Within the IEA, the Emergency Policy Division (EPD) focuses on short-medium term energy security issues.

In addressing these issues we aim to increase the resilience of Member country energy systems, and ability to cope with extreme events – including weather related.

Initial focus on oil - gas and electricity now also included.

Resilience is key to emergency preparedness: ability to adapt to challenges and emergencies whatever the cause.

IEA assesses Member country emergency preparedness and provides recommendations for improvement through peer review processes and emergency response exercises.
Energy security relies upon well functioning markets

- Market balances supply & demand smoothly
- Sufficient network interconnections
- Diversity of supply sources (countries & fuels)
- Robust infrastructure for seasonal fluctuations (ports, pipelines, storage)
- Appropriate Government regulations (e.g. Public Service Obligations)
**Energy security wider than oil**

- IEA has broadened concept of energy security to cover natural gas & electricity
- Similar to oil security framework, emergency policies for gas & electricity need to be:
  - *For defined emergencies only*
  - *Not for seasonal fluctuations*
  - *Designed for specific situations of country / region*
  - *Set out in Code of Operations or equivalent*
- **But** significant differences:
  - *Regional rather than global markets*
  - *Regulation of distribution / public service obligations*
- IEA working with member countries on emergency response policies for gas & electricity
Strengthening Emergency Response Systems

- **Emergency Response Reviews (ERR)**
  - Country peer reviews on emergency preparedness
  - Checks procedures & institutional arrangements
  - Contributes to identify & improve weak points

- **Emergency Response Exercises (ERE)**
  - Test processes for: decision making, communicating, hypothetical release

- **Broadening of energy security concept**
  - Emergency policies for natural gas
  - Electricity security issues
Emergency Response Exercise

- Biannual exercises continue (ERE6 held in Paris in Nov 2012; ERE7 will be held in Nov 2014)
- Specific workshops for new or complex issues/policy
- Rollout of EREs to key Non-Member Countries
Increasing Member country resilience

- Process of ongoing improvement: e.g. US response to Gulf Coast Hurricanes & Tropical Storm Sandy
  - Since 2005 Hurricane Katrina: ongoing hardening of Gulf Coast refinery infrastructure
  - Since 2012 Sandy: establishment of Federal NE Regional Refined Product Reserve and announcement of NY State fuel reserve
  - Important that Federal and State governments harmonize procedures for emergency deployment
- Growth of “all hazards” approach to critical infrastructure risk management
Summary Messages

- Threats to energy security come from many sources
- Flexibility is crucial with efficient & transparent markets accompanied by resilient government policies and energy infrastructure
- Government policies must complement efficient markets
  - Policy, legal & regulatory certainty / consistency
  - Avoid crowding out investment in clean & innovative technologies
  - Promotion of energy efficiency & demand response
  - Effective emergency response varies by energy source
Thank you

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