants.

A non-exclusive list of districts using propane school buses include: Ashland, Beaverton, Eugene, Grants Pass, Hillsboro, Klamath Falls, Lake Oswego, North Clackamas, Pendleton, Portland, Springfield, and Reynolds. Many of these districts began moving to propane because it was the best solution for their needs. School districts should still be able to make that decision for themselves.

In conclusion, we believe an “all of the above” approach is needed because we do not believe any one technology can service every community. The PPGA asks you to oppose HB 2945 as written and would encourage the committee to pass policies that encourage the adoption of all clean fuel school buses.

Sincerely,

Matthew Solak
Executive Director
Pacific Propane Gas Association

The U.S. wants to replace diesel buses

What does \$1 billion buy?

When the complete life-cycle emissions of electric buses are evaluated, the significant economic and environmental benefits of propane buses are clear, making decarbonization more achievable and offering near-zero emissions without compromising the financial sustainability of school districts.

3,399
electric buses



 = 1,000 buses

will reduce nitrogen oxide (NO_x) emissions by

959

metric tons per year

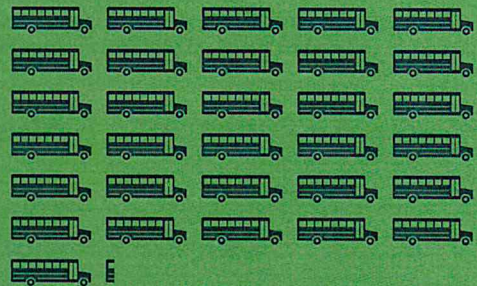
and CO₂ emissions by


52,758

metric tons per year

or

31,119
propane buses



 = 1,000 buses

will reduce nitrogen oxide (NO_x) emissions by

8,284

metric tons per year

and CO₂ emissions by








164,730

metric tons per year

When it's time to replace diesel school buses

How do propane and electric buses compare?

When the complete life-cycle emissions of electric buses are evaluated, the significant economic and environmental benefits of propane buses are clear, making decarbonization more achievable and offering near-zero emissions without compromising the financial sustainability of school districts.

