


November 15, 2021

FOR YOUR INFORMATION MEMO

To: Mayor and Members of City Council

From: Paula Boggs Muething, City Manager 

Copies: Departments Heads

Subject: Diesel Fuel Distribution Supply Disruption

A multi-state diesel fuel distribution disruption has impacted the City of Cincinnati's procurement. Department Heads are directed to take immediate measures to conserve the City's diesel fuel supply.

Background

Over the last two weeks major disruptions in the regional distribution of diesel fuel has occurred, creating a supply and demand issue across several states. In Ohio, two refineries - Husky Marketing and Supply Company in Lima and Marathon Petroleum in Ironton - simultaneously made the decision to perform preventative maintenance. The maintenance has caused the refineries to slow or completely stop production, impacting suppliers who serve private and government clients in Ohio, Kentucky, West Virginia, and Indiana, including the City of Cincinnati's supplier. While preventative maintenance is a routine occurrence typically performed on a yearly or biyearly basis, concurrent shutdowns at these refineries are unprecedented and were unexpected. An industry-wide labor shortage has also exacerbated supply chain pressure and impacted the cost of fuel.

The City supplier anticipates production will resume to normal levels by the end of the year and recommends the strategic conservation of diesel fuel as the refineries complete the maintenance process.

City Diesel Fuel Supply

Currently, the City has enough reserves to maintain approximately three weeks of City services that require the use of diesel fuel. This supply timeframe does not account for City services that would be necessary in the event of snow or flooding. The existing reserve is 25 percent below the one-month supply we typically have stocked for emergencies.

There are many essential City services that require the use of diesel fuel; however, priorities are functions that impact health and safety such as:

- Cincinnati Fire Department Emergency Response Vehicles
- Water and Sewer Repair and Maintenance Services

- Snow Removal Vehicles
- Garbage Collection Vehicles
- Machinery for Essential Road Repairs

Efforts to Conserve Diesel Fuel Supply

All departments are directed to immediately identify all functions that will require the use of diesel fuel from present to January 1, 2022, and provide a report to the City Manager's Office recommending essential and non-essential uses by 5 p.m. on Tuesday, November 16th. The Administration will evaluate these reports and determine what actions must be taken to conserve supplies. Effective immediately, departments must take the following actions:

- The use of diesel fuel related to any parks and recreation functions must be discontinued unless it impacts healthy and safety.
- Stop all non-essential travel in vehicles that use diesel fuel.
- Consolidate crews in fewer vehicles or utilize non-diesel vehicles for any essential transport.

The Administration will continue to search for alternative distribution options.