

## **ERM/BC concern**

# Mitigating energy problem

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Some time ago I wrote, based on someone else's predictions, that ethanol could become as much of a problem as the oil "shortage."

Trouble is, I can't find where I published my concerns, so I can't now point to something and write "I told you so."

Frustrating.

Unfortunately, it doesn't change the issue: corn is being diverted from food on the shelves to fuel for vehicles.

Of course corn diversion is not the only reason fuel prices are higher than ever in the U.S. (They still are substantially lower than in, say, most European countries.)

The bottom line when it comes to fuel is simple: We (being our government) let ourselves down by failing to develop alternative energy sources when the writing was first on the wall.

## **Alternative energy options**

I'm a great believer in nuclear power; have been since I wrote about Three Mile Island - the pros, the cons, and the scientists. Having grown up in South Florida where, back when I was a kid, solar water heaters were commonplace, I know the value of solar power.

I would make a nasty crack about wind power around the Potomac, but I'll pass with only a comment about windmills being rejected in Massachusetts because they threatened the view of the politically powerful.

During World War II, the Brits powered some vehicles with methane. New idea? Hardly. Perhaps a new application, but "buffalo bricks" fueled many a fire as American's moved west toward the Pacific.

The bottom line is simple: We have - today - alternatives to oil.

Perhaps we cannot become, in the short term, "oil independent," but we could become "less" dependent on oil in relative short order.

In the past we have had government "initiatives" to encourage fuel efficiency, but all the initiatives were short-lived. A year or two and the carrot disappeared and the stick never was seen - until now. The "stick," unlike the "carrot," is not solely a government option.

I owned a Diesel car at one point and Uncle gave me a purchase rebate. I went back to a gasoline-powered car for engineering reasons (which is a polite way of saying neither Ford, which made the car, nor its dealerships which claimed to maintain the car, knew enough about Diesel passenger vehicles - but then neither did GM). The Diesel purchase promotion lasted a year, perhaps two and then - no more.

There was, briefly, a government incentive for people to install solar water heaters. Operative word: "briefly."

### **Mitigation suggestion**

We - the people who, in this country are the government - need to mitigate our dependence on oil, domestic and foreign. But we, being who we are and with a mentality apparently largely different from Europe and the Far East, need to have a "treat" for our effort - a governmental fiat, even when we are the government, won't work. We are akin to little kids who, in order to brave the needle, need the promise of a stick of Juicy Fruit gum to stem the tears of fear. (The then-annual tetanus shots never hurt as much as we anticipated.)

America's current fuel "crisis" has been developing for decades; this is not the first time the pain has gotten our attention (anyone remember the lines of the mid-70s, when all prices spiked and interest rates soared to 20-plus percent?).

The dependence on fossil fuel can be immediately mitigated with current, even "old," technology. Solar water heaters are NOT "rocket science." Making them affordable and changing the way we think about taxes and taxation will take the effort.

We are, at least in the U.S., rather Jewish in our way of thinking - the story goes that if you have three Jews together, you'll have (at least) four opinions. Every American has, and cherishes, his or her opinion, but even with that, I think we can - we must - develop long-term programs to mitigate our dependence on fossil fuel.

There will be, in my myopic view, a need for some amount of fossil fuel for generations to come. (Alaskan's need not worry about paying state taxes for decades.)

The program must combine both the carrot and the stick.

Forcing conservation, such as the effort to replace tungsten bulbs with fluorescents, only generates resentment. A carrot and stick program - something beyond the current "swap" arrangement offered environmental polluters - that (a) can show almost immediate results (e.g., purchase assistance) and (b) can be sustained over different political philosophies in state and federal capitals is, at least in this scrivener's opinion - is what is needed.

Mitigating a risk is, after all, what Enterprise Risk Management/Business Continuity (COOP) is all about.

And you thought there was no ERM/BC connection to this effort.

John Glenn, MBCI, has been helping organizations of all types avoid or mitigate risks to their operations since 1994. Comments about this article, or others at <http://JohnGlennMBCI.com/> may be sent to [Planner @ JohnGlennMBCI. com](mailto:Planner@JohnGlennMBCI.com).