

Propane Toolkit

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I. Regional and Federal Outreach

- MGA Governors' letter to President Obama
 - o Indiana Press Release
 - Minnesota Press Release
- On January 30, 2014, MGA convened a call between Midwestern Governors and Texas Governor Rick Perry to discuss ongoing propane challenges and possible additional actions.
 - o Gov. Branstad Press Release
 - Branstad, Reynolds applaud Texas officials, US DOT for assisting Midwest during propane shortage
- Gov. Branstad and Lt. Gov. Reynolds letter to President Obama
- Minnesota Lawmakers, Governor Dayton petition President Obama for Immediate Action to Address Critical Propane Shortage
- Gov. Dayton's letter to Congressional leadership regarding LIHEAP funding

II. Communications

A. Hotlines

Minnesota

- The state of Minnesota <u>established a toll-free hotline</u> that residents affected by the propane shortage can use to ask questions or seek assistance in this time of emergency.
 - o Press Release

Wisconsin

• The Division of Energy Services has <u>established a public hotline</u> for Wisconsin residents with propane issues or questions. http://ready.wi.gov/propane/docs/PropaneFactsSheet.pdf

B. Propane Webpages

- Iowa
- Michigan
- Wisconsin

III. Financial Assistance

A. LIHEAP

Illinois

- The Illinois Department of Commerce and Economic Opportunity (DCEO) will offer an increase of \$1,000 to each Low Income Home Energy Assistance Program (LIHEAP) eligible household for the purchase of propane to ensure uninterrupted delivery during this emergency. Over the next several days, DCEO will automatically credit the \$1,000 increase to the accounts of existing LIHEAP customers.
 - o Press Release
 - o The increased benefit will also be available to all new eligible applicants that sign up for LIHEAP.
 - DCEO will temporarily waive the \$75 Good Faith Effort fee for LIHEAP applicants using propane to heat their homes. This is a fee used during ordinary circumstances to ensure applicants are not abusing the system, but during times of economic hardship and rising prices can be an obstacle to participation in the program.

Indiana

- The Indiana Housing and Community Development Authority's LIHEAP released an additional \$5 million in funds to local service providers who cover all 92 counties in Indiana. In addition, the state increased the LIHEAP crisis benefit from \$400 to \$550 through March 31, 2014.
 - o Press Release

Iowa

On January 27, 2014, Gov. Branstad and Lt. Gov. Reynolds <u>wrote President Obama</u> requesting the federal government provide flexibilities in the LIHEAP.
 https://governor.iowa.gov/propane/

Kansas

- Gov. Brownback directed the Department of Children and Families (DCF) to provide priority status to applications for LIEAP for those clients who use propane as a primary heating source. DCF will increase staffing to process applications and reach out to propane providers to continue to provide a propane delivery to LIEAP recipients, even if a client's account is delinquent.
 - o Press Release
 - Directed DCF to reach out to low-income families using propane as a primary heating source and make them aware of available resources, including the LIEAP program.

Michigan

- The Michigan Energy Assistance Program, administered by the Michigan Department of Human Services, offers assistance to low-income utility customers, including propane customers. Residents in need of heating assistance with deliverable fuels are asked to call 2-1-1 or visit Michigan.gov/heatingassistance for help.
- In addition to \$7 million already devoted to deliverable fuel heating assistance from the Michigan Energy Assistance Program (MEAP), the Department of Human Services is working with the legislature to dedicate another \$7 million in LIHEAP dollars to meet the heavy demand and need for these deliverable fuels this winter.
 - o Press Release

Minnesota

- The Minnesota Department of Commerce recently announced that LIHEAP crisis payments would increase from \$500 to \$1,000 for applicants who heat their homes with propane and heating oil.
 - o Press Release
 - A day after expanding eligibility for the state's LIHEAP an executive action that will help tens of thousands more Minnesota households affected by the ongoing propane emergency Gov. Mark Dayton asked President Obama and members of Congress for additional federal funding to help Minnesotans in this time of crisis.
 - Press Release
 - O Gov. Mark Dayton signed legislation providing additional state funding to keep Minnesotans safe and warm during this winter's propane emergency. The first bill signed into law by Governor Dayton (HF2374/SF1961) added \$20 million to the LIHEAP, giving approximately 180,000 Minnesotans the financial help they need to pay their heating bills this winter.
 - Press Release

Missouri

- Gov. Nixon announced an additional \$14.9 million in federal funds through the LIHEAP. In addition, Gov. Nixon's administration has doubled the amount each household can receive for propane assistance from \$264-\$450 per year to \$528-\$900 per year.
 - o Press Release

Wisconsin

- Gov. Walker <u>wrote a letter</u> to President Obama and then-Secretary Sebelius asking for the early release of LIHEAP to help allow for early fill this year.
- Gov. Walker <u>wrote a letter</u> to President Barack Obama asking for the immediate release of the remaining Federal Fiscal Year 2014 LIHEAP allocations.

