Senate Commerce Committee

Aaron Jones 271-2609

HB 1262-FN, relative to home heating oil and propane contracts and sales.

Hearing Date: April 7, 2026

Time Opened: 9:47 a.m. **Time Closed**: 10:36 a.m.

Members of the Committee Present: Senators Innis, Ricciardi, Birdsell, Murphy and Reardon

Members of the Committee Absent : Senator Fenton

Bill Analysis: This bill updates requirements for home heating oil, kerosene, and propane dealers, adding contract disclosures, limits on fees, prepaid-contract protections, delivery obligations, tank-removal rules, propane refund requirements, and treating violations as unfair or deceptive acts.

Sponsors:

Rep. Lucas	Rep. Rung	Rep. Baldwin
Rep. Miller	Rep. Bolton	Rep. Lovett
Rep. Fellows		

Who supports the bill: Representative Janet Lucas, Representative John Hunt, Representative Rosemarie Rung, Mary Stewart (Attorney General's Office), Cory Stone, Nancy Donahue, Sheila Donahue, Stephanie Osborne, Richard Osborne, William Copeland Jr., Polly Campion, Eric Pauer, Daniel Richardson, Diane Arsenault

Who opposes the bill: Bob Scully (PGANE), Leslie Anderson (PGANE), Tom Manson (Eastern Propane), Rob Stenger (Simple Energy)

Who is neutral on the bill: No one

Summary of testimony presented in support:

Representative Janet Lucas

- This bill sought to address serious unresolved issues that have resulted in large expenses for property owners who have signed contracts that they trusted would be fulfilled.
- Representative Lucas provided the Committee with photos from a property owner who suffered from frozen pipes, flooding, and structural damage, caused by a failed propane delivery. When the contractor arrived, they had to break through a wall of ice to expose the empty propane tanks.

- Representative Lucas said it is an unfair business practice, and a potentially life-threatening situation, if heating fuel is not delivered to seniors, the young, and anyone who depends on a life-sustaining medical device.

Mary Stewart, Assistant Attorney General in the Consumer Protection Bureau, New Hampshire Attorney General's Office

- Over the most recent heating season, which ran from October 2025 to present, the Attorney General's Office received 171 contacts from consumers about their propane companies. Contacts are defined as a hotline call or a formal complaint.
- Typically, complaints are related to delayed deliveries, unexpected fees and costs associated with deliveries and services, difficulties with terminating service, or the failure of propane companies to remove tanks once service has been terminated.
- Propane is not a regulated utility that is governed by the Public Utilities Commission.
- To be a competitive industry, price and product transparency are crucial. Consumers must understand the product they are buying, what they are paying, and retain the ability to move freely from one product to the next.
- Attorney Stewart said transparency was not just about price per gallon. One company could charge a lower amount, but they also could have fees and costs associated with each delivery. Section 10 dealt with the disclosure of fees and costs to ensure when a consumer has entered into a contract, they understand how much they are paying for the service.
- Section 6 discussed time restrictions for propane tank removals; Section 8 focused on rental fees if a propane company does not own the tank; and Section 9 discussed issues related to fuel and the tank when services are terminated.
- When a consumer has terminated their service, and a propane company has taken their tank, they do not always refund the consumer for the fuel that is within the tank. This bill would require that.
- A provision was included related to tank removal fees because when a consumer has cancelled their service, they will encounter fees for tank removal, the termination of the contract, and more. Attorney Stewart said this inhibits competition because it could cost several hundred dollars to cancel a propane service.
- The provisions of this bill, except for the emergency delivery provision, came from legislation that was enacted in Connecticut and Vermont.
- Attorney Stewart said the propane industry objected to the emergency delivery provision.
- Of the calls received by the Bureau, 49 were classified as out of fuel. While they were not out of fuel in every case, Attorney Stewart said some consumers have been told by companies that their tank was not empty despite their furnace not working. There were another 30 or 35 consumers who called the Bureau when they had under 20 percent of fuel in their tanks.

