

CALIFORNIA ENERGY
COMMISSION

**PETROLEUM FUELS
SET-ASIDE PROGRAM**

**APPLICATION FOR
EMERGENCY FUELS ALLOCATION**

APPLICANT HANDBOOK

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Arnold Schwarzenegger, *Governor*

CALIFORNIA ENERGY COMMISSION

Robert Kennedy
Principal Author

Sherry Stoner
Project Manager

Pat Perez
Manager
SPECIAL PROJECTS OFFICE

Rosella Shapiro
Deputy Director
FUELS AND TRANSPORTATION
DIVISION

B. B. Blevins
Executive Director

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INTRODUCTION

The California Energy Commission (Energy Commission) is the agency responsible for administering the Petroleum Fuels Set-Aside Program (Fuels Set-Aside Program).

During a proclaimed state of emergency, intrastate petroleum and petroleum product stocks that are essential to life, property, and critical services may be allocated through the Fuels Set-Aside Program. The total amount of all fuel types available for the Fuels Set-Aside Program is based on in-state refinery production and storage capabilities at the time of the state of emergency.

You may be eligible for the program if you are an emergency service provider or use petroleum fuel for operating equipment, producing crops, moving goods and people, or maintaining other types of essential services and can prove justifiable hardship.

Purpose of the Program

California's Fuels Set-Aside Program is intended to help ease regional shortages and hardships for end-users who are unable to acquire essential volumes of fuel at any price.

The Fuels Set-Aside Program is implemented only after the Governor proclaims a state of emergency and when market forces, voluntary conservation, or other mandatory programs are unable to maintain an adequate and equitable distribution of fuel.

The program is designed to cause only minimal interference with the market, using a percentage of in-state refinery production volumes that are sufficient only to satisfy hardship and emergency cases. The program makes no attempt to reduce or inhibit the market price of fuels. All fuel delivered through the program will be purchased at the market price and, whenever possible, through the usual supplier.

Purpose of This Handbook

This handbook provides a description of the application process for requesting fuel supplies in the event of a fuels shortage. This handbook explains the purpose of the Fuels Set-Aside Program, the eligibility requirements for each program category, and how the application process works. A copy of the application form and detailed instructions on how to complete the form are included in this handbook. In addition, audit procedures used to discourage or detect fraud are included as well as procedures for appeal if an application is denied.

Structure of the Program

The specific management of the Fuels Set-Aside Program is located in the Fuels and Transportation Division and is the responsibility of the Fuels Allocation Officer.

The Fuels Set-Aside Program is divided into three categories:

- Emergency Services
- Community Hardship
- Basic Set-Aside

To achieve maximum flexibility in the Fuels Set-Aside Program, the individual categories within the program are implemented only as directed by the Chairman of the Energy Commission or the Commissioners with major responsibility for contingency planning. Thus, all categories will not automatically become effective when the Fuels Set-Aside Program is implemented. The Fuels Set-Aside Program ends when the Governor rescinds the emergency proclamation or chooses to terminate the program.

Audit Process

Provisions exist for auditing or investigating applications to discourage and prosecute those who would abuse the Fuels Set-Aside Program. The audit is intended to prevent the deliberate misrepresentation of facts, use of the fuel for a purpose other than as stated, or resale of the fuel.

Three criteria are used to select the applications to audit:

- Suspicion of Abuse
- Public Complaint
- Random Selection

Suspicion of Abuse: The tracking software used to process applications has been programmed to automatically screen for discrepancies and possible abuse.

Public Complaint: If the Special Projects Office receives a public complaint, particularly if accompanied by a written report, the application will be reviewed for possible investigation.

Random Selection: At the discretion of the Fuels Allocation Officer, applications may be randomly selected for audit.

Any person who knowingly violates the rules and regulations of the Fuels Set-Aside Program is guilty of a misdemeanor and will be punished to the full extent of the law. The Attorney General or prosecuting attorney of a county will prosecute alleged violators.

APPLICATION PROCEDURES

Read this section carefully if you think you may be eligible for fuel supplies from the Fuels Set-Aside Program. It contains step-by-step instructions you will need to follow to complete the application form.

If you need technical assistance in filing the application, you should contact the Special Projects Office at (916) 654-5061. Questions may also be directed to the Commission's Public Adviser at (916) 654-4489 or toll-free at (800) 822-6228.

IMPORTANT

Fuel will be allocated monthly. Therefore, you must file an application at the beginning of each month that you require an emergency allocation. You must also complete a separate application for each type of fuel you require (gasoline, diesel, and so forth).

The application process is as follows:

- Determine Your Eligibility
- Complete the Form
- File the Application
- Purchase the Fuel

Determine Your Eligibility

The first step in the application process is to determine your eligibility for the program.

The Fuels Set-Aside Program is divided into three categories:

Emergency Services: This category allows end users who provide emergency, health, safety, or essential services to receive fuel during a crisis. You are eligible to apply within this category if you are a provider of emergency services (police, fire, emergency medical, and so forth) and are unable to obtain fuel supplies at any price.

