

Petroleum Products Emergency Supply Plan Regulations 2017

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PART 1 PRELIMINARY

In exercise of the powers conferred on the Minister under Sections 33(1) and (2) of the Petroleum Products Act 2016, these Regulations are made.

These Regulations may be read in conjunction with the [Appendix herein](#).

1. Name of Regulations

These Regulations may be cited as the *Petroleum Products Emergency Supply Plan Regulations 2017*.

2. Application

These Regulations shall apply to the Downstream Petroleum Products Supply Chain

3. Commencement

These Regulations shall come into force on the day they are published in Gazette.

4. General

Interpretation

- (1) In these Regulations, unless the context otherwise requires the following words, acronyms and abbreviations shall have these meanings

“Act” means the Petroleum Products Act 2016.

“Authority” means the Public Utilities Regulatory Authority

“Commissioner” means Commissioner of Petroleum

“Emergency Situation” means conditions or incidents that actually, creates a situation where fuel availability is critically low/reduced, amounting to Fuel shortage, disrupt supplies or have adverse effects on the ability to distribute petroleum products; damage facilities and infrastructure thereby affecting petroleum distribution.

“Essential Service Providers” means providers of national essential services such as Fire and Rescue Services, Security Services, Hospital Services, etc.

“Extreme Weather” means Bad weather or weather on a larger, more serious and devastating scale.

“Fuel Shortage” means where fuel stocks are below 45 days national supplies needs and no supply due within the next 15 days.

“International Embargo” means a government order that completely restricts commerce or exchange with specified country.

“Licence” means Petroleum Product supply operations license

“Licensee” means any person who holds a license.

“The List” means the *Essential Service Providers Fuel Supply Programme* during petroleum products supply emergency situation.

“Man Made Disaster” means A disastrous event caused directly or principally by one or more identifiable negligence human actions.

“Natural Disaster” refers to the natural hazards such as but not limited to following:

Volcanic Eruption, Typhoon, Tropical Cyclone, Tornado, Earthquake, Landslide or Tsunami.

“Petroleum Products” means as defined in the Act.

“Programme” means the *Essential Service Providers Fuel Supply Programme*.

“Terrorism” means use of violence and threats to intimidate, especially for political purpose.

“MPET” means Management of Petroleum Emergency Taskforce

“OMC” means Oil Marketing Company

(2) A word or phrase not specifically defined in these Regulations but defined in the Act shall have the meaning assigned to it in the Act.

Part 2: ORGANIZATION and PREPADNESS

1. Procedures

- (1) To set the Emergency Supply Plan activities into action, the Minister shall declare *Petroleum Product Supply Emergency*.
- (2) The MoPE or its designated agency shall be the Agency responsible for management of the petroleum supply emergency.
- (3) The MoPE may set up a Management of Petroleum Emergency Taskforce for the execution of the response to the petroleum supply emergency.
- (4) The MPET may be chaired by the Minister, deputized by the Commissioner and the membership shall comprise the ministries responsible for Petroleum, Finance, Trade, Immigration, Infrastructure and Transport, Security, Environment, GPA, PURA, and GRA, OMCs and Petroleum Importers.
- (5) At all times during an emergency situation, the MoPE shall work closely with the Agency responsible for disaster and emergency preparedness and response.

2. Preparedness Activities

- (1) The Authority and Suppliers shall manage and operate their respective part of the petroleum supply chain in accordance with the laws, regulations and established requirements and industry best practice.
- (2) The Authority and Suppliers shall collaborate to design, locate and install systems and facilities that will deal efficiently and effectively with emergency situations.
- (3) The MoPE and Storage Facilities shall maintain current information, during normal and emergency situations, regarding petroleum supply, demand and damage to supply and distribution systems. They shall make use of an alert system to identify different levels of preparedness:
 - (a) **Green** – Normal (45 days stock available within the country plus stock in transit)
 - (b) **Yellow** – Alert (30 days stock available within the country and no stock in transit)
 - (c) **Red** – Emergency (less than 15 days stock available within the country and no stock in transit).

