



May 15, 2023

The Honorable Roger Marshall
U.S. Senate
Washington, DC 20510

Via Electronic Mail

Dear Senator Marshall,

On behalf of the National Propane Gas Association (NPGA), I am writing to urge you to vote “NO” on any cloture vote on the *Railway Safety Act of 2023*, as it was favorably reported out of the Committee on Commerce, Science, and Transportation by a vote of 16-11 on May 10, 2023. The regulatory burdens of this legislation will drastically impact the movement of essential energy products, including propane, and Congress must take action to ensure future versions of this rail safety legislation protect consumers from unnecessary propane price increases.

NPGA is the national trade association of the propane industry with a membership of about 2,500 companies and 36 state and regional associations representing members in all 50 states. Membership in NPGA includes retail marketers of propane gas who deliver the fuel to the end user, propane producers, transporters and wholesalers, and manufacturers and distributors of equipment, containers, and appliances. Today, 37% of all propane used in the United States is transported by rail,¹ and over 50 million households throughout the nation use propane for home heating, water heaters, and cooking needs.² In addition, 40% of all farms use propane³ for various applications, including crop drying, irrigation pumps, and heating.

As a consequence of Sec. 102 of the *Railway Safety Act of 2023*, nearly all rail shipments of propane would fall under the definition of a high-hazard train, which imposes significant and costly regulatory burdens on the movement of propane. These proposed changes would also cause additional congestion on the entire rail network, leading to delays and cost increases for the delivery of all goods transported by rail. Additionally, Sec. 102 will set limits on propane rail shipments, disincentivizing the movement of larger volumes and likely delaying delivery, which could be problematic during peak consumption times, such as harvest and heating season. These potential regulations would also incentivize the increase in over-the-road transportation of hazardous materials, raising safety concerns. According to the Department

¹*Total Propane by Rail*, U.S. Energy Information Administration, https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=p&t=s=esm_epllpa_rail_zamn-zamn_mbbf&f=m (last visited Oct. 28, 2022).

²*Impact of the U.S. Consumer Propane Industry on U.S. and State Economies in 2015*, Propane Education & Research Council (Sept. 2017), <https://propane.com/wp-content/uploads/2019/02/2015-Propane-Industry-Impact-on-US-and-State-Economies-FINAL-2.pdf>.

³*Agriculture: Energy for Growing Crops - and Growing Profits*, Propane Education & Research Council, <https://propane.com/for-my-business/agriculture/> (last visited Oct. 28, 2022).

of Transportation, rail transportation of hazardous materials is recognized to be the safest land-based method of moving large quantities of chemicals over long distances.⁴

In recent years, propane consumers have faced significant price increases due to COVID recovery, inflation, and other supply chain disruptions.⁵ While we hope this legislation improves safety and protects communities, it cannot come at the expense of compromising supply chains or posing unreasonable costs that would make energy products more expensive for consumers, especially for low-income Americans.

Again, NPGA urges you to vote “NO” on any cloture vote on the *Railway Safety Act of 2023*, as it was favorably reported out of the Committee on Commerce, Science, and Transportation on May 10, 2023, and take action to ensure future versions of this rail safety legislation protect consumers from unnecessary propane price increases.

If you have questions regarding the propane industry, please contact Michael Baker, NPGA’s Vice President of Legislative Affairs, at mbaker@npga.org.

Sincerely,



Steve Kaminski
President and CEO
National Propane Gas Association

⁴ *Hazardous Material Transportation*, U.S. Department of Transportation Federal Railroad Administration, <https://railroads.dot.gov/research-development/program-areas/hazmat-transportation/hazardous-materials-transportation>

⁵Michael Jeffers, *Warding Off Winter Cold in U.S. Will Be Pricey as Propane Soars*, Bloomberg, (Sept. 15, 2021) <https://www.bloomberg.com/news/articles/2021-09-15/warding-off-winter-cold-will-be-pricey-as-key-heating-fuel-soars>.