

Pyrofax lifts minimum fee

By Michelle Monroe

St. Albans Messenger

Propane supplier responds to complaints from customers

ST. ALBANS — On Friday, Pyrofax Energy announced it would refund or credit a "minimum usage fee" to customers who were charged the fee in 2010. However, the company went on to state it will be charging the fee in 2011.

In a written statement, David Feheley, division president for Pyrofax Energy, said the company realized after hearing from customers that the issue needed to be addressed. "The opportunity to continue serving Vermont propane customers in the future is important to Pyrofax," Feheley said.

The decision came after a Jan. 8 *Messenger* article highlighting the fee and the number of complaints about Pyrofax received by the Vermont attorney general's Consumer Affairs Program (CAP).

At that time, Debbie Hagen, spokesperson for Pyrofax said the minimum usage fee was the equivalent of one tank of propane.

Customers will receive a letter notifying them of the decision to refund the fee.

"Pyrofax began charging this fee in 2010 because economic conditions made it necessary that the company recover the costs of providing tanks to customers whose purchases are less than one tank a year. Without this fee, the costs of providing those tanks must be spread out among all other propane customers, including those who own their own tanks," Hagen wrote in an e-mail.

According to the 2010 annual report of Pyrofax's parent company Inergy. L.P., the propane business is "a consistent cash generator" that "continues to generate stable recession-resistant earnings and steady growth."

Inergy had profits of \$1.7 billion last year.

Pyrofax entered the Vermont market by purchasing existing companies.

"We will be measured by our ability to foster loyal customers, serve our communities, and take good care of our employees," said Feheley.

The "minimum usage fee" is not the only fee the customers have complained about. Those who have changed companies have been charged a \$75 fee to have Pyrofax remove its tanks. However, many of the customers were not originally Pyrofax customers and had contracts with a Pyrofax predecessor

company that did not include tank removal fees explained Sandy Everett, the head of CAP. Therefore, Pyrofax may not be legally entitled to charge the fees.

Hagen said the \$75 fee represents only a fraction of the cost of tank removal.

Everett urged consumers to contact her office. Complaints must be made in writing, but can be submitted online at (www.uvm.edu/consumer). Consumers may also send a letter to: CAP, 146 University Place, Morrill Hall, Burlington, VT 05405. CAP also has a toll free number and can assist consumers needing to file a complaint. That number is 800-649-2424.