



SCOTT WALKER

OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

February 1, 2014

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Governor Scott Walker Calls on President Barack Obama to Establish Propane Supply Chain Working Group

Madison – Governor Scott Walker today sent a letter to President Barack Obama urging his administration to establish and lead a propane supply chain working group to coordinate the movement of propane from where it is available to where it is needed in the United States.

"We have received great cooperation and assistance from the federal government on the propane shortage here in Wisconsin so far," said Governor Scott Walker. "As a follow-up to the steps we've already taken, I'm requesting a propane supply chain working group between the federal government, states, and the propane industry so we can work together on developing both short- and long-term strategies and the logistics of moving the propane supply through our states. Wisconsin stands ready to partner in this effort."

The propane supply chain working group could include members of President Obama's team, federal agencies, impacted states like Wisconsin, and those working in and with the propane industry.

The Governor listed supply, weather, and propane transportation infrastructure challenges that have resulted in extreme supply vulnerabilities not faced before as a major cause of concern. He said the prospect of any one thing going dramatically wrong in the supply chain would create the potential for a very serious supply crisis. He stated the leadership, assistance, and authority of the federal government is required and called for the working group to develop and implement a contingency plan for the logistics of moving propane in the event of a supply crisis.

"The people will be better served if we develop a contingency plan we never use than find ourselves in a crisis for which we had no plan," said Governor Walker.

The supply shortage in the upper Midwest has caused delivery delays and reduced delivery amounts for propane customers in Wisconsin, as well as all Midwestern states. The propane shortage has been caused by:

- Unusually cold winter temperatures
- A major pipeline supplying propane to Wisconsin, Minnesota and Iowa was temporarily closed for maintenance from November 28 – December 18
- A wet fall increased propane demand for grain drying

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Governor Walker and his administration have taken numerous steps to help alleviate the effects the shortage is having on the 250,000 residents who use propane to heat their home or business including:

- Governor Walker has issued multiple Executive Orders since October 25, 2013, allowing propane transport drivers to log additional hours to transport more propane. Typically, a propane driver can drive 70 hours per week based upon Wisconsin and federal laws. Several state petroleum terminals have not been able to meet the demands of their customers and are currently on a propane rationing system. The increased demand and limited regional supplies of propane means drivers are working more hours per day to obtain propane, causing drivers to reach maximum weekly driving and on-duty limits more quickly than normal. Carriers continue to remain responsible for ensuring they operate safely.
- On January 3, 2014, the Wisconsin Department of Transportation and the Department of Administration authorized a weight limit relief order for vehicles transporting energy in the state in order to increase the amount of propane carried in a single trip.
- At the request of Wisconsin and other Midwestern states, the U.S. Department of Transportation issued a Midwest regional declaration of emergency on January 19, 2014, extending state emergency declarations for purposes of exempting hours of service requirements for propane and fuel transporters; and
- [Governor Walker issued a public service announcement on January 23, 2014](#), providing Wisconsin citizens with information about the current propane shortage in Wisconsin and asking their help in looking out for residents who are being impacted.
- On January 29, 2014, Governor Scott Walker wrote a letter to President Barack Obama asking for the immediate release of the remaining Federal Fiscal Year (FFY) 2014 Low Income Home Energy Assistance Program (LIHEAP) allocations. On Thursday, January 30, the federal government released the funds requested by Governor Walker. The federal Department of Health and Human Services released the remaining FFY 2014 LIHEAP funding and yesterday, the State of Wisconsin received the remaining \$14.2 million dollars of the total \$103.1 million FFY2014 allocation. Given the propane shortage that is deeply affecting Wisconsin residents, the Department of Administration preemptively released \$7 million of the \$14.2 million allocation to Wisconsin counties and tribes who administer the Wisconsin Home Energy Assistance Program (WHEAP).
- The Department of Administration's Division of Energy Services has contacted approximately 23,000 low-income propane customers recommending that they contact their propane vendor when their tank reaches 30% full to ensure they continue to have heating fuel and provided information on assistance available through the [Wisconsin Home Energy Assistance Program \(WHEAP\)](#).
- The Department of Administration's Division of Energy Services issued information to all of the local/partner contacts for [WHEAP](#) that outlines the benefits available to customers, including the availability of Crisis Benefit dollars to pay for lodging or temporary shelters.
- Wisconsin Emergency Management has contacted local emergency management directors to monitor warming sites and shelter availability.

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- The [Keep Wisconsin Warm Fund \(KWWF\)](#) has agreed to temporarily allow an increase in their income limit for propane households from 60% of State Median Income (SMI) to 80% SMI, and will allow propane households to potentially receive an increased maximum benefit of \$600 and has temporarily adjusted their policy to allow propane households the ability to potentially receive two benefit payments in a year.

What Citizens Can Do

1. **Call the non-emergency number of your local sheriff's department if you need the location of a local warming shelter or other local resources.** As always, call 911 for an emergency.
2. **Check on friends, neighbors, and loved ones to ensure everyone has a warm place to stay.**
3. **Call toll-free 1-866-HEATWIS (432-8947) for information about where you can purchase propane in your area, or to apply for assistance towards your propane heating bill.**

You can also visit www.homeenergyplus.wi.gov about where to apply for heating assistance through the WHEAP program. Your local agency will determine eligibility for heating benefits based upon your household income, size, and the home's heating costs. If you are eligible, the WHEAP program will make a payment directly to your fuel supplier towards the cost of your propane. These benefits are available through May 15, 2014. Your local agency will also determine if you are eligible for Crisis Benefits.

4. **If you go to a local warming shelter, turn off the water in your home and drain your pipes to ensure they pipes do not freeze in your absence.** If you are hesitant to use a shelter because you are afraid to leave a pet behind, please call your local warming shelter/human services agency as many warming shelters also offer pet shelter when an individual or family utilizes the shelter.
5. **Please donate to the Keep Wisconsin Warm Fund (KWWF) to help those impacted by the crisis.** Credit card donations accepted:
 - a. Online at www.kwwf.org/donate
 - b. By calling KWWF at 608-333-0809

A copy of Governor Walker's letter to President Obama is attached.

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