



August 5, 2024

Comments of the National Association of State Energy Officials (NASEO) on the Notice of Proposed Rulemaking Regarding the U.S. Energy Information Administration’s (EIA) Suspension of Petroleum Marketing Program Surveys

These comments are submitted by the National Association of State Energy Officials (NASEO), which represents the governor-designated State Energy Offices from each of the 56 states, territories, and District of Columbia. State and Territory Energy Offices (State Energy Offices) work on a wide range of energy policies and programs, including State Energy Security Plan development, which they have led within their states for over 40 years as required by the longstanding, bipartisan U.S. State Energy Program established by Congress. This requirement was strengthened by provisions included in the Infrastructure Investment and Jobs Act, Section 40108. States develop State Energy Security Plans to address risks and vulnerabilities from all hazards impacting all energy sources, including liquid fuels. The fundamental element of any risk mitigation measure included in the plans is access to consistent and reliable data. This information is critical in preparing for potential energy supply disruptions and responding to energy emergencies, a responsibility practiced and executed in partnership with the private sector and Federal Government.

Historically, State Energy Offices have relied on the U.S. Energy Information Administration (EIA) Petroleum Marketing Program data for liquid fuel event monitoring, emergency response, energy security planning, and policy development. The key EIA data used by the states for these purposes is the *782A Refiners/Gas Plant Operators' Monthly Petroleum Product Sales Report*, and *782C Monthly Report of Prime Supplier Sales of Petroleum Products Sold for Local Consumption*. The proposed permanent suspension – elimination – of the 782A and 782C data is very concerning. NASEO urges EIA to address the underlying issues that led to the suspension of the surveys, and to continue providing this critical data to State Energy Offices, federal government leaders and other public officials for their energy emergency planning and response purposes.

In hundreds of incidents impacting the energy sector over decades, this data has aided states, at the direction of their governors and in coordination with private sector energy partners, to avoid, mitigate, and respond to refined petroleum product supply concerns resulting from natural disasters and cyber- and physical-security events. The lives and livelihoods of countless Americans have been saved and improved through the access to this information which supports informed decision making by state leaders. The proposed permanent suspension of these two data sets and ongoing surveys will have significant impacts on states’ abilities to prepare for and respond to liquid fuels shortages and other emergencies.

NASEO has collected and summarized specific feedback on the use of the data from the EIA 782A and 782C surveys from State Energy Offices and members of the NASEO Energy Security Committee. The following sections outline how State Energy Offices have used the now-suspended EIA data, what the consequences are when the data is permanently suspended, and EIA’s critical role in supplying data which cannot be replicated outside the federal government.

1300 North 17th Street
Suite 1275
Arlington, Virginia 22209
Telephone: 703.299.8800
www.naseo.org

BOARD OF DIRECTORS

Chair

JOHN WILLIAMS
New York

Vice Chair

MOLLY CRIPPS
Tennessee

Treasurer

EDDY TREVINO
Texas

Secretary

WILL TOOR
Colorado

Parliamentarian

JASON LANCLOS
Louisiana

Past Chair

ANDREW MCALLISTER
California

Regional Representatives

DAN BURGESS
Maine

KATIE DYKES
Connecticut

DAVE ALTHOFF
Pennsylvania

NICK BURGER
Washington, D.C.

MITCHELL SIMPSON
Arkansas

KENYA STUMP
Kentucky

JULIE STAVELAND
Michigan

MICHAEL FURZE
Washington

RICHARD STOVER
Idaho

MARIA EFFERTZ
North Dakota

LYNN RETZ
Kansas

President

DAVID TERRY

General Counsel

JEFFREY C. GENZER

EIA 782 Data Helps States Prepare for and Respond to Extreme Weather and Disruptions

Many states rely heavily on EIA's Petroleum Marketing Program data for liquid fuel event monitoring and emergency response. State Energy Offices regularly use EIA 782A and 782C data as part of state energy reports and monitor winter supply levels and weekly fuel levels. Using this data, the State Energy Offices estimate days of fuel supply, information which is used in weekly briefings to State Energy Directors and governor briefings.

States also include EIA 782 data in emergency event after action reports and analysis. It provides insight into supply and demand leading up to and during severe weather events, how that data deviates from historical demand, and why there might be a change in demand. For emergency planning purposes, it allows states to more accurately estimate what demand forecasts may look like during similar events.

