

State Heating Oil and Propane Program Expansion of Propane Data Collection



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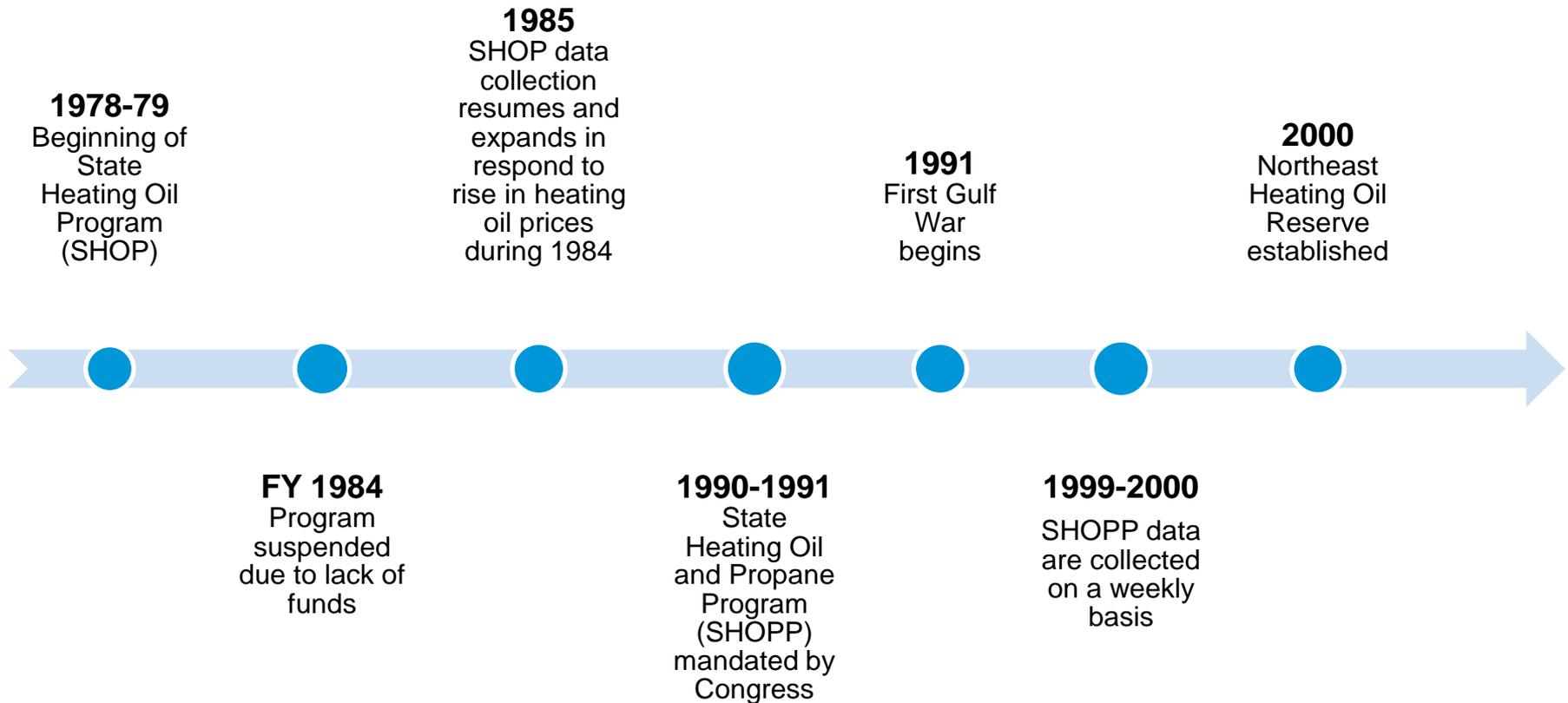
Key Topics

- Overview and history of State Heating Oil and Propane Program (SHOPP)
- Expansion of propane data collection
- What is expected of SEOs that participate?
- Benefits of participation

What is SHOPP?

