

# AVOID GAS PAINS THE NEXT TIME

Give stations tax credits for generators and improve communication on supply

Thursday, November 29, 2012

EDITORIAL  
Newsday

**T**he long, disheartening lines of cars at gas stations and the angry confrontations between those patiently waiting and those rudely cutting the line are some of the most searing memories of superstorm Sandy's visit. Now that we can drive by gas stations without reflexively hitting the brakes to get on line, it's time to turn those gas-shortage memories into smart plans and actions to avoid a repeat.

First, let's remember we're an island, with limited means of delivery of gas, and develop a sense of urgency about planning ahead. Let's also realize the gas shortages were not only an inconvenience. They pitted all of us against one another for a limited supply – not just everyday citizens, but first-responders, whose ability to drive is crucial in a disaster. It made us feel trapped. It was the tipping point of our frustration and helplessness. It limited our emergency response and slowed our recovery efforts.

The origins of the crisis lay in perfectly rational market behavior: Most people knew a storm was coming, and they stocked up on what they thought they'd need. So they filled up their cars' gas tanks, even if they were half full, and bought gas-guzzling generators. Those decisions to buy a little extra gas started the shortage, before Sandy made it worse at every step in the distribution chain. The U.S. Coast Guard shut down the harbors, the ports and terminals were damaged, and some terminals and pipelines and many service stations were left powerless.

Long Island uses 4.5 million gallons a day, most of it coming by pipeline from Linden, N.J., to Inwood. One thing we can do is try to figure out how to expand the roughly three days' worth of fuel that our immediate gasoline delivery system can hold, and make it hold enough for four or five days.

We can look closely at whether we need additional capacity at terminals and storage facilities in Inwood, Glenwood Landing, East Setauket and Holtsville. We should figure out how to provide adequate backup power for the terminals, so the disruption of the electric grid doesn't knock them out. One of the lessons of Sandy is that this delivery system is not "hardened" infrastructure, immune from both natural disaster and terrorist attack.

We can examine the costs of building a strategic gas reserve – at the very least to provide for first-responders and others who are likely to become crucial in a disaster.

We can think about passing legislation to offer tax incentives to gas station owners who want to invest in generators powerful enough to run not just the pumps, but the real money-maker, the attached convenience store. Generators that big would be an investment of tens of thousands of dollars, and no owner should be mandated by law to make it. But if an owner is willing to bet that a generator will bring a big competitive advantage after a disaster, we taxpayers should say thank you with a significant tax credit.

We can put in place rational expectations about how much extra stations can reasonably charge in a disaster, to allow them a price incentive for doing whatever it takes to serve this vital need. We can plan for speedy waivers of required ethanol content in gas, if necessary.

We can design faster communication among state officials, terminal operators and other industry representatives, and the Coast Guard, which blocked the port to protect gas barges from floating debris.

The "we" has to include the Department of Energy, the national gasoline industry, the local retailers and Gov. Andrew M. Cuomo, to make sure a storm-damaged gasoline delivery system works.



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