



A lack of winter gallons and drivers challenged Proctor Gas.

LESS OF A STRESS TEST

Propane retailers urged to avoid complacency with next year's volumes following a mild winter heating season

BY JAMES E. GUYETTE // CONTRIBUTING EDITOR

It was a relatively uneventful and rather warm heating season throughout much of the country, with sales of LPG gallons registering at comparatively modest levels.

"Everybody wanted to sell more gallons than they did," reports Leslie Anderson, president and CEO of the Propane Gas Association of New England (PGANE). "It was a very mild winter."

That said, and casting aside disappointment over any less-than-desired volumes from this season, Anderson urges retailers to "contract for your gallons" going into next year, lest frigid temperatures return with a vengeance, leaving them short on supply and long on the ire of customers cooling their heels while awaiting their deliveries.

"It's important that we make sure we don't get complacent," says Anderson.

"We keep saying every year that we're due to have a cold winter, and we plan accordingly," observes Judy Taranovich, president and owner of Proctor Gas in Proctor, Vermont, acknowledging an uncomfortable urge to take a more lack-

adaisical approach going forward after this past year's lukewarm heating season.

"Our gallons were definitely off a bit. It's probably been one of my more challenging years," she says, additionally citing an ongoing lack of available workers to staff the bobtails.

Taranovich, PGANE's immediate past chair and a current board member at the National Propane Gas Association (NPGA), is quick to point out that despite the assorted logistical headaches that come with the territory, "it hasn't been horrible" when considering the overall efforts involved in keeping adequate amounts of propane flowing into the Northeast.

For the first time in nearly a decade, an hours-of-service (HOS) exemption within the region was not required.

For some businesses, though, this heating season's diminished financial returns – along with an increasing number of owners approaching retirement age and succeeding generations uninterested in entering the industry – could seal the deal for agreeing to an acquisi-

tion overture.

"The gallons aren't going away," says Taranovich, who also serves on the NPGA's new Renewable Fuels Committee.

"Overall, it was a warmer-than-normal season for the industry," says Heather Granzin, director of supply at AmeriGas.

"There was a small pocket of winter in January across the central part of the U.S. that impacted available supply across several states, but the impact was of short duration with only a couple of weeks of disrupted supply chains," she reports.

"The industry overall was not stress tested this winter, and propane supply and transportation assets were available to meet needed demand," according to Granzin, adding that the fall's crop drying season consumed a modest number of gallons.

▶ A CAKEWALK AND JUST DESSERTS

On the other side of the country, "atmospheric rivers" of rainfall buffeted the West Coast.

“Rain is good,” says Andy Fellman, regional vice president for the Northwest at EDP. “It’s better for us in the spring than in the winter because the furnaces will still be on longer than they normally would.”

Unlike a common out-of-state perception of California being solely a delightfully toasty playground of swimming pools and movie stars, the Golden State’s higher elevations are topped with snow-covered peaks and rugged conditions desired by local residents and visiting vacationers.

To fulfill its propane delivery needs, EDP uses bobtails equipped with aggressive-tread tires and auxiliary chains. A Sno-Cat all-terrain tracked vehicle is also trailered in to conquer especially troublesome driveways when conditions dictate.

Warmer-than-normal temperatures were bringing flat sales figures, but Fellman says EDP was able to keep its expenses in line while also giving the team a chance to set new tanks for customers

unsatisfied with their current provider.

“This year is probably going to go down as the warmest January, February and March ever recorded,” he says.

“We’d love to have colder weather, but I can’t say we’re disappointed with reduced operational costs and reduced overtime,” Fellman adds. “Long term we can’t predict the weather, but there are other ways of generating revenue in these times.”

This year’s rain resulted in challenging driving conditions for the bobtails, marked by flooded rivers and creeks throughout EDP’s coverage areas, which stretch from Washington, through Oregon and down to California.

“The conditions justified slowing down our actions a bit for safety purposes,” says Fellman, although the impact was mitigated a bit in California due to much of its customer base being perched high up in the mountains and out of reach above the flood zones.

EDP engaged in significant pre-season planning on a proactive basis to lessen the chance of unforeseen problems arising.

“I look at the previous two years, and this year was a cakewalk,” Fellman says.

► SOME NICE BREAKS

“It’s been a very tame year for us,” adds Fellman, glad EDP was able to avoid some of the consequences it experienced during last year’s wicked weather.

“We’ve been very proactive. We weren’t going to be caught by surprise this year,” he says.

EDP saw a significant amount of snowfall last year, Fellman recounts, with the higher elevations in its service territory notching 63 ft. of snow. This year, the total snow depth amounted to a more manageable 24 ft.

“This year, we did receive some snowfall, but there were some nice breaks in between, so the highway crews could catch up” with the road maintenance tasks.

A solid system of predicting pending weather extremes proved to be a key factor in the company’s efforts to be consistently proactive, according to Fellman.



Ebbetts Pass Gas, an EDP company, uses a Sno-Cat bobtail to conquer challenging mountainous conditions.

Satellite radio played a role, as did other sources of locally pinpointed weather forecasts.

“We have several sources of weather reports. That’s a daily thing we’re doing,” he says.

“We knew when the snow was coming, so we could go into these higher elevations and be proactive” with its snow avoidance and removal tactics.

A robust online presence kept EDP’s customers properly informed in a timely manner.

“A lot of information came from the website,” Fellman reports. Especially productive was the ability for customers to keep tabs on their tank’s capacity levels.

“People got tips on propane safety, and they were able to report to us when they were running low,” says Fellman.