States with significant propane and distillate heating and transportation needs use this data as a baseline measurement of the volumes of product needed to meet monthly demand in the state. In the event of a supply disruption or extended severe weather, for example, the data is used to estimate the product volumes needed to recover from the event, which can help justify a recommendation to the governor to declare an energy emergency. Energy emergency declarations are critical during certain emergencies, as they allow for lifting of fuel driver hours of service and weight limit restrictions, which facilitates the delivery of critically needed fuel. Following are examples of numerous planning and response efforts that hinged on this critical data:

- When disruptions occur, states estimate, based on past data for their state, the typical volume needed to meet their demand during an extended shortage, and have used EIA data as justification for requesting U.S. Environmental Protection Agency or Federal Motor Carrier Safety Administration (FMCSA) waivers to facilitate the moving of product into the state or region. These requests are perennial options for states to use in response to regional petroleum shortages, and have been formally included in the Western, Midwestern, and Southern states' [Regional Petroleum Shortage Response Collaboratives](#), which were established by the states with support from NASEO, the National Emergency Management Association (NEMA), and the U.S. Department of Energy's Office of Cybersecurity, Energy Security, and Emergency Response (CESER) as formal regional coordination frameworks to prepare for and respond to petroleum shortages. A majority of the states are members of at least one of these collaboratives.
- The importance of EIA's 782 data was seen during the winter of 2013-2014 when a polar vortex resulted in regional distillate, propane and natural gas supply shortages for the Midwest. The event was exacerbated by an extended, late crop drying season resulting from a wet Fall harvest. States impacted by the event have since used the 782C data to assess summer heating fuel sales in determining the states' risk of falling short of these critical fuels during the heating season.
- In New England, State Energy Offices utilize this EIA data to inform both energy and emergency management leaders about the estimated days of fuel supply "buffer" available. If supplies are abruptly cut off due to natural or manmade interruptions, knowing the buffer of fuel supplies is essential information for state government decision makers. This information is shared with senior state leadership through briefings on energy security metrics, planning, and related issues. Senior state leadership finds even a rough estimate of days of supply based on previous consumption and current inventories extremely helpful, whereas data solely on barrels of inventory is of more limited value. During Winter Storm Elliott in December 2022, EIA 782C data was used to help these states assess the risk of low fuel supplies and prepare contingencies to avoid catastrophic disruptions.
- Following BP's Whiting Refinery closure in February 2024, EIA 782 data was used extensively for energy demand forecasting, situational awareness, leadership briefings, and energy appraisals. State Energy Offices would not have known the extent of the impacts on the energy system without this critical data and would have been unable to fully coordinate with industry and provide accurate impact analysis to governors and other state leadership for decision making.

Consequences of EIA Data Unavailability

With the significant number of catastrophic weather events increasing over the past decade, this data is more important than ever. Its absence would have significant negative impacts, such as the following:

- The permanent suspension of this data increases overall risks for all states in planning for and responding to energy emergencies. Specifically, it complicates coordination with industry and constrains informed governor decision-making during emergencies. This can lead to adverse risks for critical functions which depend on timely fuels delivery (e.g., first responders, critical manufacturers, electric utility repair crew transport, home heating) and extended economic disruptions.
- The EIA 782C prime supplier reports provide a snapshot of monthly volume of product sold in-state. Without this data, states only have access to state department of revenue records for taxation of on-road fuel, a rough approximation of the data which does not include important off-road uses for fuel for agriculture, generator back-up power, and other uses.
- Without a robust understanding of demand for petroleum in-state, State Energy Offices lack the data to determine the appropriateness of emergency fuel requests (either to fuel suppliers in state or to the U.S. Defense Logistics Agency) in the event of a long-term power outage.
- The EIA 782C data is critical to estimating petroleum product demand at the state level. Without this data, states are forced to estimate petroleum sales individually, purchasing price or quantity data through private, for-profit data aggregators which is less robust.
- EIA liquid fuels survey data is critical, as about one-third of distributors send the requested information in 782C reports directly to states, which provides an incomplete data snapshot. Under federal law, providing the data to states is not mandatory for prime suppliers, however it is mandatory to provide it to the federal government. The federal data accumulation mechanism is irreplicable on the state level and more efficiently collected at the federal level.
- The disaggregated structure of petroleum markets means that a national system of consistent data collection and provision of that data to state and federal government leaders is the only practical means to inform decision making during an emergency. Divesting this critical government function to a patchwork of private sector data firms would yield an incomplete and disparate data set, which would have significant impacts on state and federal decision-making in preparing for and responding to energy emergencies that occur dozens of times each year due to extreme weather and other events.

NASEO requests that EIA address the underlying issues that led to the suspension of Petroleum Marketing Program surveys and continue providing this critical information to State Energy Offices and other public officials for their energy security and planning purposes. As outlined above, the continued absence of this data will have significant impacts on data-informed State Energy Security Planning and energy emergency response, and may ultimately affect human health and safety, economic security, and national security.

We appreciate the opportunity to provide these comments.

Best regards,



David Terry
President, NASEO

cc: State Energy Office Directors