

Contingency Planning and Emergency Preparedness

The creation of the Department of Homeland Security, as recommended in USEEA's "National Energy Security – Post 9/11", has brought into one federal agency the principal responsibility for oversight and coordination for all energy infrastructure systems. Industry experts coordinate daily with federal, state and local officials to provide a prudent level of physical infrastructure security.

Nevertheless, our energy system is huge, geographically dispersed and encompasses lengthy transportation routes to move petroleum products, natural gas, coal and electricity long distances. In the same way that every bridge or highway cannot be physically guarded and secured, so it is with our energy production and delivery system.

Consequently, a strategic approach must lead to a supply system that is robust, diverse and redundant. Simultaneously, sophisticated controls need to be deployed to facilitate emergency actions that can recognize and respond to system disruptions.

More specifically:

- Because nuclear power plants, pipelines, port facilities, transmission hubs, hydroelectric structures and many other vital U.S. energy components could be terrorist targets, one government agency should be tasked with the oversight and coordination responsibility for all energy infrastructure systems. Doing so will ensure that intelligence and information sharing, alert notification, and responsiveness by the energy industry will be timely and effective.
- The government agency in charge should also decide whether government or the private sector is primarily responsible for the defense of specific facilities and energy systems.
- Conduct a comprehensive review to determine what actions are required to provide reasonable protection of the U.S. energy infrastructure, both long and short-term.
- Fill the Strategic Petroleum Reserve (SPR) to its maximum capacity and continue to use the SPR as an emergency mechanism only, and increase U.S. uranium enrichment capabilities.
- Work closely with friends and allies to enhance international cooperation in preparing for oil supply disruptions. Encourage strategic oil inventory holdings in International Energy Agency (IEA) and non-IEA member economies.
- Develop a military liquid fuels reserve that is not dependent on imported fuel, i.e., a reserve based on coal to liquid technology.

- Reestablish a new mechanism that encourages contingency planning. This mechanism has been lost under the current trend toward deregulation. The new mechanism should look long-term and have the ability to resolve eminent domain and inter-state or interregional disputes.

Please visit our website at www.usea.org for copies of previous Energy Policy Reports and USEA's report "National Energy Security Post 9/11" or call 1-800-818-USEA.