- State Heating Oil and Propane Program (SHOPP)
 - cooperative data collection effort between EIA and State Energy Offices (SEOs)
 - data used by policymakers, industry analysts, and consumers
 - collects weekly residential heating oil and propane prices at a State level from October through March
- Data collection
 - EIA-877 Survey Form and Instructions, Winter Heating Fuels Telephone Survey, <http://www.eia.gov/survey/#eia-877>
 - States contact retail heating fuel outlets weekly via phone or email and obtain price data (burden estimate approximately 4-5 hours per week)
- Funding
 - 50/50 cost sharing program
 - 5-year cooperative agreement

Major Events in History of SHOPP



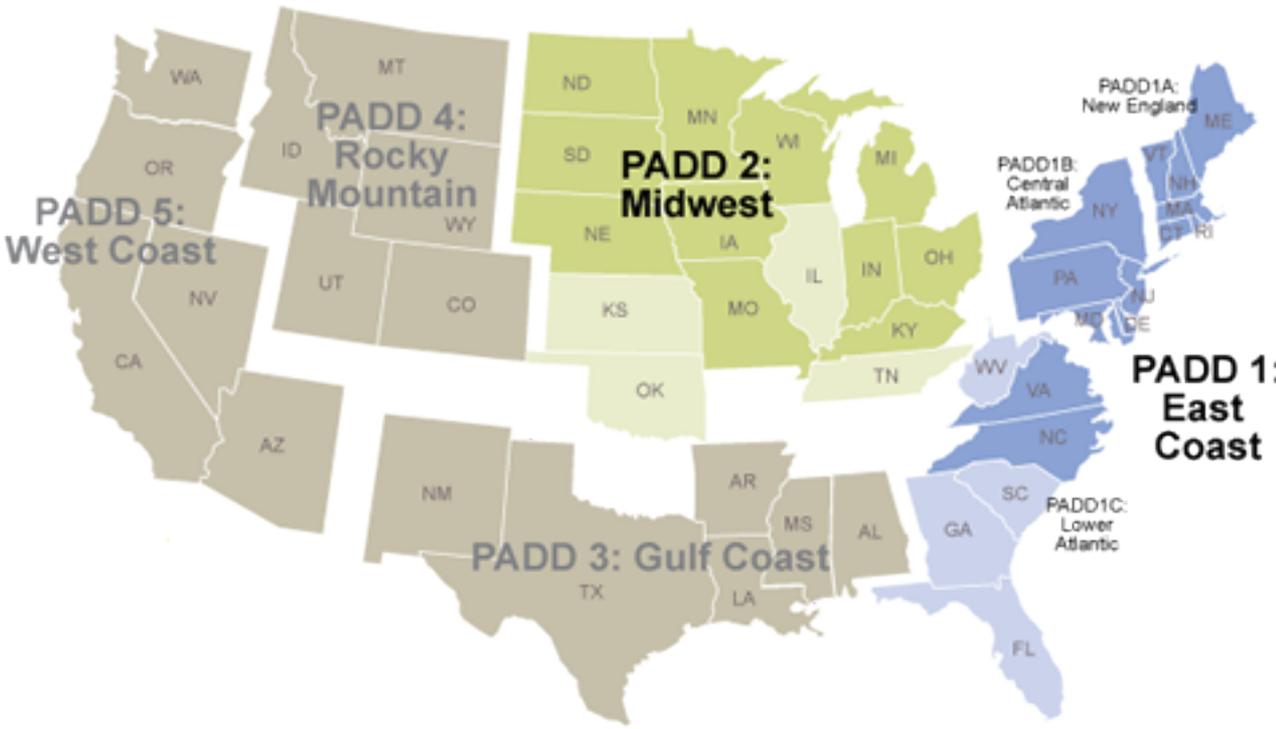
Progression of SHOPP Data Collection

- Coverage
 - initial: between 11 and 14 States
 - 2013-14 heating season: 24 States and the District of Columbia
- Frequency
 - initial: on the first of month
 - 1990s: bi-weekly
 - current: weekly
- Products
 - initial: heating oil
 - current: heating oil and propane

Expansion of SHOPP Propane Data Collection

Residential Propane States

Petroleum Administration for Defense Districts
 Winter Heating Fuels Survey - PADD 1 and 2 represented States



Propane

East Coast (PADD 1)

New England (PADD 1A)

- Connecticut
- Maine
- Massachusetts
- New Hampshire
- Rhode Island
- Vermont

Central Atlantic (PADD 1B)

- Delaware
- Maryland
- New Jersey
- New York
- Pennsylvania

Lower Atlantic (PADD 1C)