EDP provided advice regarding how customers could effectively mark the location of their tank within their yard to aid the driver, encouraging customers to keep their driveways cleared of accumulating snow and “keeping snow and ice from accumulating on the equipment.”

National data shows February was the third warmest on record, and precipitation levels ranked in the driest third of the historical record for the month.

According to the National Oceanic and Atmospheric Administration (NOAA), the average temperature of the contiguous U.S. in February was 41.1 degrees F, 7.2 degrees above average, ranking third warmest in the 130-year record. February temperatures were above average across most of the contiguous U.S., while record-warm temperatures were

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A LOOK AHEAD: WIDESPREAD WARMTH, ACTIVE HURRICANE SEASON EXPECTED

With El Niño fading and possibly a La Niña coming on, meteorological consulting firm WeatherBELL Analytics expects a warm summer across most of the country. Depending on the mid-spring rainfall patterns, the early part of the summer will be hottest where it’s driest in May. Any wet areas will help increase humidity levels, leading to warm overnight temperatures. Along with the warm temperatures, WeatherBELL expects a very active hurricane season. In fact, it wouldn’t surprise the firm to see an impactful storm in June and multiple hurricane hits starting in July or August.

U.S. Selected Significant Climate Anomalies and Events February and Winter 2024

More than 119 in. of snow has fallen in Anchorage, AK since Oct—ranking as the second-snowiest water year (Oct 2023–Sep 2024) to date in Anchorage.



On Feb 27, about 21.6% of the contiguous U.S. was in drought, down about 2% from the end of Jan. Drought conditions expanded or intensified along portions of the Northern Tier, and in parts of the central and northern MS Valley, southern Plains, the Carolinas and HI this month. Drought contracted or was reduced in intensity across much of the Southwest and Lower MS Valley, and parts of the central Plains, Northern Rockies and PR.

Unseasonably warm temperatures mixed with a vigorous cold front fueled powerful storms in portions of the Upper Midwest that spawned tornadoes in IA and IL. WI had its first Feb tornado on record—an EF-2 near Evansville, WI.

Persistent warmth resulted in a steady decrease in ice coverage across the Great Lakes, which reached a historical low of 2.7% on Feb 11—the lowest ice coverage on record during mid Feb.

A series of atmospheric river events brought heavy rain and snow to the region during Feb, causing significant flooding, powerful winds, landslides and power outages in parts of CA.

A nor'easter storm system brought heavy snow to much of the Northeast on Feb 12–13, with some areas having their snowiest day in years.

Dryness persisted over HI this month as abnormal dryness and drought expanded to nearly 77% of the Islands—a 35% increase over the month.

The Smokehouse Creek wildfire in the Panhandle burned more than one million acres from Feb 26–29, becoming the largest wildfire on record in TX.



The average U.S. temperature for Feb was 41.1°F, which is 7.2°F above average, ranking third warmest in the 130-year record. The U.S. precipitation average for Feb was 1.86 in., 0.27 in. below average, ranking in the driest third on record. The average winter U.S. temperature was 37.6°F, 5.4°F above average, ranking warmest on record. The winter precipitation total was 7.71 in., 0.92 in. above average, ranking in the wettest third of the Dec–Feb record.



Rainfall brought improvements to drought in parts of PR this month as drought coverage was reduced by more than 13%, down to about 41% of the island.

Please Note: Material provided in this map was compiled from NOAA's State of the Climate Reports. For more information please visit: <https://www.ncei.noaa.gov/access/monitoring/monthly-report/>

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observed across much of the Mississippi Valley and in parts of the Great Lakes and southern Plains. Minnesota, Wisconsin, Iowa and Missouri each had its warmest February on record.

Alaska's statewide February temperature was 10.3 degrees, 5.5 degrees above the long-term average, ranking in the warmest third of the 100-year period of record for the state. Above-normal temperatures were observed across much of the state, with near-normal temperatures observed in parts of southeast Alaska and the panhandle, according to NOAA.

▶ LOOKING FOR A REBOUND

Wildfires in Texas were attracting considerable attention, not particularly having a wide impact on the propane industry but instead underscoring “the crazy winter that we had,” according to a Lone Star State retailer whose operation was recently purchased by an industry major.

A U.S. map plotted with significant climate events that occurred in February 2024.

Ranchers were feeling pinched in the wake of the wildfires, of which there were at least five reported throughout Texas and Oklahoma.

In Texas, “the state is pretty well taxed in trying to get hay” as vast fields of feed were incinerated, the retailer says. Additionally, “they’re trying to figure out how to dispose of the thousands of cattle that didn’t make it.”

As for propane volumes, “January was gangbusters – we had a record January; we had a record number of gallons pumped,” the business owner recalls, adding that “it affected our February numbers because everything had been topped off.”

By St. Patrick’s Day, the mercury was hovering at an unseasonable and undesirable 76 degrees.

“We’re looking for a rebound in

March,” he says, as the month moves ahead into a hopefully more brisk weather pattern.

Having topped off the tanks earlier in the season, “we don’t have the will-call traffic that we usually do,” the owner laments. “The will-call traffic just wasn’t there” this year.

“We look at it on a month-by-month basis; that’s the norm of the business,” he notes. “We’re still holding good margins.”

At Dixie LP-Gas in Hillsboro, Texas, the year’s results were in line with a lot of the rest of the country.

“It was a pretty mild winter. We had some flashes of cold, but not much,” explains Robbie Montgomery, Dixie’s office representative.

“We had good sales. Everyone was taken care of well, and everything ran smoothly,” he says. “Everybody worked together,” and additional credit was allocated to the company’s proactive pre-season, preplanning program. **LPG**