

January 25, 2014

President Barack Obama
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear President Obama:

We write to express our deep concern over the ongoing supply shortage of propane fuel across much of the Midwestern and Northeastern regions of the country. Households and businesses in Minnesota and elsewhere have seen spikes in the price of propane fuels during the severe winter cold. Any further reduction in supply threatens to leave our constituents without the fuel necessary to heat their homes and to keep livestock and poultry barns warm. We are therefore asking that you take immediate action to help alleviate this dire situation.

According to the Energy Information Administration, last week's residential propane prices in the Midwest averaged \$2.40 per gallon, compared to \$1.74 per gallon a year ago. The situation is even worse this week. We are hearing reports that in some areas of the Midwest prices are already as high as \$4 per gallon, and are expected to rise to \$5.50 per gallon. Several factors are contributing to the current price increase and supply shortage, including unseasonably cold weather, supply disruptions, and an increase in exports.

We urge you to consider taking a number of steps to alleviate this shortage:

First, we urge you to maintain and expand the U.S. Department of Transportation exemption to the hours-of-service regulations for as long as may be necessary to address this crisis. Propane suppliers need the ability to safely transport propane from areas with greater supplies like Texas and Kansas to states facing shortages like Minnesota.

Second, we urge you to work to address any regulatory barriers at the U.S. Department of Energy so that additional shipments of propane can be delivered by other modes of transportation, including rail and pipeline. For example, we understand that a pipeline that originates in Mt. Belvieu, Texas and terminates in Selkirk, New York, has multiple terminals throughout the Midwest, Ohio Valley, and Northeast and could ship more propane. However, current obligations have kept increased shipments of propane from getting into the pipeline, which is contributing to the shortage in our region. Therefore, it is imperative that the Department of Energy immediately begin working with pipeline and rail operators and other distributors in order to increase shipments of propane to our region.

Third, we urge you to examine current propane market forces and consider exercising your authority outlined in 42 U.S.C. § 6212 to ensure a sufficient supply of propane for domestic consumption. While propane production during four of the last five years has kept pace with increased shipments of propane from the United States, we are concerned that over the past year these shipments have begun to outpace increases in production.

Fourth, it may be necessary to physically deliver propane to communities in danger of running out completely – a development that would be devastating for those communities. If it proves necessary for state emergency management offices or other first responders to participate in such emergency delivery of propane, please ensure that adequate funds will be available in these circumstances.

Fifth, we request that you provide relief in the short term and work to ensure that this problem does not happen in the future. To this end, we urge you to make emergency funding available to impacted Minnesotans through the Low Income Home Energy Assistance Program (LIHEAP). We also believe that we should promote the efficient use of the limited supply of propane by making emergency energy efficiency grants to livestock producers through the Rural Energy for America (REAP) program.

Given the importance of this situation to consumers in large sections of the nation, we urge you to do everything in your power to address this problem.

Thank you for your attention to this urgent matter.

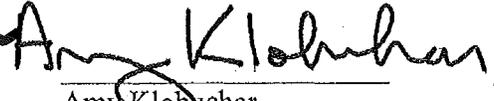
Sincerely,



Al Franken
United States Senator



Mark Dayton
Governor



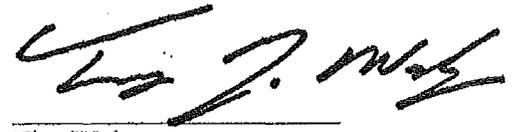
Amy Klobuchar
United States Senator



Betty McCollum
Member of Congress



Rick Nolan
Member of Congress



Tim Walz
Member of Congress



Collin C. Peterson
Member of Congress