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Propane users seek strength in numbers

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As heating season approaches, the director of the Galway **propane** cooperative said customers are signing up with hopes of beating high energy costs for the second straight winter. Michael Cassadei said about 175 residential customers joined the co-op last winter, shortly after the group was formed.

The co-op is a nonprofit bulk-buying organization that pools the needs of the individual **users** to make large purchases.

"The price our members pay is based on the wholesale price of **propane**, which changes every day," Cassadei said. "The average wholesale price last year was about \$1 per gallon and our members who used 700 or more gallons paid 89 cents over wholesale, or \$1.89 per gallon when the street price was \$2.45."

A sliding scale determines how much over wholesale the member pays with those buying less than 200 gallons a year paying a higher price. They will pay \$2.81 a gallon over wholesale while customers using at least 3,000 gallons pay 55 cents above wholesale, he said. The majority of the co-op's customers paid the \$1.89 a gallon cost last year.

The wholesale price of **propane** this summer has remained in the \$1.25 per gallon range, according to the federal Energy Information Administration.

According to the New York State Energy Research and Development Authority, the average price of **propane** in the Capital District this week is \$2.55 per gallon.

Galway co-op members using 700 gallons a year would pay \$2.16 per gallon if the wholesale price remained constant.

The co-op has four years remaining on a five-year contract with Titan **Propane** of Florence, Ky., and that holds the price for customers, according to Cassadei.

"Titan is the parent company for Saratoga Bottled Gas, Tri-County Bottled Gas and Snyder's **Propane**, which are the distributors who are delivering to our members," Cassadei said.

Membership has grown to about 230 **in** the past two months, he said, because of a small advertising campaign and word of mouth.

"Last year we had 300 people sign up, but not everybody followed through with ordering gas," he said. "Some of those people have signed up again and I think they will be participating this winter."

Although most members are **in** Galway and Providence, customers have also signed up from Saratoga Springs to Glenville and into Fulton County.

Cassadei said the co-op has contributed its profits to area public service organizations. The co-op contributed \$1,000 to the Galway Fire Department and will within two weeks send a check to the Galway Food Pantry for \$1,000.

"Shortly after the the food pantry gets their check, we will have \$1,000 for the Providence Fire Company," he said.

Cassadei said the contributions are the difference between the price paid to the fuel company and the price paid by customers.

Mark Concilla is a director of the co-op as well as the town of Galway building inspector.

He said he and Cassadei started the co-op after sharing their frustrations over the high cost of **propane** two winters ago.

Concilla said there is no fee for joining the co-op. Members fill out an application which is forwarded to the distribution companies for delivery at the co-op price.

"There is no obligation. A member can leave as easily as they join," he said.

More information is available on the Web site www.galwayco-op.com or by calling 882-5445.

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