



Minnesota Department of Public Safety
Division of Homeland Security and
Emergency Management



2014-MN-002: Propane Shortage

Subject: 2014-MN-002: Propane Shortage - Situation Report #3

Reporting Period: 01/30/2014 12:31 - 01/31/2014 11:00

Background / Current Situation

A region-wide propane shortage is ongoing. On Tuesday, January 28, the state of Minnesota joined the states of Illinois, Wisconsin, Michigan and Ohio in declaring Energy Emergencies, easing regulations on the transportation of propane and other home heating fuels. Minnesota and Ohio state emergency operations centers (SEOCs) are at Partial Activation.

Minnesota Governor Mark Dayton issued Minnesota Governor's Executive Order 14-02: "Declaring a State of Peacetime Emergency in the State of Minnesota" dated January 27, 2014.

The Minnesota State Emergency Operations Center (SEOC), coordinated by the Department of Public Safety, Division of Homeland Security and Emergency Management (HSEM) is activated at Level III: Partial Activation in support of this developing situation.

The SEOC will be open during normal business hours.

- State Incident Manager: Kevin Reed
- Operations Chief: Kari Goelz
- Logistics Chief: Kim Ketterhagen
- Public Information Officer: Doug Neville

The Minnesota Department of Commerce has the lead for helping individuals and households who need assistance paying for home heating fuel. The Minnesota Department of Agriculture is responsible for assisting farmers and ag producers.

The SEOC hosted regional conference calls with county emergency managers and state agency partners on Thursday, January 30, 2014. Calls will continue twice weekly.

The SEOC Hotline for public calls opened the morning of January 30, 2014. Hours are 9:00 a.m. to 4:30 p.m. The Hotline is staffed by personnel from the Departments of Commerce and Agriculture as well as HSEM support staff.

Additional information is available on the HSEM website found at <https://dps.mn.gov/divisions/hsem/Pages/default.aspx>

Operations Section Chief

Agency Summary

- Prepared and configured the State Emergency Operations Center for statewide hotline activation and staffing by state departments of Commerce, Agriculture, and HSEM Operations Section staff.
 - SEOC Hotline operations are on-going and will be expanding to weekend operations. Command Staff are working with on staffing, feeding, and operational planning for weekend Hotline operations.
 - State agencies are not being requested to staff the SEOC at this time.
 - Coordinating and hosting twice-weekly regional emergency management coordination calls.
 - Coordinating and hosting HSEM Regional Program Coordinator daily conference calls.
 - Compiled and published the situation report.
 - Collected local situation updates from HSEM Regional Program Coordinators (RPC).
 - DisasterLAN activities include adding new users in response to this incident.
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Logistics Section Chief

Agency Summary

- Working with the SEOC Operations Section and the State Incident Manager to establish a feeding plan for weekend operation of the SEOC Hotline.
- Continuing coordination with FEMA Region V Logistics section on big-picture for propane availability.
- There have been no logistics requests to the SEOC Logistics Section.
- Coordinating with North Dakota and Wisconsin on propane status and any needs and requests in their states.
- No private sector update at this time. Public/Private Crisis Action Team (P2CAT) has been briefed.

SEOC Volunteer Resource Coordinator

Agency Summary

The HSEM Volunteer Resource Coordinator worked with the Salvation Army to answer questions from the Hotline about the Salvation Army's Heat Share program. It was also verified that (800) 842-7279 was the correct referral number for those interested in learning more about possible assistance from that program.

MN Voluntary Organizations Active in Disaster (MNVOAD) reported that they have received a few calls for information regarding the propane situation, but no requests for assistance or reports of assistance being provided by voluntary agencies other than the Red Cross and Salvation Army.

MN Duty Officer

Agency Summary

The Duty Officer continues to take calls and direct callers to the SEOC Hotline number. The call types included requests for fuel assistance, livestock issues and future concerns if propane problems persist.

MN Department of Agriculture

Agency Summary

- Activated an Incident Management Team to develop department situational awareness.
- Requesting field inspection staff report findings from the field.
- Issued press release to producers and associations, provided a Minnesota Department of Agriculture after-hours contact phone number if there are critical needs for propane in the poultry and livestock industries.
- Have personnel staffing the hotline
- No reports from the field at this time.

