



May 25, 2021

Ms. Tammy Heppner
U.S. Energy Information Administration
1000 Independence Avenue SW
Washington, DC 20585

Re: *Agency Information Collection Proposed Extension*

The National Propane Gas Association (NPGA) appreciates the opportunity to offer comments to the Energy Information Administration (EIA) regarding its proposal to collect residential heating oil and propane prices on a monthly basis during the off-heating season through Form EIA-877 *Winter Heating Fuels Telephone Survey*.¹ Currently, Form EIA-877 collects weekly residential heating oil and propane prices during the heating season, which is October to March.² NPGA supports the proposal as an informative tool to shed light on the seasonal dynamics of the propane industry. We recommend, however, that EIA clarify in its public reporting that several factors affect overall residential pricing.

NPGA is the national trade association of the propane industry with a membership of about 2,500 companies and 38 state and regional associations that represent members in all 50 states. The membership of NPGA includes retail marketers of propane gas that deliver the fuel to end users, propane producers, transporters and wholesalers, and manufacturers and distributors of equipment, containers, and appliances. Propane gas is used in millions of installations nationwide for home and commercial heating and cooking, in agriculture, in industrial processing, and as a clean air alternative engine fuel for over-the-road vehicles and industrial lift trucks.

The information shared through EIA benefits the wide variety of uses of propane for the aforementioned applications. We applaud the agency's interest in developing a more comprehensive analysis on the residential propane market.³ We also understand the valuable role of EIA in providing consumers with transparent information on pricing.⁴

EIA is correct that many consumers fill containers before the winter heating season, *i.e.*, before publication of the Form EIA-877 data.⁵ However, propane is an economically competitive commodity, and consumers with different needs that extend over different lengths of time may sign contracts with retail propane marketers that vary in their terms and length. For example,

¹ Agency Information Collection Proposed Extension, 86 Fed. Reg. 57, 16199 (proposed March 26, 2021).

² *Id.*

³ *Id.* at 16200.

⁴ *See id.*

⁵ *Id.*

consumers who contract for longer periods of time may receive different pricing, among other incentives and conditions, than those who contract for shorter periods.

Further, some consumers choose not to participate in contracts at all, and these consumers are known as ‘will-call’ customers. These consumers do not commit to regular delivery service from one retail propane marketer, but instead shop among propane marketers. Thus, the pricing for propane is not just based on local demand, but also on whether customers are ‘will-call’ customers or those that have signed contracts for a predetermined period of time. To this point, we recommend that EIA share in the publication of its collected information that multiple factors could contribute to alternative residential pricing.

With these caveats, the agency’s proposal may encourage some consumers to fill their propane tanks before winter heating season. Thus, we support efforts by EIA to assist consumers in early preparation for winter heating season when the demand for propane is subject to weather fluctuations and infrastructure constraints that are often beyond the industry’s control.

We also believe that the extended data collection could reflect the ‘full picture’ of yearlong use for propane, including increased demand in response to natural disasters that occur in April through September. For example, from small twenty-pound cylinders to 500-gallon containers, propane is commonly used in emergency response and recovery during hurricane season, which is May – November.

NPGA has worked on a collaborative basis with EIA over a number of years and has emphasized the value to consumers and government decisionmakers of reporting additional and timely market data. We appreciate the efforts of EIA to improve the pricing data available to propane consumers and energy officials through EIA Form-877. Thank you for the opportunity to comment on the proposal, and please contact us with any questions or comments.

Sincerely,



Sarah J. Reboli, *Esq.*
Senior Director, Regulatory & Industry Affairs
National Propane Gas Association