



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

Lead Emergency Response Contact:

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