

# Expo Propane

## California company's merger sets stage for autogas development

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**T**hirty-six years have passed since Steve Moore got his start in the propane industry.

Most of those years were spent at Mutual Propane, a family-owned Southern California retail company. Moore has dedicated the last 10 years to Expo Propane, his own company based in Bellflower, Calif.

Now, following Expo Propane's 2014 merger with Energy Distribution Partners (EDP), a fast-growing propane company based in Chicago, Moore is partway through the latest chapter of his extensive propane career. According to Moore, he and EDP came together because of Expo Propane's motor fuels experience and EDP's desire to grow in the autogas arena.

"We have a lot of knowledge in the propane autogas market because we've been doing it for 30-some years," Moore says. "We wanted to expand what we're doing inside and outside California, so we started looking for a capital partner."

Moore figured he'd find a capital partner outside the propane industry. He never expected to partner within it.

"Somehow, [Energy Distribution Partners CEO] Tom Knauff found out we were looking for a capital partner and we finalized a deal to merge," Moore says. "They're new to the autogas market, so part of our plan is to establish an autogas program for the company."

Autogas has been at Expo Propane's core since Moore launched his company. In fact, he says about 40 percent of his gallon sales have derived from



on- and off-road autogas applications. Establishing a series of autogas refueling stations across Southern California boosted Expo Propane's sales.

But Expo Propane's rise wasn't a smooth, steady climb. Moore says he's experienced the ups and downs of the autogas market over the years. He's a champion of the market to this day but admits autogas isn't for everyone.

"You have to be a little bit willing to venture into the unknown," Moore says. "You have to do education. Some marketers are going to be interested in that; others won't. Not everyone is in a market with an autogas opportunity."

For the moment, Moore's autogas sales focus is on fleet vehicles. Other opportunities could soon arise, though.

"There could be potential with direct-injection technology, but that's not quite there yet," he says. "We need certain things to happen."

Moore covets larger engines that could meet certain capabilities.

"We don't have a larger engine for different markets such as garbage trucks, rear-engine school buses, large transit buses, 5,000-gallon propane bobtails or single-axle trucks pulling a long trailer like LTL (less-than-truckload) carriers," he says.

Still, Moore is pleased with the recent progress he's seen with autogas.

"We have a lot of vehicles – more ve-

Expo Propane's fleet vehicles run on autogas with the exception of its 5,000-gallon bobtails.

**FOUNDER:** Steve Moore

**LAUNCHED:** 2005

**LOCATION:** Bellflower, Calif.

**MERGER:** The company merged in 2014 with Energy Distribution Partners, the 22<sup>nd</sup> largest propane retailer in *LP Gas*' 2015 Top 50 rankings at 21.2 million gallons.

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hicle ability today than we've ever had," he says. "Theoretically, you could say this is the best time to promote autogas in the history of the autogas industry."

Expo Propane's merger with EDP is an example of parties with autogas interests uniting to grow the market.

"Autogas is a very difficult market to understand for some people and to make sense of," Moore says. "You have a lot of facets of the marketplace. You have the OEMs – you need to convince them to make propane vehicles. You have the whole aftermarket with the EPA (U.S. Environmental Protection Agency) and CARB (California Air Resources Board). It's a very difficult market to play in." **LPG**