- When consumers do not receive a delivery, they will change their behaviors like turning down their heat or buying heaters to ensure they do not run out of fuel.
- Under the emergency delivery provision, if a consumer calls and they have less than 25 gallons in their tank, a provider must either deliver fuel in 5 days or notify them within 24 hours that they have more than 25 gallons in their tank. A provider also could allow a consumer to receive a propane delivery from a different company through written authorization.
- While a tank might be on a consumer's property, it is owned by the provider. Under existing statute, no one can deliver fuel into a tank unless they have written permission from the owner.
- There have been safety concerns raised, but Attorney Stewart said the Fire Marshal's Office did not have any issues. This bill would not prevent a company from doing their own safety check before fuel is placed into a tank.
- Propane companies have also raised concerns that they will be inundated with consumer calls during the heating season from individuals who are not under 25 gallons. Attorney Stewart said the propane companies are better situated to handle these calls, not the Bureau.
- Attorney Stewart provided the Committee with a list of calls they have received. Most of the calls were concentrated among 4 companies.
- Attorney Stewart said every complaint is looked at closely, and if the Department believes there is a violation, enforcement action could be pursued.
- The emergency delivery provision sought to help consumers today because it did not help them if the Department pursued action, which could take years to resolve.
- **Senator Ricciardi** asked if the 4 companies were located in New Hampshire.
    - **Attorney Stewart** said they are not headquartered here.
- **Senator Ricciardi** asked what if a consumer did not pay their bill and they owed $1,000, yet a company was required to deliver.
    - **Attorney Stewart** said the complaints received were not about individuals who had not paid their bills. If their service was terminated, there was nothing in this bill to force a company to provide propane to an individual who has had their tank locked. When complaints are filed with the Department, they ask if an individual is up to date on their bill. If they are not, they will provide them with resources. Most impacted consumers are on an automatic or prepaid delivery plan, and they did not get their delivery.
- **Senator Reardon** asked how many propane delivery companies were in New Hampshire.
    - **Attorney Stewart** said there were about 35 or so, and they were smaller than the large regional players who have come into the state.
- **Senator Reardon** asked if they were unduly burdening the "little guys" who were doing it right because there were 4 out-of-state bad actors.

  - **Attorney Stewart** said these provisions would tell consumers about pricing and excess fees as well as reduce the difficulty of them being able to leave a company. The Department has not received complaints about the small companies because they might not charge fees. She did not think these provisions would be a burden on them.

Summary of testimony presented in opposition:

Bob Scully, and Leslie Anderson, President, Propane Gas Association of New England

- In New Hampshire, there are 59 dealers. Among those dealers, there are 4 large national providers.
- Over 500,000 propane deliveries were made this winter.
- If the Committee moved forward with some of these provisions, Mr. Scully said there should be a focus on the companies causing the problem.
- Consumers are often referred to the Association by the Department.
- Ms. Anderson said the changes made in Senator Reardon's amendment addressed the commonalities the industry had with the Department.
- This bill would establish a 30-day timeframe for tank pickups and increase fee transparency. If fees are changed, a company must send those changes to consumers. Consumers would have 60 days to agree to them.
- This bill would prohibit end of contract charges and tank pickup or pump out fees after an above ground tank has been on a property for 2 years or underground for 5 years. It also requires reimbursement for the product in the tank.
- Ms. Anderson said these changes should make competition stronger. Of the 59 propane companies, 55 agreed to these changes. Those who did not agree with them were on the list provided by the Department. She believed these changes would cause complaints to decrease.
- Ms. Anderson said they were opposed to the emergency delivery provision. When it gets cold or a storm is forecasted, individuals panic and call their providers. This provision would make companies stop everything to figure out what level of fuel a customer is at.
- **Senator Reardon** asked who referred consumers to their office.
  - **Ms. Anderson** said consumers are given their number by the Department. She said she has two staffers, and they direct complaints to someone higher up in each company. Given the cold weather this winter, complaints were higher than in the past.
- **Senator Reardon** asked if every phone call they fielded received propane within a day.

