Our nation's refiners and petrochemical manufacturers work hard to ensure that their facilities are secure and prepared to withstand weather events. In fact, AFPM member companies have worked with government agencies and local first responders for years to develop thorough preparedness plans. <u>Visit</u> <u>AFPM's Hurricane and Weather Event Resource Center for more information</u> on steps being taken to ensure the safety of our members' facilities, their employees and the communities that surround them.

Extreme weather grabs headlines — from flooding and tornadoes in the Midwest, to destructive hurricanes that make landfall along America's coastlines, to an unprecedented deep freeze in Texas. Major storms can impact the nation's fuel and petrochemical infrastructure, temporarily disrupting supplies of gasoline, diesel and jet fuel, and the petrochemical building blocks essential for many of our modern-life necessities.

As they do every year, the U.S. refining and petrochemical industries are closely watching this year's weather activity in the Gulf Coast, the Atlantic, as well as in the Pacific, and have developed robust preparedness measures to be ready to weather the storm. Their planning and preparedness enable the remarkable resiliency of <u>U.S. fuel and petrochemical supply chains</u>.

Below are answers to some common questions about how our industries prepare for, and respond to, hurricanes and weather events.

Q: How do refineries and petrochemical manufacturers prepare for hurricane season?

A: AFPM member companies work throughout the year with federal, state and local first responders to review and further refine their detailed hurricane preparedness and response plans and to practice those plans using drills and exercises to ensure employees and facilities are ready for unexpected events. These companies also work closely with state and federal government agencies, including the Department of Homeland Security, Department of Energy, the U.S. Coast Guard, the Federal Emergency Management Agency (FEMA), Department of Transportation including Pipelines and Hazardous Materials Safety Administration, and state energy offices to share information and coordinate response efforts.

Fuel and petrochemical manufacturers invest heavily in preventative measures and regularly update their response and recovery plans and review risk assessments to apply learnings from previous weather events to their facilities.

AFPM and our members also provide websites with links to a suite of government materials and information, including an emergency supply checklist, contact information for emergency management agencies across the country, and flood safety information for the public to access at any time.

Q: How was hurricane preparation changed by COVID19 last year?

A: While COVID19 presented new tactical considerations, safety and preparedness remain priorities for our industries and we are focused on being ready for this year's hurricane season. Fuel and petrochemical manufacturers introduced a number of changes last year to their business operations to enforce social distancing and protect their workforce, and these procedures will continue as needed during this hurricane season and beyond. Such measures include:

- Ensuring the recommended social distancing at facilities not only by employees but also by contractors and suppliers
- Decentralizing supply depots and housing options
- Staying abreast of local evacuation and sheltering health requirements
- Adjusting staffing to ensure that there is adequate crew coverage, even with potential COVID-19 cases
- In addition, many of our facilities served as distribution centers to vaccinate their workers, and some even vaccinated members of their local communities, and today many of the people who work at our facilities are fully vaccinated.

This hurricane season drones, which are used to assess sites for potential damage or spills and to identify best access points to affected areas, will continue to be important to our members and government agencies to not only help maintain social distancing, but also provide much faster and safer preliminary damage and access assessments.

We will continue our long-standing collaboration with employees, communities and local, state, and federal government agencies to ensure that we are prepared to safely navigate hurricane season, no matter the conditions.

Q: Do refineries shutdown during storms?

A: Refineries do shutdown when a storm's forecast strength and track could put the facilities and the people who operate them at risk. Shutting down a refinery in advance of a hurricane can minimize the damage that could disrupt the supply of fuels for an extended period. These emergency shutdowns can take several days and are done carefully to ensure the safety of workers and surrounding communities.

Leading up to Hurricane Harvey in 2017, 24 refineries were shutdown. In just two weeks, 20 were back up and running.

Q: Do gasoline prices go up after major storms?

A: Sometimes. The fuel supply chain that moves gasoline, diesel and other fuels from the refinery gate to the gas pump at your local retail outlet, is long and complex. Hurricanes and other natural disasters can disrupt this supply chain at many spots – refineries, pipelines, ports, rail lines, roads, storage terminals – and can disrupt the supply of electricity that is essential. These disruptions can affect the

supply of fuel, and restrictions on supply can affect prices. However, the U.S. fuel supply chain is resilient and responsive, and any price impacts are generally short in duration.

Q: What protections are in place to prevent price gouging?

A: To protect consumers, many states have enacted price gouging laws that limit a merchant's ability to raise prices during an emergency. There is wide variability in state price gouging laws, but typically a 10 -25 percent increase in the price of an essential commodity compared to the price charged during the month prior to the emergency triggers scrutiny under the law.

Most state laws prohibiting price gouging focus on the following three factors: (1) a price deemed unfairly high; (2) an emergency situation; and (3) a product that is essential or useful in responding to the emergency. If you suspect price gouging report it to your state's attorneys general office.

Q: How do refiners and petrochemical manufacturers support community recovery efforts?

A: <u>Refiners and petrochemical manufacturers work day and night</u> to help the members of their communities repair their homes and restore their lives. After past hurricanes, companies have set up call centers for employees to deploy post-hurricane assistance teams. They help colleagues and neighbors by cutting up fallen trees, pulling out moldy carpeting, wallboards and furniture from flooded homes, and many other acts of kindness and generosity to help them get back into their homes.

Refiners have also been known to set up barracks or rent blocks of hotel rooms to provide temporary housing for employees. They deploy fuel trucks fitted with special nozzles to bring fuel where it's needed, going directly to vehicles so workers can get back and forth to work and emergency responders can keep moving to restore communities.

They stock warehouses with food, water, baby and pet supplies, and generators and tools needed for recovery work. Some have sent convoys of dozens of trucks filled with everyday necessities to help people in affected areas.

In addition to donating millions of dollars to the Red Cross and other humanitarian organizations, AFPM member companies respond with aid in countless ways, including:

- Coordinating directly with FEMA and other government agencies
- Working with city officials and using company engineers' expertise to build pipelines and install pumps to restore municipal water supply to homes
- Pumping water out of flooded neighborhoods
- Underwriting medical expenses
- Coordinating rental vehicles for employees whose vehicles were damaged/lost
- Deploying company maintenance crews to employee homes to tackle clean-up and repairs
- · Bringing trucks filled with supplies to affected areas

<u>Click here for AFPM's hurricane preparedness resources</u>, as well as a video featuring AFPM President and CEO Chet Thompson and member companies discussing action taken around past weather events.

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