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NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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FRIDAY, FEBRUARY 22, 1974

PROPANE PRICE DECLINE CONTINUES

WASHINGTON, D.C.--Senator Bob Dole said today in Washington that, "The sharp decline in propane prices which we expected has materialized."

Dole said that several companies which supply propane to Kansas had announced price cuts during the past week. "These price cuts should bring the retail price down by at least 15 to 30 percent and more in some cases," Dole said. "Not every company has announced a reduction yet," he added, "but we expect the general trend toward lower and more realistic prices to continue. Companies which haven't announced cuts will do so in the next few days, I am sure, and some of those which have, may announce further cut backs."

Dole said that FEO actions of last week were partly responsible for the round of price cuts. In addition, he said, the bottom has just about fallen out of the price of propane on the futures market, and this has left many of the speculators high and dry, forcing them to sell their stocks at a much lower price than they had hoped for.

Finally, Dole said, "the propane supply is apparently much bigger than had been predicted for this time of year. The relatively mild winter the nation enjoyed this year has kept demand down. Now that the price charged by several large Kansas suppliers has been lowered, price cuts by the rest are almost assured. If nothing else, competition will take care of that."

Gene Smith