Congressman Dave Loebsack (IA-02)  
Statement for the record  
Benefits of and Challenges to Energy Access in the 21st Century: Fuel Supply and Infrastructure  
March 6, 2014  

Chairman Upton and Ranking Member Waxman, thank you for the opportunity to submit a statement for today’s hearing on the “Benefits of and Challenges to Energy Access in the 21st Century: Fuel Supply and Infrastructure.”

This winter, states across the Midwest have seen record high propane prices that have wreaked havoc on Iowan’s pocketbooks and quality of life. While propane prices typically average $1 to $2 per gallon, Iowans have seen this skyrocket to over $4 per gallon, and even top $5 per gallon in some instances. This is unsustainable and unacceptable for Iowa families. The doubling and tripling of propane prices is causing thousands of Iowans to struggle to make ends meet and to keep their heat on during the extreme cold temperatures experienced this winter. In Iowa, propane is a critical fuel that heats 13 percent of Iowa homes in addition to barns that keep thousands of livestock alive during the winter months.

Throughout the propane crises in the Midwest, Governors, the U.S. Department of Transportation (U.S. DOT), Department of Energy (DOE), and the Federal Energy Regulatory Commission (FERC) have taken important steps to expedite the shipments of propane to the Midwest. These steps were critical to providing relief. However, it is clear from the hodgepodge of steps taken to address the problem that no comprehensive plan exists for all parties to coordinate and to ensure that a fuel supply disaster that threatens the livelihoods of thousands of Iowans never occurs again.

From the National Propane Gas Association’s testimony, there is extreme cause for concern over pipeline infrastructure flows, rail capacity, and exports causing supply restrictions that must be addressed. Consumers who rely on fuels like propane to provide a basic need like heating their homes should not be held victim to the profits of the oil and gas industry. This winter has additionally brought together a storm of crop drying demand and extremely cold temperatures that has contributed to diminished propane supplies. However, with the supply constraints and exports facing the industry, there is no reason a similar fuel supply disaster could not happen again. I am asking the House Energy and Commerce Committee to coordinate the development of an emergency response plan across all relevant federal agencies and state actors including U.S. DOT, FERC, DOE, the Federal Emergency Management Agency, Department of Health and Human Services, and governors to be able to quickly respond to home heating fuel shortage disasters similar to what the Midwest is experiencing this winter.

Thank you again for allowing me to submit my statement today, and I look forward to working with the Committee to address this critically important issue.