- North Carolina
- Virginia

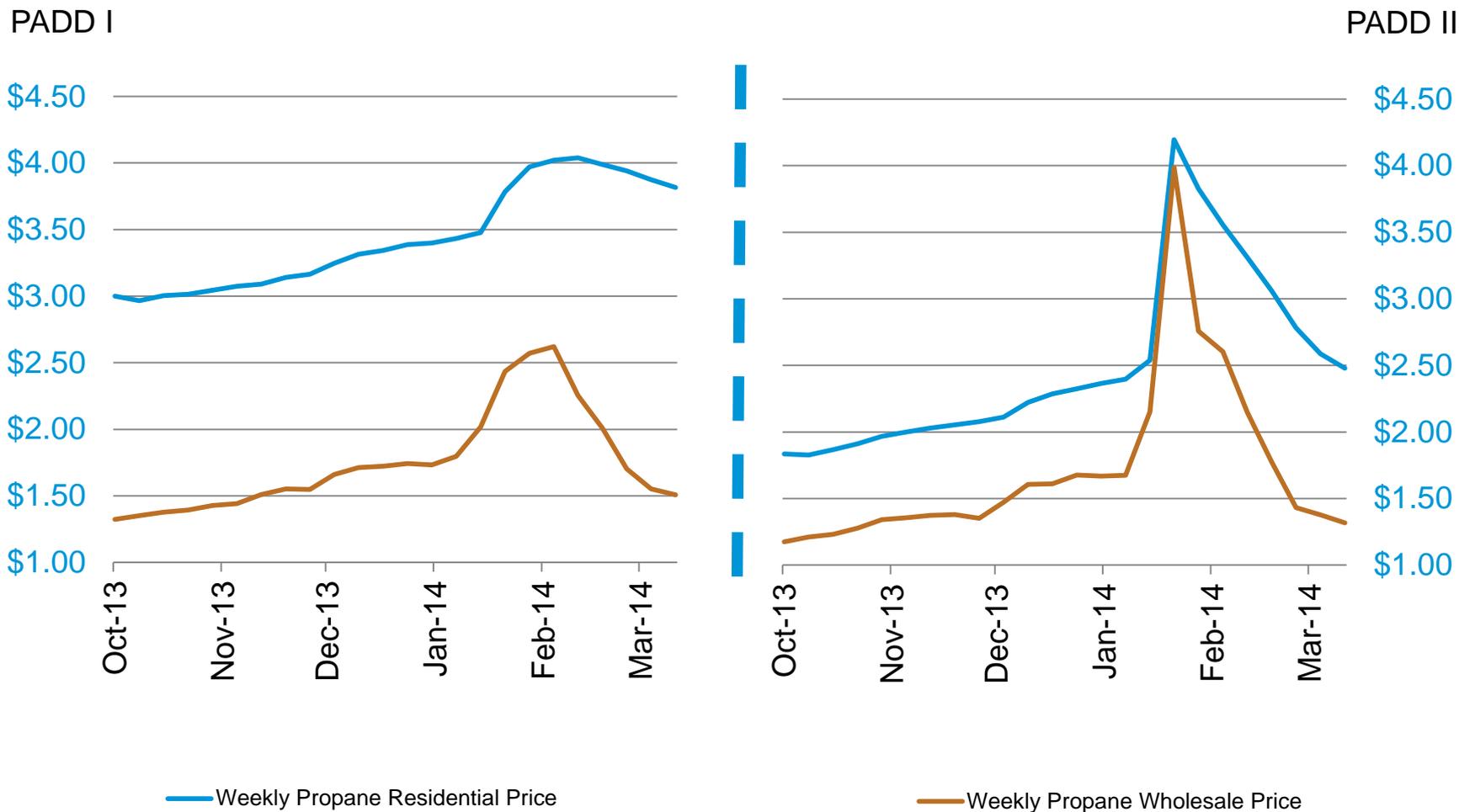
Midwest (PADD 2)

- Indiana
- Iowa
- Kentucky
- Michigan
- Minnesota
- Missouri
- Nebraska
- North Dakota
- Ohio
- South Dakota
- Wisconsin

Source: EIA, Heating Oil and Propane Update

Propane Prices 2013-14 Heating Season

Residential and Wholesale Prices



Sources: EIA, OPIS

What does participation in the propane expansion of SHOPP entail?