B. Non-LIHEAP

Michigan

- The Michigan Economic Development Corporation will institute a loan program to assist propane dealers and distributors who are struggling to deal with a combination of high propane demand and restricted supply. Details on the program include:
 - o Propane dealers and distributors located in Michigan will be able to work with lending institutions on new lines of credit or expansion of existing lines.
 - Banks can obtain cash collateral for up to 49 percent of an increase or of a new line, provided the line is used and restricted to the purchase of propane for distribution in Michigan.
 - o Banks will be responsible for normal reporting under the program and will be responsible for managing loans, including any collection activity on loans.
 - A \$5 million preference for dealers and distributors will be given through May, and the credit worthiness of individual applications will still be evaluated.

Wisconsin

- Gov. Scott Walker announced an additional \$500,000 has been released from the Department of Administration's Division of Energy Services to the Keep Wisconsin Warm Fund, bringing the total amount of money provided by the state to \$2 million.
 - o Press release
- The Wisconsin Housing and Economic Development Authority (WHEDA) is making it easier for small businesses to obtain fuel. WHEDA is expanding its \$3 million Propane Guarantee Program specifically for propane dealers following Gov. Walker's declaration of a State of Emergency. Under the expansion, existing small businesses would also be allowed to apply to purchase propane or propane equipment.
 - o Press Release
 - o Press Release
 - o Press Release

IV. Transportation

A. Hours of Service

Illinois

• Gov. Quinn issued a disaster proclamation to allow Illinois-licensed truckers to travel through other states to obtain propane and deliver it to Illinois without applying for additional licenses. The declaration also allowed drivers to remain behind the wheel longer in order to retrieve heating fuel from other states and bring it back to Illinois. These actions increased the number of drivers available to bring propane into Illinois from other states.

o Press Release

Indiana

- Proclamation waiving statues that limit the hours of service for propane transporters in Indiana
 - o The proclamation was Extended twice

Iowa

- On January 27, 2014, Gov. Branstad and Lt. Gov. Reynolds <u>wrote President Obama</u> requesting the federal government to provide flexibilities to ease state transport regulations <u>Press Release</u>
- Gov. Branstad <u>issued an emergency declaration</u> to ease propane transport within the State of Iowa on October 25, 2013; the declaration has been and will be extended further as needed. <u>Press Release</u>
- Gov. Branstad <u>personally called</u> U.S. Secretary of Energy Moniz U.S. Secretary of Transportation Foxx from the U.S. Department of Transportation to ease propane hours of service and interstate weight transport regulations until prices and supply have stabilized. https://governor.iowa.gov/propane/

Michigan

• Gov. (Snyder) <u>issued an executive order</u> to suspend state and federal regulations relating to hours-of-service for motor carriers and drivers transporting heating oil and propane within Michigan, enabling these individuals to exceed the number of hours and consecutive days in which they can operate a commercial motor vehicle.

Minnesota

- Gov. Dayton <u>issued an emergency executive order</u> to *extend* relief from regulations to motor carriers and drivers operating in Minnesota.
- Gov. Dayton <u>issues an emergency executive order</u> to amend his previous executive order to include transport of gasoline, diesel fuel, ethanol, and biodiesel.

Ohio

- Gov. Kasich's <u>issued an emergency declaration</u> allowing shippers with valid commercial driver licenses who are transporting propane or heating oil to drive more hours and more consecutive days than they normally would as long as they can still do so safely
- Gov. Kasich <u>issued a second emergency declaration</u> amending the state of energy emergency waiver of regulations to extend relief relating to motor carriers and drivers transporting propane and heating oil.

