

GREEN BAY PRESS-GAZETTE

Posted Oct. 26, 2005

Tanker bringing diesel fuel to quell shortage

By Terry Anderson

tanderson@greenbaypressgazette.com

Facing a shortage that has sent diesel fuel prices skyrocketing, one area petroleum business has taken the extraordinary step of bringing in a fuel tanker, rather than relying solely on product coming through the pipeline.

The Algosar is scheduled to arrive in Green Bay in the early afternoon carrying about three million gallons of diesel fuel, said Joe Vandenhouten Great Lakes regional manager.

Following Hurricane Katrina there has been a shortage of diesel fuel that sent prices escalating to a \$3.50 a gallon, said Vandenhouten.

"Our corporate office in Tulsa gave us the green light to procure whatever resources we could outside of the pipeline," Vandenhouten said. "One of our customers has a vessel, so we're bringing in a boatload of diesel on Wednesday and then a second boatload around Halloween."

The three million gallons of diesel fuel is the equivalent of 75,000 barrels. It took about 30 hours to unload the fuel for the Green Bay area.

Three million gallons of diesel fuel may seem like a drop in the proverbial bucket, but that means extra fuel for the Chicago and Milwaukee areas, which should help reduce prices, Vandenhouten said.

"We like lower prices for our customers, because they're more able to pay their bills," Vandenhouten said. "My heart goes to trucking firms that are paying \$3.30, \$3.40 even \$3.50 for a gallon."

The Algosar will dock in a slip near the Green Bay Yacht Club that is owned by the city and leased to U.S. Oil, Vandenhouten said. Green Bay is among the few ports on the Great Lakes that can receive fuel from Canada.

The last time that a tanker brought fuel into the Green Bay area was during the 2001-2002 winter when fuel oil prices were sky-high and a supply was brought in shortly before the harbor closed for the season, Vandenhouten said.

"We think this fuel will help reset the equilibrium of Green Bay and help reset the Chicago market and it will feel as if not only is Green Bay being resupplied, but like the Chicago market is being resupplied," Vandenhouten said.