

House Concurrent Resolution No. 18

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES HOUGHTON (Sponsor), PFAUTSCH,
SHUMAKE AND REMOLE (Co-sponsors).

5674H.011

1 **WHEREAS**, liquefied petroleum gas, or propane, is a vital source of energy for many
2 citizens in the state of Missouri; and

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4 **WHEREAS**, propane is commonly used for heating homes, cooking, refrigeration, and
5 transportation; and

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7 **WHEREAS**, citizens in the state of Missouri are dependent on propane as an energy
8 source, especially during the winter season; and

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10 **WHEREAS**, the 1,900 mile, 70,000 barrels of propane per day Cochin pipeline from
11 Alberta, Canada was closed for a large portion of December; and

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13 **WHEREAS**, 189,000 barrels of propane per day were exported from the United States
14 in October 2012, while 408,000 barrels of propane per day were exported in October 2013; and

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16 **WHEREAS**, current inventories of propane can supply only 24 days of consumer
17 demand, compared with 42 days a year ago; and

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19 **WHEREAS**, there are two primary storage facilities for supplying propane to the
20 Midwest located respectively in Mont Belvieu, Texas and Conway, Kansas; and

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22 **WHEREAS**, while Mont Belvieu, Texas, is home to the largest storage facility for
23 propane, Conway, Kansas, is also a pricing hub; and

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25 **WHEREAS**, propane located at the storage facility in Conway, Kansas traded as high
26 as \$2.15 per gallon in the third week of January 2014, while propane located at the storage
27 facility in Mont Belvieu, Texas traded at \$1.48 per gallon; and

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29 **WHEREAS**, a gallon of residential propane in the Midwest cost \$2.433 during the third
30 week of January 2014, while costing \$1.715 a year earlier; and

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32 **WHEREAS**, the closure of the Cochin pipeline, the increased amount of exports, the
33 drastic increase in price, and the difference in price among propane storage facilities has resulted
34 in the inaccessibility of propane to the citizens of Missouri:

35 **NOW, THEREFORE, BE IT RESOLVED** that the members of the House of
36 Representatives of the Ninety-seventh General Assembly, Second Regular Session, the Senate
37 concurring therein, hereby strongly urge the United States Department of Justice to investigate
38 the price increase of propane, the price disparity of propane among storage facilities, and the
39 supply shortage of propane available to consumers; and

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41 **BE IT FURTHER RESOLVED** that the Chief Clerk of the Missouri House of
42 Representatives be instructed to prepare a properly inscribed copy of this resolution for the
43 Attorney General of the United States, each member of the Missouri Congressional delegation,
44 and Governor Jay Nixon.

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