



Contributors

Julie A. Gill: 'Providence Tomorrow' plan vs. our energy security

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JULIE A. GILL

THE SUPPLY of petroleum products in Rhode Island should be of great concern to state officials and other area citizenry.

Since 1980, storage capacity in Rhode Island has been nearly cut in half. This has created a dangerous situation where one adverse-weather or other disruptive event could cause Rhode Island to run out of fuel. Storage capacity in Rhode Island during the 1980s for all petroleum products (gasoline, heating oil, diesel, jet fuel, etc.) was 383.4 million gallons. Even with the recent addition of a new terminal in the Port of Providence, the storage capacity in mid-2008 will only be at 201.4 million gallons. This means that we have 47 percent less storage than we had 28 years ago despite the fact that our population has grown 10.6 percent and our fuel needs have grown.

With all that the additional traffic and petroleum needs imply, even a short-term loss of any petroleum product is unacceptable. A diesel shortage would prevent products from getting to market. A shutdown of power plants, hospitals and other institutions could take place because they must turn to diesel or residual fuel for backup when natural-gas utilities cannot keep up with demand. A gasoline shortage could prevent citizens from getting to work, and a heating-oil shortage could cause homes to run low on oil.

It can happen. Rhode Island has been precipitously close to it in the recent past.

Environmental advances and federal regulations require additional tanks for the various types of fuels being marketed. A few years ago, there were only two types of diesel fuel; now there are four. Gasoline is now being mixed with ethanol that requires separate storage. We are on the threshold of bio-fuels — so-called boutique fuels that will require their own specialized storage tanks. If anything, Rhode Island could use an increase, not a decrease, in tank farms, especially if we want to make Rhode Island a “green” state.

Competition, supply and demand in the marketplace are important factors in the regulation of local prices. The loss of a major supplier can result in an increase in the cost that consumers pay not only for petroleum products but for everything involved with transportation. We need a number of suppliers for healthy competition.

Because of the city's “Providence Tomorrow” plan, we are in danger of losing Sprague Energy, a company that has been a dependable supplier of energy and other products in the state for more than 100 years. We stand to lose more than 20 million gallons of storage capacity — storage we cannot afford to

lose. The petroleum industry comprehends the seriousness of this situation.

Why is it that, in Providence, some elected officials want to forge ahead with the “Providence Tomorrow” plan without weighing the consequences? Who will bear responsibility if our storage supply — the lifeblood of our state and indeed of all of southeastern New England — isn’t adequate?

Mayor Cicilline and some members of the Providence City Council believe that luxury condos, marinas, expensive restaurants and shops can peacefully co-exist with the industrial waterfront along Allens Avenue — right next to Sprague Energy.

Under the current water-use formula, the Rhode Island Coastal Resources Management Council would not let a marina exist in the location proposed by Patrick Conley between Sprague Energy and Promet Marine. Captain E. Howard McVay, Jr., president of the Northeast Marine Pilots Association, confirmed that “a large ship’s propeller would demolish that proposed marina the first time they back a ship out of the Wilkes-Barre Pier (Capitol Terminal) across the harbor.”

The Journal recently published an article (“The downside of downtown revival,” Commentary, Nov. 29) about a woman who purchased a condo in Providence above a restaurant and the conflict that has resulted. Here you have conflict over mixed-use development with commercial property. What will happen with mixed-used in the midst of industrial property? Many of these businesses are round-the-clock operations. Do we tell the Coast Guard that it cannot escort tankers into the Port of Providence during the night? Will Sprague Energy end up in costly litigation against dissatisfied neighbors to the point that this longstanding company is forced to just move away?

Some have said that the tank farms should move to Quonset, but that is not possible. Tankers need a dredged channel to get into port. Several years ago, a 40-foot-deep, 14.4-mile-long channel was dredged into the Port of Providence at a cost of \$65 million with federal and state funds, creating a super-highway for commercial shipping.

The significance of the dredging by the federal government was due to its understanding of the importance of the port and the businesses that operate there. Quonset is not a federal channel and is not eligible for federal funding. Who would shoulder the cost to dredge it? Do the Rhode Island taxpayers have millions of dollars lying around to dredge another channel when we already have one?

The considered changes in the Port of Providence will not only affect the citizens of Providence but will have a detrimental impact on all Rhode Island residents. Providence’s working waterfront is a valuable asset to the city, to Rhode Island, and to eastern Connecticut and southeastern Massachusetts. The petroleum that flows into the port heats homes, powers businesses and fuels the state and regional economy. We must protect and increase this capacity to continue to meet these critical needs.

Julie A. Gill is executive director of the Oil Heat Institute of Rhode Island.