

Business Continuity Management for Critical Infrastructure during Fuel Shortages

Provided by the Lincoln County Emergency Management Agency

Introduction

This report is intended to assist organizations in the public, private and voluntary sectors in planning for and managing the consequences of a disruption to fuel supplies. The guidance is generic in nature and suggests factors which should be considered when preparing Business Continuity Plans rather than acting as a plan in itself.

Business Continuity Management

Business Continuity Management (BCM) is the process through which organizations aim to continue the delivery of their key products and services during and following a disruption to normal activity and to affect a recovery afterwards. Effective business continuity is the first line of defense for any organization to ensure they are able to maintain the delivery of their core services and, in the long-run, to assure the survival of their operation. BCM should be embedded within the organization and its structure. This requires the organization to review and maintain BCM arrangements as well as to exercise plans on a regular basis.

The benefits of business continuity are not limited to the private sector; and as such all organizations should consider adopting robust and flexible generic business continuity management arrangements. Organizations should also consider a wide range of potential disruptive challenges, not just those impinging on the supply of fuel, to ensure effective BCM.

Responsibility

It is important that there is a clearly identified individual or team responsible for business continuity management and that this role is a key part of the overall management structure of the organization. It is the organization's responsibility to ensure business continuity plans are in place and those who work within the organization are aware of the plans and what they involve.

Disruption to Fuel Supplies

All organizations rely to some extent on fuel; be it getting your staff to work, distributing your product or providing your service. The availability of fuel within the US is generally very good; however there have been examples within recent years of disruptions to supply, on a regional, national and international basis.

A disruption could be caused by a number of factors, including scarcity of supply, a technical problem with part of the fuel supply infrastructure, industrial action or public protest. In the event of such a disruption to supply, it is also possible that stocks could be further depleted through increased consumer demand or panic buying in the event of a disaster or crisis. Currently, due to ongoing economic factors, many are trying to pre-purchase fuel & heating oil for the coming winter months; which is contributing to further strain of the fuel supply system. In the most extreme of circumstances gas stations and commercial supplies could be exhausted within 48 hours of a large scale incident and it could take up to 10 days before stock levels are fully restored.

Planning for a Fuel Disruption

The most effective way to prepare your organization for a fuel supply disruption is to put together business continuity arrangements before a disruption occurs. Your activity is likely to fall into the following broad areas:

1. Reducing the dependency of your organization on fuel;
2. Reducing fuel usage during a fuel supply disruption;
3. Improving the resilience of supply chains (not just fuel but other supplies the organization needs to deliver its key products and services) and the organization as a whole; and
4. Reallocating resources to deliver only key products and services; and
5. Effective communication with staff, customers, suppliers and other key stakeholders in advance of and during a fuel supply disruption.

These five points underpin the majority of the recommendations made later on in the checklist toward the end of the document.

Storage of Fuel

Some organizations may also consider bunkering fuel as a business continuity measure. If you are considering bunkering fuel there are regulations with regard to design, construction, operation and maintenance that must be adhered to.

In considering the storage of fuel you should also take into account the different types of fuel used in delivering your critical services. Multiple fuels types may require different storage methods, as well as dictate physical placement due to safety needs.

Planning for a Fuel Supply Disruption – A Checklist

To assist you in the development and review of plans the following checklist has been developed specifically in relation to fuel shortages. The following lists identify important and specific activities that organizations can do to prepare for a fuel shortage and many of the activities will also contribute to the development of general business continuity plans. This list is not exhaustive and not all measures listed here are suitable for all organizations. Depending on your organization, its location and its functions, a shortage of fuel will affect your organization and the business continuity plans you have in place differently. For example, in terms of location, it may be possible to bus the majority of staff into work if they lived in an urban area and were in fairly close proximity to each other whereas a more rural location may find this impractical. Therefore it is important to tailor business continuity planning to your organization and its needs.

