

WHAT HAPPENED TO PROPANE THIS WINTER?

To your propane provider, you are more than a propane customer. You're also a neighbor and a friend. Helping you keep your family warm and safe is your propane provider's top priority.

A price surge this winter has made propane more costly for you and your provider, and we want to talk with you about some of the factors that have created unusually high demand for propane and put upward pressure on prices.

RECORD COLD

- Demand for heating fuel is 10 percent higher than it was in the 2012-2013 winter season and 15 percent higher than it was in the winter of 2011-2012.
- Between October 2013 and January 2014 alone, nationwide demand for propane increased by an estimated 215 million gallons.

UNUSUALLY WET HARVEST SEASON

- After a record grain harvest in the fall of 2013, farmers used a lot of propane to dry the crop — five times as much propane as they used in 2012.
- Extraordinary demand for propane on the farm reduced propane inventories in the Midwest, just as the heating season got under way.

HOW YOU CAN HELP

To make sure that your propane provider can reach you quickly and safely, please make sure that your driveway and the path to your tank are clear of snow and ice.

FEWER TRANSPORTATION OPTIONS

- A major propane delivery pipeline was closed for maintenance most of December.
- Fewer railcars are carrying propane because of increased demand to carry other fuels.
- The capacity of our nation's existing transportation infrastructure (pipelines, rail, and transports) has been strained by high demand.

HIGHER WHOLESALE PRICES

- High demand for propane and rising transportation costs have caused the wholesale price of propane to go up. Your propane provider is forced to pay a higher price for the fuel delivered to your home.

Observers of energy markets remind us that price surges for propane and other fuels tend to be temporary and that prices generally stabilize once conditions improve.

In the meantime, please know that your propane provider will continue to do everything possible to make sure that you have the propane you and your family need.



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