- (d) When there is less than 21 days stock, with or without transit stock, the MPET may be put in place to start consultations and monitor the situation.
- (4) The Storage Facility at all times shall maintain strategic stocks of petroleum products covering a minimum of 30 days.
- (5) Importers shall have documented procedures approved by the Authority for responding to petroleum supply emergency situations.
- (6) The Authority shall maintain inventories of suppliers and emergency response organizations including names, addresses and telephone numbers of the contact personnel.
- (7) The Authority shall develop and maintain operating procedures for actions to take during an emergency and ensure that personnel are aware of their responsibilities and are trained in emergency operations.

PART3 EMERGENCY RESPONSE PROCEDURE

3. Response Trigger Procedure

- (1) Under the Advice of the Minister responsible, an Order may be made declaring a petroleum products supply emergency situation in the country, for which:
 - (a) The Minister may issue a public notice establishing an *Essential Service Providers Programme* and who is on the *List of Essential Service Providers*.
 - (b) The Minister shall notify the representatives of all petroleum companies operating in the country of the *Programme* and *List* in place and its duration, in response to the emergency.
 - (c) Management of Petroleum Emergency Taskforce established within the designated authority to handle administration, information communication, inquiries, complaints, and resolve any disputes that may arise between the customers designated as *Essential Service Providers* and the petroleum companies that supply them.
- (2) All petroleum companies participating in the Programme may be required to designate a representative to develop procedures for processing certification of applications.
- (3) An information package containing the Order, the press release, a certification application, and all regulations pertaining to the Programme is sent by MPET to each OMC operating in the country as well

as local government authorities.

- (4) The MPET may issue a press release notifying the public that the Programme shall become operational on the appointed day.

4. Coordination

- (1) The MPET shall ensure that an efficient coordination mechanism is in place for timely and direct information dissemination to all stakeholders including local government Authorities.
- (2) The MPET shall notify the OMCs of their roles and commencement of implementation of the Programme.
- (3) The OMCs shall be guided by the MPET on issues of handling additional fuel requests from the List of Essential Service Providers.
- (4) The MPET shall inform stakeholders of the mechanism in place for dispute resolution.

PART 4 PROGRAMME CLOSURE

5. Programme Closure

At the end of the emergency period, the Minister will issue a press release announcing the termination of the Programme.

6. MPET Report

- (1) The MPET shall present a report to the Minister not later than 21 days after the issuance of the notice of termination. The report will, among others, look into the following:
 - (a) Did the Programme ensure the availability of adequate supplies of petroleum products to maintain essential emergency services?
 - (b) Were OMCs and the Storage Facility capable of implementing the plan quickly?
 - (c) Were there any disputes between OMCs, Storage Facility and Essential Service Providers? If so, were they resolved in a timely manner?
 - (d) Were there any major issues of abuse of the Programme by the Essential Service Providers?
 - (e) How was the Programme received by the OMCs and other stakeholders? Are there any major recommendations from them?

- (f) How was the Programme received nationally?
- (g) How can the Programme be improved generally?

7. Evaluation and Impact Assessment Report

- (1) The Minister may commission a Programme evaluation after receipt of the MPET's report. The evaluation and impact assessment report will be presented to the Minister 45 days after commissioning. Its TOR will examine, among others, impact and risk factors such as:
 - (a) Interdependency Effects – Did the change in supply of one type of energy affect the supply of other forms of energy? To what degree did the priority customers reduce the supply to non-priority customers?
 - (b) Social Impacts – What real impacts were observed on the ability of propriety users to sustain operations?
 - (c) Economic/Financial Impacts – What were the estimated impacts on the country's economy such as employment, productivity, and revenues?
 - (d) Information Management – How effective was the information supplied to critical end users and their customers?
 - (e) Programmatic Threats – Were any Programmatic problems observed such as non-compliance, attempts to "game" the system, theft, or other acts deemed illegal or inappropriate (i.e. lessons learnt)?
 - (f) Identify medium-to-long term impacts to reduce unintended consequences.
- (2) The Minister may present a preliminary brief or report to cabinet the MPET report and a Full Report within a reasonable time after the Evaluation and Impact Assessment Report.

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Hon. Fafa Sanyang

Minister of Petroleum and Energy

Dated the day of 20