

## DOCKETED

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# California Energy Commission's Fuel Set Aside Program

Petroleum Market Advisory Committee Meeting

California Energy Commission

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# Emergency Response Plan – Petroleum Fuels

- The Office of Emergency Services (CalOES) is the lead State agency in an emergency
- Role is outlined in the Energy Commission’s Emergency Response Plan:

<http://www.energy.ca.gov/emergencies/plan.html>

- Authority and Statues that authorize these duties:
  - Public Resource Code Section 25216.5 (b)
  - Public Resource Code Section 25700
  - Government Code 8596
  - **Emergency Order #6**
- Emergency Order #6: Empowers the Energy Commission to “hold control of petroleum stocks needed to ensure the health, safety and welfare of the public.”



# Purpose of the Fuel Set Aside Program

From the Energy Commission Emergency Response Plan:

Page 9, Paragraph 2: *The state's set-aside program is designed to **interfere minimally with the market**, using volumes of fuel sufficient to satisfy **only emergency and essential services**. All fuel delivered through the program will be purchased at the market price and, whenever possible, through the usual fuel supplier.*

Page 9, Paragraph 5: *While it is hoped that market forces will assist in balancing supply and demand, this strategy generally results in higher energy costs.*



# Fuel Set Aside Program

Two versions of the “Fuel Set Aside Program”: Informal and Formal

- Informal version: Used for short term emergencies
  - Recently used for the Northern California fires
  - Energy Commission’s role is in identifying fuel sources for emergency services
  - Facilitate communications for a normal market transaction
  
- Formal version: Used for a prolonged and widespread shortage or emergency.
  - Requires Emergency Order #6
  - Energy Commission is authorized to redirect fuels as directed by the Chairman of the Energy Commission or the designated representative (Fuel Set Aside Officer).
  - Formal fuel requests can be submitted directly from CalOES or via the internet
  - Requests can be made by the public, but there is no guarantee that fuel will be provided
  - Each request is evaluated individually.



# Energy Commission

## Emergency Response Contact

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