Wisconsin

• Gov. Walker <u>issued multiple Executive Orders</u> since October 25, 2013, allowing propane transport drivers to log additional hours to transport more propane. <u>Press Release</u>

B. Weight Limits

Illinois

- The Illinois Department of Agriculture's Weights and Measures Bureau did not perform meter inspections on propane trucks during the ongoing emergency. This allowed these vehicles to more quickly deliver this vital heating fuel to those who need it. The inspections will resume when the emergency is over.
 - o Press Release

Indiana

• <u>Indiana 14-02</u> suspended limitations on divisible loads for propane carriers. In addition, the resolution instructed the Indiana Department of Transportation (INDOT) and the Department of Revenue (DOR) to expedite permit applications and waive any fees for overweight and oversize loads for propane suppliers.

Kansas

- Gov. Brownback <u>issued two executive orders</u> granting temporary relief from motor carrier rules and regulations to ensure the continued delivery of propane to individuals and businesses across the state. The Executive Orders provided relief from Jan. 9 through Feb. 14, 2014.
 - Executive Order 14-02 applied only to those motor carriers delivering propane directly participating in relief efforts. In accordance with Title 49 C.F.R. § 390.23, this order:
 - Temporarily suspends the requirements contained in the Federal Motor Carrier Safety Regulations, Title 49 C.F.R. Parts 390-399;
 - Temporarily suspends registration and fuel tax permits required by the Kansas Department of Revenue;
 - Temporarily suspends the licensing, certification and permitting rules and regulations required by the Kansas Corporation Commission;
 - Temporarily waives permit fees for over dimension and overweight loads as required by the Kansas Department of Transportation

Wisconsin

- On January 3, 2014, the Wisconsin Department of Transportation and the Department of Administration <u>authorized a weight limit relief order</u> for vehicles transporting energy in the state in order to increase the amount of propane carried in a single trip.
- Wisconsin #132 Relating to the Declaration of an Energy Emergency allowing for adjusted weight limits for propane delivery vehicles.

C. Other

Indiana

• In order to keep more propane available for residential customers, the Indiana Department of Transportation (INDOT) trucks <u>used diesel fuel instead of propane</u> through March 1, 2014.

Minnesota

• <u>Held a call</u> with Gov. Perry to persuading the federal government and the State of Texas to waive shipping restrictions and increase the transport of propane supplies into Minnesota.

Ohio

• Gov. Kasich <u>issued a statewide energy emergency declaration</u> in order to expedite shipments of propane gas and help ease tight propane gas supplies.

Wisconsin

 Wisconsin agencies extend authorization to transport heavier loads of fuel and other energy resources. <u>Press Release.</u>

V. Supply and Price

A. Prices and Fraud

Illinois

• Illinois Attorney General LisaMadigan <u>encouraged consumers</u> with complaints regarding propane to call her Consumer Fraud Hotline at 1-800-243-0618 or <u>email the Consumer Fraud Bureau</u>.

Michigan

Attorney General Bill Schuette encouraged customers who are concerned about possible price
gouging to contact the Consumer Protection Division at 1-877-765-8388 or <u>file an online</u>
complaint.

Minnesota

- Gov. Dayton <u>instructed the Commissioner of Commerce</u> to use his consumer protection authority to help guard Minnesotans from potential price gouging activities.
- Gov. Dayton's <u>second propane summit</u> addressed supply, shortages and price hikes.

Missouri

• <u>Missouri Attorney General releases report</u> detailing the findings of his office's investigation into dramatic price spikes experienced by Missouri propane customers last winter.

B. Agriculture

Indiana

 Indiana Agriculture groups and the Indiana State Department of Agriculture (ISDA) <u>reached</u> <u>out to the commercial grain industry</u>, asking for a recheck on stocks that might be available for resale.

Iowa

• <u>Iowa Dept. of Agriculture Secretary letter to Iowa Ag Leaders</u> regarding propane energy issues.

C. Early Fill

Michigan

• Michigan Press Release regarding early fill for 2014.

Wisconsin

• Gov. Walker announced plans to help fill propane tanks early.

D. Supply Chain

Iowa

• <u>Iowa DOT Propane Supply Chain Optimization Strategy: Steering Committee Project Status Update presentation.</u>

VI. State Propane Associations

- Illinois Propane Gas Association
- Indiana Propane Gas Association
- Iowa Propane Gas Association
- Propane Marketers Association of Kansas
- Michigan Propane Gas Association
- Minnesota Propane Association
- Missouri Propane Gas Association
- Ohio Propane Gas Association
- Wisconsin Propane Gas Association