State Heating Oil and Propane Program
Expansion of Propane Data Collection

Marcela Rourk
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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
  – 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

1978-79
Beginning of State Heating Oil Program (SHOP)

1985
SHOP data collection resumes and expands in respond to rise in heating oil prices during 1984

1990-1991
State Heating Oil and Propane Program (SHOPP) mandated by Congress

FY 1984
Program suspended due to lack of funds

1991
First Gulf War begins

1999-2000
SHOPP data are collected on a weekly basis

2000
Northeast Heating Oil Reserve established
Progression of SHOOPP 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 SHOOPP Propane Data Collection
Residential Propane States

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

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 SHOOPP 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)
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


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


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

Douglas MacIntyre
Director, Office of Petroleum and Biofuels Statistics
Douglas.MacIntyre@eia.gov

State Heating Oil & Propane Program
EIA-877: Survey Manager
Marcela Rourk
Marcela.Rourk@eia.gov
(202) 586-4412