

Propane Preparedness is Year-Round

A discussion document for states. The following are triggers and milestones that governors and their offices may want to ask of the agencies and industries handling propane-related programs and supply throughout the year.

For more information, visit www.midwesterngovernors.org/



Spring



WEATHER AND CROP FORECASTS

- Is it a long winter or early spring?
- Is it a late planting, meaning a later harvest?
- What's the home heating demand – 60, 30, 15 day forecasts?

SUPPLY

- Where are current Midwest propane levels in comparison to the 5-year average? How does that compare to last year?
- Is there a propane “shortage” or is it a normal season?
- What are wholesale spot prices?
- Where do exports/imports stand? Compared to last year?
- Have LIHEAP funds been exhausted? Emergency funds used?
- Are frost laws/delivery laws going into effect?
- Are tanks being refilled/topped off in a timely manner?

TRANSPORTATION

- Are HOS waivers currently in place? Until when?
- Are there wait-times at terminals? How long?
- Is rail service/delivery meeting expectations?
- Any propane-related transport incidents via rail or truck?
- What levels are the pipelines operating at?

OTHER CONSIDERATIONS

- Has propane been in the headlines? Have success stories been shared? Have solutions been developed for problem areas in the news?
- Are residential customers facing credit problems for propane purchases?
- Are dealers facing credit problems securing supply from wholesalers?
- Has the State or Congress made any new laws impacting propane either directly or indirectly (i.e. tax credits; loans available; regulations; etc.)?
- Has the state surveyed the marketers to get their reaction on the season and see what went well or needs work?
- Are regular stakeholder meetings or calls happening? Should they be scheduled?

Summer



WEATHER AND CROP FORECASTS

- Is harvest early or late? What is the corn moisture level of the harvested crop?
- Is any crop drying occurring for soybeans or wheat?
- What are the crop progress reports for other states?
- Is there an early cold spell or is it a wet fall?
- Was there recent extreme weather? Is extreme weather forecasted?

SUPPLY

- What are the propane inventory levels at PADD 2 and Conway?
- How does the allocation data look from summer fills?
- What percentage of customers are “keep full” vs. “will call?” How has that changed from last year? Five years ago?
- Has the state contracted propane for LIHEAP customers? How successful was the early application period?
- Are tanks full? Are tanks being refilled/topped off in a timely manner?
- Has any storage capacity been added? Is it full?

TRANSPORTATION

- Are there any breakdowns in the supply chain? Expected maintenance work?
- Is there movement in the transportation infrastructure away from propane and into other fuels? To what extent?
- Has an HOS request been drafted or requested?
- How was the pipeline working during the offseason?

OTHER CONSIDERATIONS

- Any major news stories or issues with other energy sources that will impact the upcoming propane season? Reversals? Coal shortages?
- Is contact information updated for customers? Can the state or dealers reach customers in an emergency?
- Was a survey conducted of propane vendors to gauge status?
- Have propane associations gathered data sets?
- Has an emergency declaration been declared anywhere in the region?

Fall



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Winter



WEATHER AND CROP FORECASTS

- What is the winter forecast?
- Are home heating demands being met now and under future forecasts?

SUPPLY

- Have concerns been expressed about the propane inventory levels?
- What are the wholesale spot prices at Conway, Mt. Belvieu and Hattiesburg?
- What are the current wait times at terminals?
- What is the export level compared to last year? Five years ago?
- What level are the pipelines running at? Will FERC step in?
- Are tanks being refilled/topped off in a timely manner?

TRANSPORTATION

- Is propane being delivered by rail? Is it timely?
- How many terminals are running on allocation?
- Are there major wait-times at terminals? Are drivers going to Texas/Conway or other locations for propane?
- Has an HOS waiver been requested? Granted? Extended? Across how many states?

OTHER CONSIDERATIONS

- Has an emergency declaration been made? Will it be?
- Is a call center needed? Are systems in place if it becomes needed?
- Any breakdowns in the supply chain? Derailments? Reversals? Shutdowns?
- Are states communicating regularly with each other on experiences? Status?
- Has the state reached out to propane associations and dealers with updates and let them know they are available for assistance or if a need arises?
- Are residential customers facing credit problems for propane purchases?
- Are dealers facing credit problems securing supply from wholesalers?
- How are LIHEAP crisis funds being used?
- Are PSAs being aired? Are people receiving reminders to keep their snow shoveled and to check that their neighbors have a path shoveled to their propane tanks?