MN Department of Commerce

Agency Summary

Propane Prices 1/27/2014:

Minimum Price: \$3.1110

Maximum Price: \$5.9000

Average Price: \$4.6696

Hotline Opened for Public Calls

The State Emergency Operation Center Hotline opened on Thursday to take calls from the public. The Departments of Commerce and Agriculture, and HSEM staffed the hotline phones.

Commerce's Energy Information Center received 7 calls and 1 email

CRT – 5 calls

SEOC – 80 calls

The Hotline hours of operation will be 9-4:30 until the emergency level is raised or the emergency has passed.

Funding

The Department learned Thursday that Minnesota LIHEAP allocation is \$15,814,434 for a total appropriation this year of \$114,540,746.

Legislative/Congressional Action

Senator Franken wrote letters to BNSF and CP Rail urging increased shipments and prioritization of propane.

Industry Update - January 30, 2014

The propane industry today provided the following update:

- The Midwest region of the US, PADD II, currently has a propane inventory of 8.2 million barrels of propane. The storage facilities begin to slow down extraction of product when they get to the 6 to 7 million barrel level. The slow-down is done so as not to extract the salt brine with the propane. The supply level is 50% lower than a normal year. In a normal year at this time, the level would be about 17 million barrels of supply.
- Industry is asking for more propane movement from Mt. Belvieu, TX be a priority as an emergency action.
- Contacting the DOE and the pipelines seems to be the most expedient means.

Here in Minnesota – industry concerns

- A continued call for conservation by all propane users
- Prioritized usage for home and animal heat
- Ask natural gas and electric utilities not to curtail energy sales to ‘interruptible or off-peak’ energy users.
- Continue warning messages to consumers not to bring propane cylinders or gas grills, etc. into their homes for heating purposes.

Conference Call Held with Assistance Providers

The Department of Commerce held a conference call with the 32 Energy Assistance Providers across the state – the CAP agencies suggested the following:

- Continued messaging about the high prices and the volatility of the propane prices (consumers are noting the rapid fluctuations in prices)
- Northern MN (Arrowhead Economic Opportunity Agency) reported high prices again today (at \$6.39/gal)
- Concerned that the problem is roughly two weeks down the road
- Need resources, FAQs for how to safely evacuate homes
- Asked for additional resources and more supplemental funding for those not currently eligible for LIHEAP and extended crisis benefits that will be needed in the next few weeks when current crisis benefits run out

Public Safety Update

DPS sent the following information to the MN Department of Commerce. Law enforcement in the state is now tracking propane thefts, and the following chart shows the most recent crime reports.

City	Number Stolen	Size	Venue	Date
St. Paul	8	33lb/Forklift	Warehouse	1/29/14
Minneapolis	28	20lb	Gas Station	12/5-1/11/14
White Bear Lake	5	20lb	Hardware Store	1/5/14
Nicolette County	2	20lb	Gas Station	1/20/14
Robbinsdale	4	20lb	CVS	1/23/14
Meeker County	5	20lb	Gas Station	1/10/14 & 1/17/14
Red Wing	4	20lb	Hardware Store	1/29/2014

Communications

- DPS/HSEM sent a press release announcing the SEOC Hotline number for all propane related questions.
- DPS/HSEM sent the PSA to radio and television (it also will include the toll free number).
- Commerce sent legislator letters (with the 1-800 number, info on LIHEAP, and safety tips).
- Commissioner Rothman was interviewed by KSTP at the SEOC.
- Commissioner Rothman was interviewed by the Pioneer Press.
- CHS sent a press release announcing they have donated \$25,000 to HeatShare and allocated \$25,000 of their \$100,000 annual donation specifically to help with the propane situation and emergency shelter.
- Commerce was invited to join Congressman Walz at a community event Monday to talk about the propane situation and what has been done.

- Today, Governor Dayton and other governors impacted by the propane shortage called Texas Governor Rick Perry to request an extension of the trucking waiver out of Texas.
- Sen. Franken sent letters to CP and BNSF to ask for prioritized rail transfer of propane.

