

PROFESSIONALS DEDICATED TO ORGANIZATIONAL PREPAREDNESS AND RESILIENCE.

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Fuel for Thought

By Fiona Raymond-Cox, BRMA Promotions Director

In working with my clients, many cite fuel shortages as a key risk. But are we prepared to manage the impact if fuel is inaccessible?

Shortly after making landfall on October 29, 2912, media outlets were dubbing tropical Hurricane Sandy a "Superstorm". In its wake, it left much of New Jersey, Long Island, and a large part of New York City flooded without power. A primary pipeline supplying gas from the Gulf of Mexico was out of commission due to the power outages, as were many critically important fuel terminals. Fuel



supplies quickly became a major issue.

Per the US Census Bureau's Newsroom report dated June 27, 2008, there is an average of one gas station per 2,500 people across California, Texas and Florida, but a chief analyst at the Oil Price Information Service said the densely populated New York-New Jersey area has fewer gas stations per capita than any other major U.S. metropolitan area, exacerbating the limited supplies.



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BRMA 2012 Event Calendar

Date	Event	Location
January 31	BRMA Membership at 12:30	eBay, San Jose - Regina Phelps -
	Networking lunch provided by	What does the future hold for BCM?
	eBay at 11:30 AM, RSVP is	& Cheyenne Haase - BCM Program
	required to program@brma.com.	Trends – What are the most
		successful programs doing right?
February 28	BRMA Membership at 12:30	TBD
	Networking lunch at 11:30 AM	
March 28	BRMA Membership at 12:30	TBD
	Networking lunch at 11:30 AM	

The BRMA Newsletter

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Two days after the "Superstorm", the U.S. Energy Information Administration established an emergency survey to determine which New York City metropolitan area gas stations had fuel for sale. Initial data revealed 67% of gas stations had lost power. Without power the pumps couldn't deliver gas. 12 days later 28% of those gas stations remained inoperable.

On November 5, in an effort to minimize or prevent fuel disruptions for emergency responders, the U.S. Environmental Protection Agency waived federal clean diesel fuel requirements in New Jersey, Pennsylvania and New York City. This allowed heating oil to be used in highway vehicles, non-road vehicles and non-road equipment (e.g., utility service vehicles, ambulances, and fire trucks) to help facilitate emergency response and disaster recovery efforts. A few days later, the federal government waived the Jones Act for a period of 12 days, to allow oil tankers to deliver fuel to northeastern ports to help bring fuel to the area ravaged by the storm.

New Jersey was the first state to introduce gas rationing to eradicate the hours-long wait time at gas stations. On November 9, Long Island officials and New York Mayor Michael Bloomberg followed suit and implemented gas rationing for private car owners. They opted for an "odd-even" rationing system whereby cars with a number plate ending in an odd number could fill up their tank on an odd numbered day of the week and those with an even numbered plate could fill up on an even numbered date. Police were deployed to gas stations to oversee arrangements and keep the peace. Gas rationing in New York City remained in effect through 6pm on November 24th.

Exceptions to the rationing rule enabled those walking up to gas stations with hand-held gas canisters to fill them up; overnight, gas canisters became a hot commodity (Amazon reported sales of the Briggs & Stratton 2+ gallon gas tank increased 900% within 3 days of Sandy making landfall). Emergency vehicles, commercial vehicles, taxis and limousine services as well as cars bearing a doctor's plate were also all entitled to fill up, so long as they too waited in line to do so.

Social media played its part during the fuel shortages. The folks at GasBuddy.com (a crowd-sourced application which allows people to share local gas prices at fuel stations across the US and Canada) developed an online tool called Fuel Shortage Tracker as a result of Sandy. This tool enabled the user to key in their city, state, or zip code to find out which gas stations were open, had fuel, or were to receive the next supply of fuel. FEMA and the White House turned to WAZE, another crowd-sourced navigation application with 30 million mobile app users, to customize the tool so that they could determine where to send fuel deliveries in New Jersey initially and then later to Staten Island and Long Island. The app allowed the user to report on the state of the lines and wait time at the gas station. The WAZE app's mapping feature utilized pins to denote which local gas stations were open.

In the immediate aftermath of the "Superstorm", there was much speculation that there would be price gouging at the pump. Instead, New York's gas prices edged up by less than 1 cent statewide to nearly \$3.94 per gallon. Motorists in New Jersey, however, were less fortunate; several gas stations raised their prices between 17 - 59%. They now face lawsuits for their actions.

As was seen during "Superstorm" Sandy, managing the impact of a fuel shortage was dependent on a combination of government, private-sector, and community actions. I would expect to see many of the same tactics deployed in the event of a future fuel shortage, such as the temporary waivers of clean diesel fuel and the Jones Act, as well as a strong network of partnerships formed, and mobile apps developed, to keep the public informed. However, there is now much debate in the media as to whether earlier introduction of rationing and/or increased fuel prices would have had the effect of reducing the long wait lines, thereby easing matters at the pump and possibly decreasing consumer demand. This latter topic is the subject of ongoing discussion in the media. It will be interesting to see how it plays out.

From a business continuity planning perspective, we need to consider how best to lessen our dependency on fuel in the event of a shortage. Now is the time to look at how your business would be impacted. Where fuel is a requirement to business continuity, revisit your core products and services to determine which you will continue to provide. Take the opportunity to rethink relationships with existing fuel suppliers and, where necessary, establish formal contracts with alternate sources. Consult State Health & Safety guidelines if you intend to store fuel on the premises.

Review where your staff lives and how they get to work normally and then investigate alternatives to travel such as carpooling or vanpools. Verify that work from home and transfer work strategies will be effective over a prolonged period. Test communication methods such as emergency notification systems, and audio/video conferencing capabilities as well as develop communication scripts. There is no time like the present to take action and re-examine your own preparedness initiatives.

Fiona Raymond-Cox MBCI, Raymond-Cox Consulting, LLC. She is currently serving as Promotions Director on the BRMA Board of Directors.