1. Assessing the impacts of a fuel shortage on your business				
Planning is essential for any organization during a fuel shortage. The list below gives some guidance to basic steps that could make your organization more resilient.				
Complete	In progress	Not started	Not applicable	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Identify your organization's key products and services that must be maintained.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Identify the key products and services delivered by your organization which would be affected by a fuel shortage.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Which critical activities and resources (including employees) support your key products and services (e.g. raw materials, suppliers, sub-contractor services/products, security)?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider how internal resources could be re-allocated to ensure the delivery of key products and services is maintained. Are staff able to safely cover other roles to ensure that your key products and services can be delivered? Will additional training be required?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Discuss with your suppliers/sub-contractors whether they have robust Business Continuity Plans in place – your organization's resilience is only as good as those on whom it depends. Ask your suppliers how they plan to respond to a crisis and what support they will give to your organization.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Decide how a reduction in service could be achieved while still delivering key products and services. How non-critical work would be stopped safely, smoothly and restarted again when possible to do so.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	How will the support functions of your organization be affected by a fuel shortage? E.g. building maintenance, cleaning, food provisions for staff.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Identify how you would learn of a fuel shortage and what criteria would need to be met for your organization to implement business continuity measures. What actions would need to be taken and at which points?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Assess the feasibility of increasing flexible working for staff (e.g. working from home).

2. Travelling to and from the place of work				
Getting staff to their place of work can be difficult during a fuel supply disruption, but there are various options to consider in order to overcome this obstacle.				
Complete	In progress	Not started	Not applicable	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Document how staff usually travel to work and whether and what alternative forms of transport would be available if required. An example template is provided at Annex B.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider whether it is possible for staff to work from home and support this where feasible.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider the use of satellite offices, if you have them. Staff may live closer to these offices and therefore it may be easier for staff to get to those locations to work.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Is car-sharing possible for some staff?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Is it possible to organize communal travel for some staff?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Are there local hotels or other facilities where staff could stay?

3. Communication				
It is crucial to have clear and concise messages ready to give to your staff, stakeholders, customers and suppliers in the event of disruption to your organization. It is important to ensure that the appropriate message is delivered to the correct people be they a staff member or a customer.				
Complete	In progress	Not started	Not applicable	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Have a plan on how to communicate plans to staff and what might trigger the business continuity plan being implemented.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Have clear and concise messages ready, and a means of communicating to your staff that you are implementing some business continuity measures and how this will affect them.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Ensure that you have a named contact that people within the organization are aware of and emergency contact details of staff.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Have clear and concise messages ready, and a means of communicating them to your staff, to let them know that business is returning to normal and that business continuity measures are no longer in effect.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider the messages you might need to give to your customers and other stakeholders and the process for doing so. In some circumstances it may be useful to discuss possible impacts in advance. This dialogue will help inform planning on both sides and will be particularly important if your products are likely to be delayed.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider how your suppliers are going to be affected by a fuel shortage. Ensure there are clear lines of communications between you both and a process of keeping supplier and organization informed of progress. Discuss with your suppliers how they intend to respond to a fuel shortage.

4. Other considerations

There are other considerations you may wish to take into account

Complete	In progress	Not started	Not applicable	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	During a fuel shortage there may be other demands on staff (e.g. children may not be able to attend school, staff sickness). Consideration should be given to the impacts of these situations.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider reducing the number of meetings that involve travel, and instead consider teleconferencing or re-scheduling.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Can mutual aid – sharing expertise or resources, physically or at a distance – with other businesses / organizations help in delivering your critical services?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Do weather or seasonal work patterns affect your plans, for example in terms of travel options, or demand for your services?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider having a variety of vehicles in your fleet running on different fuels, for example petrol, diesel and hybrid vehicles, to provide greater flexibility and resilience.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	How will your customers or service recipients be affected by the fuel shortage? This could lead to reduced demand for your services, or increased demand and both will have implications for your business continuity plans.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider keeping a supply of critical parts / commodities to ensure you can continue some, if not all, service. Your supplier may not be able to complete their deliveries.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Keep details of alternative suppliers should your primary supplier fail.

Annex B: Useful links