    - **Ms. Anderson** said it was within 3 days. About 60 to 70 percent of consumers were not out of propane. She said it is disruptive when consumers are not honest about what is in their tanks.
- **Senator Murphy** asked if documentation or evidence is provided to a consumer when they do not live up to their contract, such as plowing their driveway.
    - **Ms. Anderson** said a company will call a consumer if they cannot get down their driveway or if they cannot physically reach the tank. These calls are documented in their computer system. If there is a safety issue, a company will call a consumer to schedule a safety check before delivering.
- **Senator Murphy** asked if those conditions are spelled out in the contract that has been signed.
    - **Ms. Anderson** said if there is a written contract, they are spelled out. Many individuals who receive automatic deliveries do not have written contracts. If there is no written contract, a company might have terms of service. There are many small companies who put individuals on automatic delivery, send them their terms of service, and they do not have a written or signed contract with the consumer.

Tom Manson, CEO, Eastern Propane, and Rob Stenger, CEO and Owner, Simple Energy Partners

- Mr. Manson said if they fail a customer, they will go elsewhere.
- Mr. Manson said they support a majority of what came over from the House, except for the emergency delivery provision, which he felt was inoperable and ineffective for their customers.
- Companies operate during cold weather, storms, and supply issues. If they are unable to show up, Mr. Manson said it was because something happened beyond their control.
- Mr. Manson said they supported Senator Reardon's amendment.
- Mr. Manson said they had safety, operational, and practical issues with the emergency delivery provision.
    - For heating oil, this provision is unnecessary because customers own their tanks. If their supplier is not delivering, they can call another dealer. If demand is high, however, it might not be immediate.
    - For propane customers, requiring a dealer to deliver within 5 calendar days from a customer's request would not fix supply or operational issues. If a customer cannot get ahold of a dealer to make a delivery, Mr. Manson asked how likely it would be that they could get ahold of them for a written authorization. Even if they could get written authorization, they would have a hard time getting a supplier to make a one-time delivery.
- Mr. Stenger said they made over 45,000 propane deliveries this winter. Over 100 times, they deployed their logistics team to plow and sand driveways that were considered unsafe. Often, it was done at no charge to the customer.

- When they acquire a new propane customer, they follow a nationally published guideline called Gas Check, which embodies their legal and moral duty to warn.
- Before delivering, they must inspect the integrity of the tank, determine where it came from, when it was installed, and who it was installed by.
- **Senator Innis** asked if he would have to go through a series of steps before an emergency delivery if he called a different supplier.
    - **Mr. Stenger** said yes.
- **Senator Innis** asked if it could be another week before he received a delivery from a different supplier.
    - **Mr. Stenger** said it would vary by supplier. The safety checks include the tank, the entire gas distribution system, and every appliance, valve, and fitting attached to it. Before propane gas can be introduced, they accept the responsibility and liability of a homeowner's safety.
- **Senator Innis** asked if they needed to ensure everything was adequate before propane was delivered, and if his supplier would get to him faster than if he were to switch.
    - **Mr. Stenger** stated they must.
    - **Mr. Manson** said the concept of a one-off delivery does not exist in their industry.
- **Senator Innis** asked if they were comfortable with the changes made in Senator Reardon's amendment.
    - **Mr. Manson** said the emergency delivery provision would be removed and force majeure would be added. They knew there were concerns with force majeure, but it was the reality of their job.
- Mr. Manson said their customer service representatives had 276,000 contacts. He said a vast majority of the industry was getting it right, and legislation could not fix fundamental business management problems.

Neutral Information Presented: None

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Date Hearing Report completed: April 10, 2026