

United States Senate

WASHINGTON, DC 20510

January 25, 2014

COMMITTEES:
HEALTH, EDUCATION,
LABOR, AND PENSIONS

BUDGET

SPECIAL COMMITTEE
ON AGING

COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS

COMMITTEE ON ENERGY
AND NATURAL RESOURCES

The Honorable Barack Obama
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Obama:

Rural residents and business owners across Wisconsin are experiencing crisis conditions due to the propane supply shortage in the Midwest. I write today to urge your immediate response to this situation.

Over the past week, regional shortages of propane have reached critical levels. Propane dealers are driving hundreds of miles—some as far as Nebraska and Mississippi—to pick up loads of fuel because regional supplies are constrained. Local propane dealers are rationing fuel and many residents are unsure of when they will receive fuel. Wisconsinites are facing the devastating prospect of being unable to heat their homes in the coldest part of an already harsh winter.

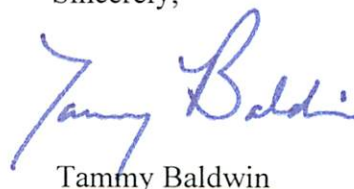
At the same time, prices have jumped dramatically. The average price of propane in Wisconsin during the first week of January was \$2.20 per gallon, which was almost 50 percent higher than the same time last year. Over the past several days prices have continued to climb and by Friday, January 24th, prices were over \$6 per gallon in some parts of the state. These costs put terrible pressure on rural families and businesses alike. Even if they are able to find propane for sale, many families may not be able to afford it at these high fuel costs.

While many factors have contributed to the severity of this shortage, the rate of propane exports more than doubled over the past year. In the past two months alone, exports have increased by more than 120,000 barrels per day. At the same time, domestic propane stocks were low going into this heating season and have since been depleted substantially.

Fortunately, Congress anticipated the need to respond to an extraordinary situation like the one we face, and granted the President the authority to respond by moderating exports of propane and other fuels in the Energy Policy and Conservation Act of 1975. In light of the propane shortage crisis in the Midwest and Northeast, I urge you to take action immediately to moderate exports to ensure American consumers have the fuel they need to keep warm through this winter.

Thank you for your attention to this critical situation.

Sincerely,



Tammy Baldwin