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## NJ bills inspired by Sandy stalled

Written by Bob Jordan Gannett Statehouse Bureau 10/27/2013

**TRENTON** — Storm-weary New Jerseyans trying to get to supermarkets or work after Superstorm Sandy hit a year ago were stalled when the state's gasoline distribution system failed. Some stations had gas that couldn't be pumped because of blackouts. Long lines ensued at the few stations open for business.

There was outrage, and dozens of state lawmakers rushed to put their names to bills that would require gasoline stations to have backup power generators on-site.

But on the eve of the storm's anniversary, no new state laws have been enacted.

Marlboro — home to a half-dozen gas stations — is the only municipality to take action on its own. It adopted an ordinance in March compelling station owners in the Monmouth County community to install alternate sources of power by 2016.

Gov. Chris Christie's administration took action earlier this month, announcing a \$7 million grant program using federal funds. Officials say it will allow certain retail fuel stations, on and near evacuation routes, faster and more reliable access to backup power during an energy emergency.

Marlboro Mayor Jonathan Hornik said the law in his township was prompted by "a critical analysis of what had to be corrected after Sandy and Irene," referring to the 2011 tropical storm that also caused power outages.

Researchers at the New Jersey State League of Municipalities said a handful of other municipalities have considered similar rules but stopped short of enacting them.

"I'm actually surprised there is no broader effort to do what we've done," Hornik said.

The state Legislature is expected to refocus on the gasoline distribution issue after the Nov. 5 election. However, other bogged-down prospective Sandy-related laws also are in need of attention.

An outcry from homeowners affected by Sandy, who were overcharged by public adjusters, led to a bill that would cap the fees at 10 percent of the amount an insurer pays out for a loss incurred during a declared public emergency. That measure hasn't been enacted into law.

Public adjusters, who are licensed by the state Department of Banking and Insurance, are experts on property loss adjustment who are retained exclusively by policyholders to assist in preparing, filing and adjusting insurance claims. After Sandy, bill sponsors said, some residents complained they were being charged as much as 50 percent of their insurance recovery.

Likewise, lawmakers from both parties promised they would ensure that utility companies would harden their power grids to protect against blackouts.

There was even talk of protecting cables from falling trees and the elements by burying them underground.

But state energy regulators have taken over the task of deciding how much money the utilities should invest to modernize power grids, and how much of the cost will be shouldered by ratepayers. Regulatory hearings on a \$4 billion rate case for Public Service Electric & Gas concluded earlier this month, but there's been no ruling from state officials on the company's plans, which include spending \$1.7 billion to fortify 31 switching substations.

Shortly after the storm, Christie said there would be no quick fixes to issues raised by Sandy.

"The natural inclination will be to try to do everything that we think we were short on this time and make sure we're not short on it next time," Christie said. "It may be that you don't have to go the full 100 percent."

The state Assembly's Homeland Security and State Preparedness Committee has met just four times since Sandy. The panel has held public hearings on a handful of disaster response bills but none has become law.

The Assembly unanimously passed a bill in June that would allow select gas stations to get zerointerest loans to pay for wiring stations to generators. Proponents said the bill would help prevent another gas crisis. It would create a two-year pilot program that would provide \$10,000 loans repayable over 10 years to owners of stations located near the Garden State Parkway, New Jersey Turnpike, Atlantic City Expressway and other roads considered evacuation routes.

The 22 stations on the three toll roads already are equipped with backup power for outages.

The bill still needs a state Senate vote before it can be sent to Christie's desk.

A lobbyist for gasoline station owners said the legislation is an improvement on earlier proposals that would have forced more stations to install generators without loan assistance.

But the fuel crisis that occurred after Sandy was caused by reasons more complex than the absence of generators, said Sal Risalvato, executive director of the New Jersey Gasoline, C-Store and Automotive Association.

Risalvato said the storm damaged ports and flooded underground equipment that sends fuel through pipelines. Fuel terminals without power couldn't pump gasoline onto trucks, delaying or canceling deliveries to stations.

"We did not have a gas shortage," he said. "We had enough gas to fill every station, swimming pool and bathtub in New Jersey. We had a gas delivery crisis. All those big storage tanks you see on the New Jersey Turnpike, we had no way of getting it to the points of service."

Risalvato said the price for equipping stations with alternate sources of power starts at \$11,000 and can top \$40,000, depending on how much infrastructure reconstruction is needed.