

April 25, 2013

The Honorable Su Ryden, Chair
Members State Veterans and Military Affairs Committee
Colorado State Capitol
200 East Colfax

Subject: Monument Oil's support of SB 203

Madame Chair and Members of the Committee,

As President of Monument Oil Company I am writing to express our steadfast support of SB13-203 and wish to thank Senator Schwartz and Representative Coram for sponsoring the legislation.

SB 203 is bi-partisan legislation that backs the spirit of competition, promotes small business investment, and helps ensure full alternative station build out for fuels that support the economy of Colorado.

As you may have heard, Monument Oil has entered into an agreement to sell CNG at a station that runs off the City of Grand Junction's fleet fueling facility. While Monument Oil took advantage of a business opportunity in entering into this mutually beneficial agreement, there are factors missing from the agreement. As a private business person and fuel retailer, I believe we can do better and these factors need to be addressed in future agreements to promote even more stations.

On principle, I don't think that the idea of governments competing directly in our business holds any benefit for the long term sustainability of our industry. Moreover, I would be hesitant to invest in any community where the local authority would be in competition with me directly selling motor fuels. I believe and have invested in the idea that alternative fuels are good for Colorado and my customers. However, in order to make that investment feasible by private operators such as myself and those represented by our Association, CWPMA, the factors outlined in SB-203 must be addressed.

Without question, our industry is made up of risk takers and job creators that provide necessary products and services to our communities and customers, and we urge you to support our industry's position on this longstanding policy principle.

I also urge the committee to remember that government utilizes fuel that is tax free and would question, in absence of the presence of a private partner and licensed fuel distributor such as Monument Oil, how fuel tax is collected and remitted by local governments on users who are not excise tax exempt. SB-203 resolves that issue.

Fuel retailing of any new transportation fuel to the general public is better left to the private sector. However, the utilization of public/private partnerships and the bridge that these agreements can provide to help market penetration at the outset of any new fuel's deployment, must not forget the spirit of competition. I believe that SB13-203 achieves this.

Thank you for your consideration.



Paul Brown
President
Monument Oil Company
Grand Junction, Colorado