MN Department of Corrections

Agency Summary

This Agency has nothing new to report for this Reporting Period.

MN Department of Health

Agency Summary

MDH sent a message to all local and tribal health departments and Regional Healthcare Preparedness Coordinators with a situation update and action items to plan for sheltering and provide public messaging around safety issues. We have received many requests for talking points on safety issues, and our Public Information Officer is contacting HSEM to coordinate messaging. We provided a summary to agency leadership and will be providing situational awareness to all staff so they can collect and provide basic information during interactions with Minnesotans through a wide variety of health programs.

MN Department of Human Services

Agency Summary

This Agency has nothing new to report for this Reporting Period.

MN Department of Natural Resources

Agency Summary

The Department of Natural Resources has many facilities using propane as a primary heating fuel. The agency is identifying critical needs and developing recommendations for reducing propane demand. Impacted facilities will ensure continuity of operations plans are in place.

MN Fusion Center

Agency Summary

The Minnesota Fusion Center will continue to monitor propane issues through the national network of fusion centers, through direct reports into the Fusion Center (including propane thefts), and through review of all MN Duty Officer reports. The Fusion Center will share all relevant information with the SEOC and in Fusion Center bulletins and briefings.

In the past 24 hours we received three separate reports from local law enforcement of propane thefts amounting to twelve 20 pound tanks.

MN State Fire Marshal

Agency Summary

The Office of the Minnesota State Fire Marshal has posted a public information document about portable heating device safety. The document is available at <https://dps.mn.gov/divisions/hsem/weather-awareness-preparedness/Documents/heating-safety-sfm-hsem-photo.pdf> and may be publicly distributed.

American Red Cross

Agency Summary

The American Red Cross continues to monitor the situation and is in contact with local government and community partners around potential needs. At this time, no response actions have been requested or taken.

The Salvation Army

Agency Summary

An internal request for daily statistical reports to be submitted has been disseminated to all Salvation Army Service Centers in Minnesota.

As reported from our **Heat Share Director in Roseville:**

- Itasca County - 1 household assisted
- Sherburne County - 1 household assisted
- Steele County - 2 households assisted
- Mille Lacs County - 1 household assisted

As reported from our **Fargo Service Center:**

- Becker County - 4 households assisted with applications pending for 2 additional households
- Clay County - 1 household assisted with 1 application pending
- Norman County - No requests
- Mahnomen County - No requests

As reported from our **Fergus Falls Service Center:**

- Otter Tail County - 1 application pending
- Douglas County - 1 application pending

As reported from our **Brainerd Service Center:**

- Crow Wing County - 2 households assisted
- Receiving many calls for assistance. Several applications pending and expected to be submitted by the end of business on 1/31/14

As reported from our **Rochester Service Center:**

- Wabasha County - 2 households assisted

Note - "application pending" means we are waiting for the client to complete their application. All assistance is related to propane unless noted otherwise.

SEOC Operations Section

Weather

Five Day Forecast: Minnesota - Stearns

Friday	Saturday	Sunday	Monday	Tuesday
				
Slight Chance of Snow	Chance of Snow	Clear	Clear	Clear
40%	40%			
3 F / -16 C	13 F / -10 C	5 F / -15 C	11 F / -11 C	8 F / -13 C
-7 F / -21 C	-13 F / -25 C	-7 F / -21 C	-6 F / -21 C	-14 F / -25 C

Current and future weather conditions include:

- Based on experimental modeling from the Storm Prediction Center, odds are very good that temperatures will remain below normal, and significantly below normal at that, with lows at most locations in Minnesota below zero through approximately Feb 17. Even some daytime highs may remain below zero during this time.
- Obviously forecasts can change, especially when we get out to such long-term forecasts.
- Technical Model Information
The underlying data come from the "CFS ensemble." The model is run 4 times a day and point forecasts are generated for the 115 weather forecast office locations shown. This is experimental and data may not always be current. Observational data (dots on the far left of the graph on the website listed following) are archived for approximately a week to track how well the forecast verified for some parameters. This model can be accessed at <http://wxvu.net/spc/exper/sref/cfsplumes/>