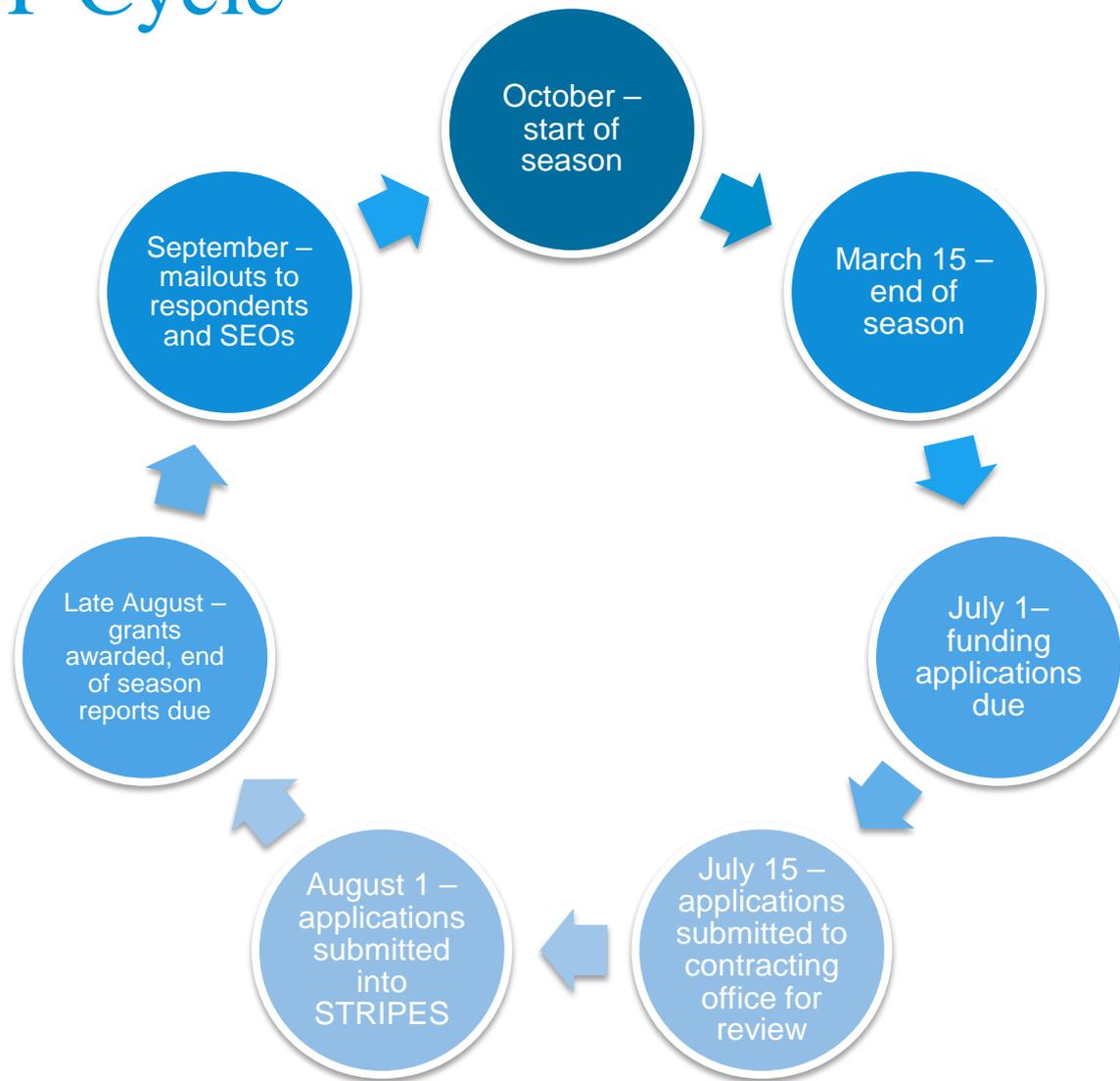
SHOPP Participant Responsibilities

- About 20-30 prices to collect each week from October through mid-March, the season is typically 24 weeks
 - data are due by 12 EST on Tuesday, except when Monday is a holiday in which case data are due on Wednesday
 - data from some of the larger propane companies are provided directly to EIA, which may reduce the number of calls
- Enter prices into EIA's Internet Data Collection system
- Due to time constraints, EIA is asking that each new SEO provide a listing of propane retailers in their State by late May-early June; EIA will create a statistical sample based on this information
- SEOs have the responsibility to protect data at the respondent level

Becoming a SHOPP Participant

- Express interest no later than Friday, April 18th
- Gather information on propane retailers from your State (late May - early June)
- Determine who will be performing weekly calls (June)
- Determine estimated costs for participation (June)
- Complete forms necessary for entry into cooperative agreement (July)