Community Hardship: This category allows for distribution of fuels to qualified areas. You may be eligible to apply within this category if you are an individual, association, retailer, or governmental agency providing fuel services to a community experiencing an emergency or hardship. A community is defined as one of the following:

- City
- County
- Geographical area consisting of at least 50 square miles
- Geographical area of 5 square miles but containing no more than 10 service stations
- Military base exchange

Community Hardship is the only category of the program where retail service stations may be eligible for a fuels set-aside allocation. When filling out an application for an emergency fuel allocation, you must include a description of the community boundaries and how the inability to obtain fuel is affecting the community.

Basic Set-Aside: This category allows distribution to end users who are providing essential services and can demonstrate they are having difficulty obtaining fuel supplies at any price. If you are experiencing a fuel hardship or emergency, but do not qualify for either of the other two categories, you may be eligible to file within this category.

Complete the Form

Listed below are instructions for filling out the Emergency Fuel Application form located on page 8 of this handbook. When the Fuels Set-Aside Program has been activated, this form can also be found online at [<http://www.energy.ca.gov/contingency/setaside>]. The online form can be accessed only during an emergency.

1. **Applicant Name:** Enter the name of the individual, company, or organization requesting a fuel allocation.
2. **Tax ID or SSN:** Enter the tax identification number used for filings with the Internal Revenue Service for the requesting organization. If requesting fuel as an individual, enter your social security number.
3. **Contact Person:** If the applicant is a company or organization, enter the name of a contact person.
4. **Mailing Address:** Enter the contact person's mailing address.
5. **Phone:** Enter the contact person's area code and telephone number.
6. **Cell Phone:** Enter the contact person's area code and cell phone number.
7. **Fax:** Enter the contact person's fax number.
8. **City/State/Zip:** Enter the second line of address information for the contact person.
9. **Email:** Enter the contact person's email address.
10. **Delivery Address:** Enter the address where the requested fuel will be delivered (if different from mailing address).
11. **Delivery City/State/Zip:** Enter the second line of delivery address information.
12. **Delivery County:** Enter the county where the fuel will be delivered (delivery must be in California).
13. **Amount of Fuel Requested (Gallons):** Enter the amount of fuel being requested for emergency allocation from the fuels set-aside program (in gallons).
14. **Average Historical Monthly Usage (Gallons):** Enter the average amount of fuel applicant uses monthly under normal circumstances.

15. **Date Fuel Needed:** Enter the date for which applicant is requesting emergency fuel allocation. Note that an application must be filed at the beginning of each month that applicant requires an emergency allocation.
16. **Fuel Type Requested:** Select the type of fuel being requested. A separate application must be filled for each type of fuel. If the “other” category is chosen, please specify the type of fuel.
17. **Program Category:** Select one of the listed categories. If applicant doesn’t qualify under Emergency Services or Community Hardship, choose Basic Set-Aside. Select the closest application for which applicant intends to use the fuel.
18. **Fuel Use Category:** Select one category that best describes the activity for which the fuel is to be used. Table 1 contains examples of possible activities and their related categories. However, the categories are not limited to just those activities. If an applicable fuel use is not listed, choose “other” and describe it in one or two words.

Table 1: Fuel Use Categories	
Agriculture	Agricultural Production (Including Agricultural Trucking and Agricultural Aviation)
Aviation	Commercial Aviation for Passengers and Cargo, Aviation Ground Support Vehicles and Equipment
Emergency Services	Police, Fire, Ambulance, Dispatch Services, Emergency Shelters
Energy Production	Diesel Fuel for Electric Generating Systems and Emergency Back-up Generators.
Government	Critical Maintenance Activities such as Snow Removal, Landslide Clean-Up, Dam Repair
Health Care Services	Hospitals, Clinics, Nursing Homes
Marine Transportation	Non-Military Cargo, Passenger, and Fishing Vessels
Passenger Services	School Buses, Regional Transit Systems, Taxis, Commercial Bus Lines
Trucking	Cargo, Freight, and Mail Hauling by Truck (including Diesel Truck Stations)
Utility Services	Electricity, Natural Gas, Water, Telephone, Telegraph, Sanitation

19. **Distributor:** Enter the name of the local (California only) distributor, jobber, or consignee’s firm that normally supplies applicant with fuel. If applicant does not normally receive fuel

in this manner but instead receive fuel directly from an oil company, enter the oil company's name and other related information.

20. **Distributor's Contact Person:** Enter the name of the contact person at the company that normally provides applicant with fuel.
21. **Distributor's Address:** Enter the address for applicant's normal distributor.
22. **Phone:** Enter the phone number for applicant's normal distributor.
23. **Cell Phone:** Enter the cell phone number for applicant's normal distributor.
24. **Fax:** Enter the fax number for applicant's normal distributor.
25. **City/State/Zip:** Enter the second line of address information for applicant's normal distributor.
26. **Email:** Enter the email for applicant's normal distributor.
27. **Distributor's Normal Fuel Source (Company Name):** Enter the name of the distributor's source of fuel supply; that is, the oil company that supplies the applicant's distributor with fuel under normal circumstances.
28. **Description and Comments:** Describe in detail the circumstances and situation relating to the hardship or emergency. Fully explain how the inability to obtain the needed fuel is impacting or will impact essential or emergency services in California (or the community if you are applying under community hardship). Also, describe any efforts to reduce the hardship or emergency and all attempts (successful or unsuccessful) that have been made by the applicant to obtain fuel from other sources.