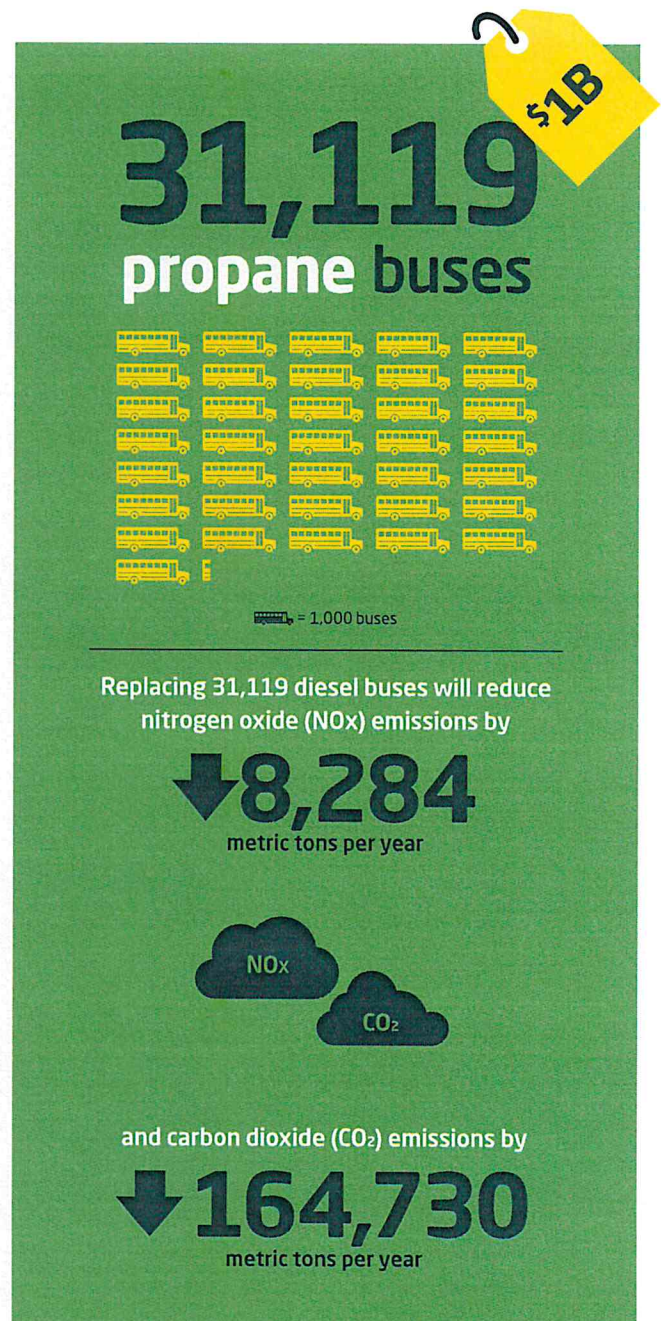
	 Electric	 Propane
 Environmental Impact Both buses nearly eliminate NOx emissions when replacing diesel buses. Propane engines are 90% cleaner than mandated EPA standards.	↓ 97%	↓ 97%
 Purchase Price New propane buses cost less than a third of the price of new electric buses, allowing districts to purchase more vehicles within budget.	\$360,000	\$126,000
 Range While electric powertrain performance can be limited by weather, geography, or even vehicle heating and air-conditioning, propane autogas reliably delivers hundreds of miles of performance under any conditions.	Up to 120 Miles per charge	Up to 400 Miles per tank
 Infrastructure Costs Propane autogas refueling stations require just a fraction of the cost of tying a new charging station into the electric grid – and are faster and more flexible to implement.	10 EV Buses \$480K	10 Propane Buses \$40K
 Fueling/Charging Time Propane buses promise less idle time between routes, keeping your fleet on the road and your drivers engaged.	4 Hours	6-8 Minutes

See why propane autogas is the most widely used alternative energy for school buses at betterourbuses.com

When do *more* buses mean cleaner air?

When diesel fleets are converted to propane buses instead of electric buses.

When the complete life-cycle emissions of electric buses are evaluated, the significant economic and environmental benefits of propane buses are clear, making decarbonization more achievable and offering near-zero emissions without compromising the financial sustainability of school districts.