SHOPP Cycle



Managing Costs

- Contact respondents to see if they prefer email or phone response
 - email responses may save time taken up by making phone calls
- Establish what price you are collecting early on to save time on calls during the rest of the season
 - training materials are provided to SEOs on which price should be collected; however, different pricing structures for each company could result in slightly different questions for collecting for the price
- Use personnel or contractors with lower salaries to make phone calls and enter data

Benefits of Participation

EIA's Role

- Calls to individual respondents prior to the season
 - verify operating status and sale of propane
 - informs respondents about who will be calling and that their participation in the survey is required by law
- Sample integrity
 - keeping the sample up to date
- Data integrity
 - data validation and weighting methodology
 - devising a consistent survey methodology so that data is comparable from State to State which provides a better understanding of regional trends
- Data analysis and publication
 - price data are used internally and by other government agencies, additionally EIA provides timely aggregated information to legislators
 - data are published in multiple formats on the EIA website

SHOPP Benefits

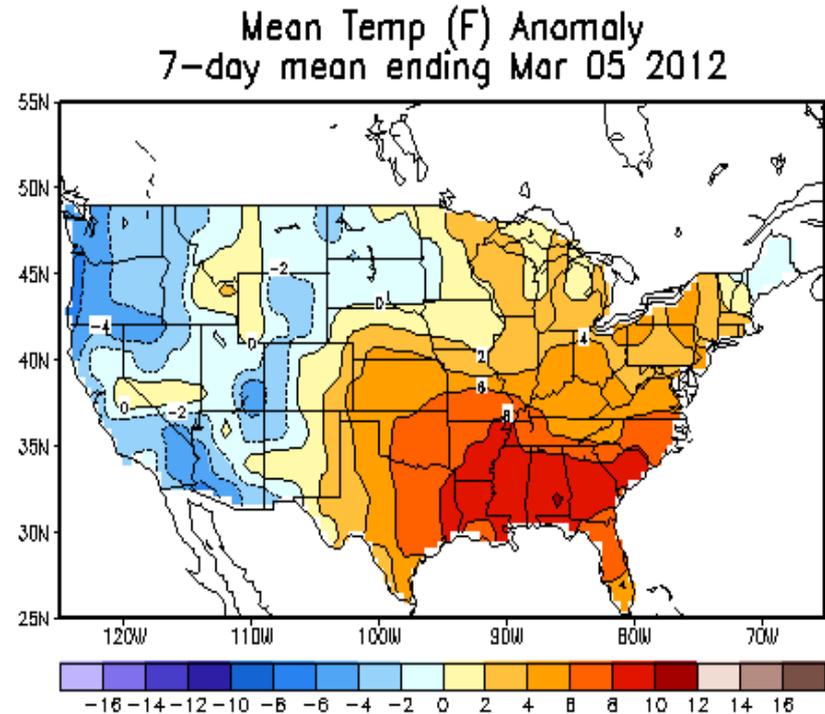
- Cost-sharing
 - EIA provides 50% of the total State cost of participation
 - average State cost for propane collection is \$6,000, ranging from \$2,000 to \$11,000, some of this includes voluntary travel
- Timely information on market conditions in your State
 - LIHEAP, fuel transportation waivers, Jones Act, etc.
 - helps States by allowing them to be able to response to consumer and legislative inquires about heating oil and propane prices
 - EIA has received calls from propane consumers from States all over the country that do not participate and are looking for price information
- Information sharing
 - weekly status reports during the heating season
 - direct retailer contact by States often provides early insight into market issues
 - SHOPP Conference and annual Winter Heating Fuels Conference

Information Sharing: Weekly Email Status Reports to SEOs

Promotes communication and information sharing between EIA and State Energy Offices

Examples of topics covered in Weekly Email Status Reports to SEOs:

- Summarize weekly heating fuel activity
- Expectations based on trends
- Data collection techniques
- Alternate reporting schedules due to weather or holidays
- Latest news on industry related events
- NOAA Weather Reports



Chance to share information with other State Energy Offices and EIA

Questions?

For More Information: Data Publications

U.S. Energy Information Administration home page www.eia.gov

This Week in Petroleum (TWIP) <http://www.eia.gov/oog/info/twip/twip.asp>

Heating Oil and Propane Update (HOPU)

<http://www.eia.gov/petroleum/heatingoilpropane/>

FAQs for SEOs:

http://www.eia.gov/petroleum/heatingoilpropane/faq_stateofficials.cfm

Weekly Petroleum Status Report (WPSR)

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Short-Term Energy Outlook (STEO) <http://www.eia.gov/forecasts/steo/>

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