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GROWMARK responds to propane infrastructure issues

BY CHRIS ANDERSON

FarmWeek

Colder temperatures and a late harvest underway in Illinois and across most of the Midwest has caused a significant spike in propane demand.

Iowa Farm Bureau reported long lines and rationing hit propane suppliers and angered farmers across the state the last week of October.

As a result, GROWMARK and the FS System adjusted quickly to move trucks to respond to current infrastructure challenges.

“Pipeline infrastructure is maxed out and can never fully support excessive demand periods like now,” said Carol Kitchen, GROWMARK vice president of energy and logistics. “We currently have product volume committed from our suppliers and are working through service disruptions impacting the pipeline infrastructure. We are working to minimize service delays for our customers.”

GROWMARK has made investments in increased rail transportation and storage facilities since the extreme winter of 2013-14 to ensure proper supply for customers. In addition, plans are constantly in place to fill propane tanks for residential, commercial and ag purposes during nonpeak times.

Steve Kubsch, GROWMARK director of operations and transportation, said overall propane availability is not yet a problem in Illinois, but some locations have run out of the fuel. He believes the situation may become more critical this week.

“Getting the crop in late and slow dry down of the crop puts pressure on a dated pipeline structure to support demand,” Kubsch noted. “Propane is available, just not where we need it.”

In Iowa, Kubsch said GROWMARK trucks typically travel 50 miles to obtain propane. Heightened demand sent trucks 600 miles to Conway, Kansas, to pick up propane. He noted central and southern Illinois could soon receive propane supplies from Kansas as well.

GROWMARK further worked with state legislators to secure a Federal Motor Carrier Safety Administration emergency declaration easing hours of service propane transportation rules through November. The declaration affects eight states, including Illinois.

“It’s a serious situation, but we’re keeping customers in production with grain drying, livestock facilities and home heating,” Kubsch said.