

Energy Security Committee/NASEO ASERTTI Energy Policy & Technology Outlook Conference

Thursday, February 9, 2012; 2:30-4:30 pm EST

Participants

API - Patrick Kelly

Department of the Army -
Bob Boonstoppel and
Cynthia Jester

EEl - Gail Royster and
Gregory Obenchain

EIA - Allen McFarland,
Yvonne Taylor and Minda
Farber-DeAnda

Energy Resources Center -
Henry Kurth

ICF - Brenda Girod

Iowa - Paritosh Kasotia

Maine - Jeff Marks

Massachusetts -- Mark Sylvia

Minnesota - Michelle
Granssee-Bowman

NASEO - Garth Otto, Jeff
Pillon, Julia Friedman, and
Kate Marks

NCSL - Glen Anderson

New Hampshire - Wendy
Gilman

NGA - Greg Dierkers

Pennsylvania - Dave Althoff

SSEB - Kathryn Baskin

State Service Program -
Donald Milstein

The Cadmus Group - Philip
Quebe

US DOE - Pam Mendelson
and Ted Donat

West Virginia - Bill Willis

Welcome and Introduction

Mark Sylvia, MA the Committee Chair briefly recapped the Energy Security Committee meeting in San Antonio, TX and provided welcoming remarks and introductions.

Update from Thom Pearce, Chair NARUC Critical Infrastructure Staff Subcommittee

Over the past year, NARUC participated in the DOE EA exercises, held monthly calls, and finalized table top model. They also planned (and are currently working on) a cyber-security boot camp. For more information on the NARUC Critical Infrastructure Committee got to:

<http://www.naruc.org/committees.cfm?c=46#>

Comments – NARUC held a meeting this past week when will presentation be available? Presentation from the CI meeting can be found at: <http://www.naruc.org/meetingpresentations.cfm?93>

Energy Assurance Program Update -- Alice Lippert, DOE and Jeff Pillon, NASEO -- [Presentation](#)

In 2009 and early 2010, there were ARRA dollars to use for EA planning (at state and local levels). The objective was to develop or refine plans in regards to smart grid, cyber security, conduct exercises, etc. To date, all states using ARRA money for this have submitted EA plans.

In 2011, DOE held four EA exercises nationwide (with over 650 attendees total collectively). One of the goals was to help states test plans through workshops and hypothetical scenarios. An additional goal was to assist states learn more about energy markets and infrastructures. Scenarios explored included:

- Droughts
- Hurricanes
- Cyber attacks
- Explosions
- Earthquakes

After these exercises, lessons learned were collected – the main lesson learned throughout dealt with communications (keeping contact information up to date, communications to the public, e.g. what you communicate/how you communicate it/etc., & establishing more robust communications). Other

lessons learned included interdependencies, roles and responsibilities, collaboration & coordination, resource allocations, and planning & preparedness.

Sustaining EA capabilities was also discussed at during these exercises – thinking about how to respond to disasters and/or other emergency events is a key factor and options for sustaining capabilities included:

- Periodic review of plans
- Maintaining Current Contact lists – including the private energy sector, state agencies, federal government, and local governments
- Training – making sure new staff receives training on plans and procedures and conduct refresher training periodically.

REMINDER: state plans are on the ISERNET, which is password protected. If your state plan is not posted, we encourage you do include by sending them to either Alice or Jeff.

UPDATE: Energy Assurance training is being planned through NASEO and DOE. The pilot portion of basis training for new Staff will launch shortly (mid spring). Intra and interstate exercises should be conducted periodically to bring states and private industry together.

Alice Lippert and Jeff Pillon then showed the EA video from the White Prairie exercise to committee attendees, which is available on the NASEO website at: www.naseo.org/energyassurance

REMINDER #2: Alice announced the upcoming [National Energy Assurance Conference](#) (June 28-29, 2012, Washington, D.C). The goal of this meeting is to discuss lessons learned, best practices, showcase state plans, etc. Please plan on having appropriate Staff attend.

Q & A Session

For those that have held intra state exercises, what were your primary takeaways at the local level?

- PA: petroleum fuel amounts – what is set aside, who runs the program (PA is still working on addressing this)
- KY: knowing who is who (the value of meeting others and knowing who to reach out to)
- YOU need to know who are your contacts in the energy industry
- MA: ensuring that Boston plan is in line with MA state plan
- WV: issues of not knowing who had storage tanks

State Energy Issues -- Update from John Davies Deputy Commissioner, Kentucky Department for Energy Development and Independence -- In follow up to database that KY has developed, NASEO will be offering State Energy Data Profiles to interested States for a fee. For a sample of the report that could be generated for your State see: <http://naseo.org/committees/energysecurity> scroll down and look under the heading “State Energy Data Profiles.”

Final Draft on Assuring Petroleum Supplies for Essential Public Services

- The paper has been revised based on comments received at September 2011 meeting
- API is currently reviewing the Draft
- Paper provides draft executive orders and rules for designating petroleum
- Explains strategies for developing strategic storage reserves and other contingencies

During a general Discussion session a question was raised on working with the Edison Electric Institute (EEI) which has joined NASEO as an affiliate member. Some of the areas mentioned included:

- Mutual aid agreements between utilities
- Can NASEO, NARUC, and EEI bolster the conversation about getting crews on the ground
- EEI hosts conference on sharing best practices

Reduction in Northeast Refining Activity: Update on EIA Efforts-- Mindi Farber-DeAnda - U.S. Energy Information Administration Team Lead, Liquid Fuels Markets Analysis -- [Presentation](#)

- Reviewed key events around East Coast refining situation – idling of a number of refineries across the region
- Not seeing shortages yet
- Unclear if Sunoco will idle Philadelphia refinery in June
- In July NY will require ultra-low sulfur diesel for heating oil use
- EIA will launch map of east coast liquid fuels infrastructure in a few weeks
- Reviewed northeastern states’ ultra-low sulfur diesel requirements
- Where do states go to get real-time or very up to date pricing and inventory data? How will states keep up with data capacity role post-ARRA?
- With refineries closing, necessity for storage becomes much great. PA doesn’t believe that mid-continent does not exist. How to deal? EIA believes it’s too early to know what the industry might do – pipelines could be reversed. Terminals could be modified to accept water borne shipment of refined petroleum products, refineries could be repurposed, etc.

Reconstituting Energy Data Taskforce – The Committee has had an Energy Data Taskforce which may be useful to re-establish. There are a number of State energy data issues that need attention and State input. If you would be interested in participating in this Taskforce and anyone interested in charring this effort should contact Mark or Jeff.

The meeting adjourned at: 4:30 pm