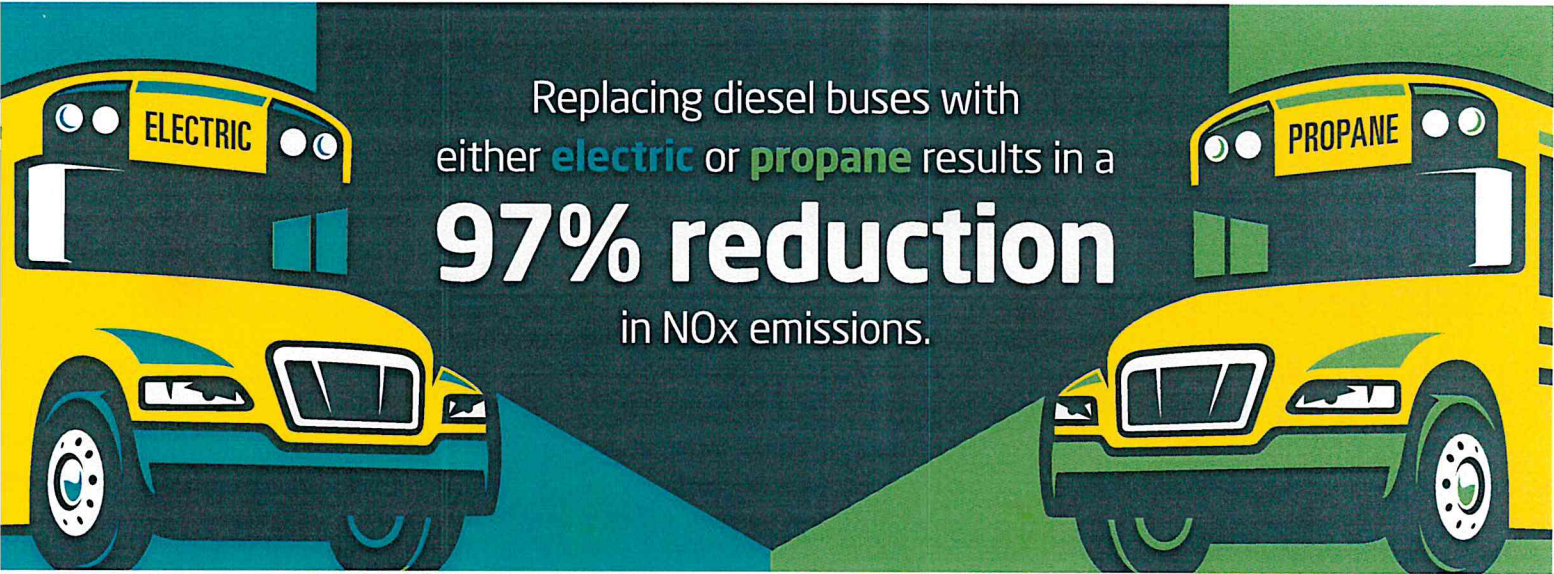


Numbers based on EPA Clean School Bus Program third-round funding amounts of \$274,600 for EV and \$30,000 for propane.

Learn more at betterourbuses.com

Comparing electric and propane buses? There's really no comparison.

When the complete life-cycle emissions of electric buses are evaluated, the significant economic and environmental benefits of propane buses are clear, making decarbonization more achievable and offering near-zero emissions without compromising the financial sustainability of school districts.



But reduced emissions is where the similarities end.

electric buses	\$360,000	Purchase Price New propane buses cost a third of the price of new electric buses, letting districts put more emissions-reducing vehicles into operation.	\$126,000	propane buses
	10 EV Buses \$480K	Infrastructure Costs Not only are propane autogas stations more cost-efficient and flexible than charging stations, but the price of propane is more stable than that of electricity.	10 Propane Buses \$40K	
	Up to 120 Miles per charge	Range Electric battery range is affected by weather, geography, and even vehicle functions like windshield wipers and climate control.	Up to 400 Miles per 93-gallon tank	
	4 Hours	Fueling/Charging Time Propane promises less idle time between routes.	6-8 Minutes	

See why propane autogas is the most widely used alternative energy for school buses at betterourbuses.com



Two districts are granted \$395,000 in clean school bus funding

When the complete life-cycle emissions of electric buses are evaluated, the significant economic and environmental benefits of propane buses are clear, making decarbonization more achievable and offering near-zero emissions without compromising the financial sustainability of school districts.

District A

District A purchased

1 electric school bus for \$360,000

to replace 1 diesel bus.



- They spent **\$20,000** on a charging station tied to the electric grid.
- Their vehicle spends **4 hours** charging every **120 miles** – more or less depending on weather and usage.
- That 1 electric bus will reduce NOx emissions in the community by **282.4 kg/year** and CO₂ emissions by **15.6 metric tons/year**.

District B

District B purchased

3 propane school buses for \$378,000

to replace 3 diesel buses.



- They spent **\$40,000** on a propane autogas fueling station.
- Each vehicle spends less than **8 minutes** refueling every **400 miles** – no matter the conditions.
- These 3 propane buses will reduce NOx emissions in the community by **797.5 kg/year** and CO₂ emissions by **15.8 metric tons/year**.

If more districts made the smarter choice like District B, the Clean School Bus Program could have funded **31,119 propane buses**, reducing national NOx emissions by **8,284 metric tons/year** and CO₂ emissions by **164,730 metric tons/year**.

The same funding could procure only **3,399 electric buses**, reducing nitrogen oxide by **959 metric tons/year** and CO₂ by **52,758 metric tons/year**.

