



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 #7

Reporting Period: 02/05/2014 11:01 - 02/06/2014 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. On February 6, 2014, the Governor issued Minnesota Governor's Executive Order 14-04: "Extending Relief from Regulations to Motor Carriers and Drivers Operating in the State of Minnesota" to allow for certain emergency operations waivers relating to driver hours of service and continuing current statutory prohibitions for ill or fatigued driving.

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: Cassie Calametti
- 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 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 local agencies.

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

Operations Section Chief

Agency Summary

- Operations are scaling downward. Work continues on staffing plans for operations through Monday in concert with the MN Department of Commerce.
 - Created staffing plan for weekend operations and assigned Operations Section staff for each day.
 - Coordinating meal planning with the Logistics Section.
 - State agencies are not being requested to staff the SEOC at this time.
 - Continued collecting state and local situation updates via the statewide conference calls.
 - Monitored and provided situational awareness to SEOC partners and HSEM staff.
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Logistics Section Chief

Agency Summary

- Adjusting meal plan to scale down operations. Current meal order is for 25 meals.
- Working with the Operations section to assess needs for possible weekend operations.

- P2CAT has been contacted and they haven't heard anything from the private sector.
- P2CAT has contacted InfraGard and InfraGard has posted the Hotline contact number on their site.

SEOC Volunteer Resource Coordinator

Agency Summary

The HSEM Volunteer Resource Coordinator is continuing to work with the Salvation Army to answer questions from the Hotline about the Salvation Army's Heat Share program. (800) 842-7279 is the correct referral number for those interested in learning more about possible assistance from that program. They are gathering statistics about the numbers of people served thru Heat Share for a consolidated report on Friday 2/7 (report expected on Monday 2/10).

MN Voluntary Organizations Active in Disaster (MNVOAD) continues to receive small numbers of calls for assistance. United Way "211" operators continue to provide updated information about the propane situation to their callers.

MN Duty Officer

Agency Summary

The Duty Officer continues to receive calls regarding propane issues and callers are directed to the SEOC Hotline number for further assistance. Agriculture related propane calls will be routed directly to the Minnesota Department of Agriculture. Call volume has dropped to one call received during the past 24 hour period.

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.
- Pesticide and Fertilizer field staff are reporting that smaller companies will not deliver LP to customers until their tank is at 10 – 15% full to try and ration the LP supply across their customer base and limit the possibility of customers running out of LP. Individuals or businesses that do not have a contract in place with their supplier and are purchasing LP on the market on an “as needed” basis may have difficulty obtaining LP and will be paying at whatever the market price is at the time. LP suppliers are also maintaining their loyalty to their regular customers and not using their LP supply on any new business.
- The Governor's Office sent out a news release on 2/4/14 urging farmers with surplus propane inventory from fall harvest to consider selling it back to suppliers.
- Farmer Assistance Network updates
 - First active farm case contact today
 - Livestock sold off but barns need to be heated to prevent damage
 - Financial situation grim. Tanks at 30%
 - Meeting tomorrow night to develop strategy.
- Plant Protection Division updates
 - Nursery inspector in southern MN contacted several greenhouses this week and there had no problems at this time but they said they would notify her if they did. The ones that use propane had not needed to refill yet.
 - Nursery inspector in the Bemidji area reported last week that the greenhouse businesses that did rely on propane were hoping to postpone their mid-February start date to March, and that prices would go down by then.
- No other reports from the field at this time.

UPDATE through end of day Wednesday, February 5, 2014

State Heating Oil and Propane Price (SHOPP Survey) February 4, 2014

Propane Prices

High	\$4.54
Low	\$3.22
Average	\$3.96

PROPANE INDUSTRY UPDATE

- Advised that they are not aware of any retailers that cannot get propane. Availability in MN has improved slightly.
- Enterprise Pipeline – indicated another 120 loads (1.2 million gallons) will arrive at Pine Bend 3 AM Thursday.
- After that, another batch will arrive late Saturday evening.
- Stocks of propane in Midwest are up 10%.
- CN Railroad is advising of a potential strike on February 8 – could impact delivery of propane.

SEOC CALL CENTER UPDATE

- Thirty (30) phones up and running Wednesday morning. Volume was very manageable with the added staff. (No wait time).
- In the first hour, the center handled 78 calls, 24 were abandoned- all of which were hang ups before the center opened. We also had 25 messages left from before the center opened.
- Commerce met with HSEM staff to determine preliminary planning for call center operations.

Call Log

Day	Caller Count
Thursday	150
Friday	400
Saturday	300
Sunday	170
Monday	646
Tuesday	337
Wednesday	380
Total	2,383

Call Data

This is a rough synopsis of calls Thursday - Tuesday.

Type	Call Count
Seeking Financial Assistance	467
Complaining about prices or bad practices	679
Reported income is just above LIHEAP	10
Reported middle income with difficulty to pay	64
Seeking small business assistance	2
Emergency	272
Tanks @ empty	12

OTHER UPDATES

- Commissioner Rothman, and Deputy Commissioner Grant attended the MinnCAP Monthly Board of Directors Meeting.
- Texas Governor Perry extended his proclamation to waive propane trucking restrictions out of TX.
- Federal Government (USDOT) extended the hours of service waiver.

COMMUNICATIONS

- Continue to monitor media reports for accuracy.
- Congressman Walz's office contacted the Department for inclusion in another press event – Friday, February 7, 2014

MN Fusion Center

Agency Summary

The Minnesota Fusion Center continues 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 last 24 hours we have received two propane theft reports from law enforcement: one 100-pound tank and four 20-pound tanks.

SEOC Operations Section

Weather

Five Day Forecast: Minnesota - Stearns

Thursday	Friday	Saturday	Sunday	Monday
				
Clear	Slight Chance of Snow	Chance of Snow	Clear	Clear
0 F / -17 C -14 F / -25 C	10 F / -12 C -7 F / -21 C	11 F / -11 C -13 F / -25 C	2 F / -16 C -18 F / -27 C	2 F / -16 C -15 F / -26 C

From the National Weather Service Forecast Office in Chanhassen, MN

Current and future weather conditions include:

- Minnesota will remain below normal through February 11, with lows below zero most nights in most areas. This includes teens below zero in northern MN. Highs will generally stay below 20 degrees, even near the Iowa border. Some spots in northern MN may not see highs warmer than +5 through the 11th.
- A short warming trend is expected to begin around February 12 or 13, and temperatures should be within a few degrees of normal (perhaps above normal) for at least a couple of days. After that, the latter half of February into early March appear to be below normal again.
- Forecasts can change, especially when projecting outward to such long-term forecasts.