File the Application

Make sure all sections of the application are completed or marked "not applicable." Use one of the following methods to submit the application.

1. Hard (paper) copies of the application can be either faxed to the Energy Commission Office at (916) 654-4368 or mailed to the following address:

California Energy Commission
Special Projects Office
1516 Ninth Street, MS-23
Sacramento, CA 95814-5512

2. Electronic (scanned) copies of the application can be emailed to the Energy Commission at setaside@energy.state.ca.us.
3. Instead of filling in the form in this handbook, you can fill in the online form located on the Energy Commission's web page at [<http://www.energy.ca.gov/contingency/setaside>]. This online form can only be accessed during an emergency.

Purchase the Fuel

The Energy Commission will notify you whether your application has been approved for the full amount requested, approved for a smaller amount than requested, or denied. You must make your own arrangements with the supplier for delivery and payment. The State of California makes no guarantee for payment nor acts as surety for payment.

Appeal Process

If your application was denied, or only partially approved, you may appeal the decision. The appeal must be filed within 15 days after the date of notification of the decision. In an appeal, you must fully explain your objection to the decision and why your particular situation constitutes a hardship or emergency. File the written appeal with:

Fuels Allocation Review Officer
California Energy Commission
1516 Ninth Street, MS-23
Sacramento, CA 95814-5512

The Fuels Allocation Review Officer, who is independent of the Fuels Allocation Officer, will review your appeal. The Fuels Allocation Review Officer has 15 days after the appeal has been received by the Energy Commission to stipulate one of three possible actions:

- Reverse the prior decision and grant the requested fuel
- Modify the prior decision and grant an increase in the amount of fuel originally allocated
- Affirm the prior decision and deny the appeal

The Fuels Allocation Review Officer will notify the applicant by mail of the decision within 15 days after the appeal is filed.

The Energy Commission's Public Adviser is available to provide procedural advice. For further information call (916) 654-4489 or toll-free at (800) 822-6228 or visit our website at [www.energy.ca.gov].

Office Use Only
Case Number
Date Received
Entered By

Emergency Fuel Application

Fax completed application to (916) 654-4368 or mail to: California Energy Commission, Special Projects Office, 1516 Ninth Street, MS #23, Sacramento, CA 95814

Applicant Information			
1. Applicant Name		2. Tax ID or SSN	3. Contact Person
4. Mailing Address		5. Phone	6. Cell Phone
		7. Fax	
8. City/State/Zip		9. Email	
10. Delivery Address		11. Delivery City/State/Zip	12. Delivery County
Fuel Use Information			
13. Amount of Fuel Requested (Gallons)		14. Average Historical Monthly Usage (Gallons)	15. Date Fuel Needed
16. Fuel Type Requested <i>(check one)</i>		17. Program Category <i>(check one)</i>	
<input type="checkbox"/> CARB Gasoline <input type="checkbox"/> CARB Diesel (On Road) <input type="checkbox"/> High Sulfur Diesel (Off Road) <input type="checkbox"/> Heating Oil		<input type="checkbox"/> Jet Fuel <input type="checkbox"/> Kerosene <input type="checkbox"/> Propane <input type="checkbox"/> Other (specify):	
		<input type="checkbox"/> Emergency Services <input type="checkbox"/> Community Hardship <input type="checkbox"/> Basic Set-Aside	
18. Fuel Use Category <i>(check one)</i>			
<input type="checkbox"/> Agriculture <input type="checkbox"/> Aviation <input type="checkbox"/> Emergency Services		<input type="checkbox"/> Energy Production <input type="checkbox"/> Government <input type="checkbox"/> Health Care Services	
		<input type="checkbox"/> Marine Transportation <input type="checkbox"/> Passenger Services <input type="checkbox"/> Trucking	
		<input type="checkbox"/> Utility Services <input type="checkbox"/> Other (specify):	
Fuel Source and Distributor Information			
19. Distributor		20. Distributor's Contact Person	
21. Distributor's Address		22. Phone	23. Cell Phone
		24. Fax	
25. City/State/Zip		26. Email	
27. Distributor's Normal Fuel Source (Company Name)			
Description and Comments			
28. Describe the hardship or emergency and your efforts to obtain the necessary fuel from other sources. (Attach additional sheets if necessary.)			

Important Note: By submitting this application, you certify that that all information is true and correct to the best of your knowledge. You also certify that you have made a good faith attempt and have been unable to obtain essential fuel at any price. If any or all of the fuel requested is granted, you agree that it will be delivered in California and used to alleviate the hardship, and will not be diverted to other purposes or resold.