

Department of Energy

§ 221.31

Subpart A—General

§ 221.1 Scope.

This part sets forth the procedures to be utilized by the Economic Regulatory Administration of the Department of Energy and the Department of Defense whenever the priority supply of crude oil and petroleum products is necessary or appropriate to meet national defense needs. The procedures available in this part are intended to supplement but not to supplant other regulations of the ERA regarding the allocation of crude oil, residual fuel oil and refined petroleum products.

§ 221.2 Applicability.

This part applies to the mandatory supply of crude oil, refined petroleum products (including liquefied petroleum gases) and lubricants to the Department of Defense for its own use or for purchases made by the Department of Defense on behalf of other Federal Government agencies.

Subpart B—Exclusions

§ 221.11 Natural gas and ethane.

The supply of natural gas and ethane are excluded from this part.

Subpart C—Definitions

§ 221.21 Definitions.

For purposes of this part—

Directive means an official action taken by ERA which requires a named person to take an action in accordance with its provisions.

DOD means the Department of Defense, including Military Departments and Defense Agencies, acting through either the Secretary of Defense or the designee of the Secretary.

ERA means the Economic Regulatory Administration of the Department of Energy.

National defense means programs for military and atomic energy production or construction, military assistance to any foreign nation, stockpiling and space, or activities directly related to any of the above.

Person means any individual, corporation, partnership, association or any other organized group of persons,

and includes any agency of the United States Government or any other government.

Priority-rated supply order means any delivery order for crude oil or petroleum products issued by DOD bearing a priority rating issued by ERA under this part.

Supplier means any person other than the DOD which supplies, sells, transfers, or otherwise furnishes (as by consignment) crude oil or petroleum product to any other person.

Subpart D—Administrative Procedures and Sanctions

§ 221.31 Requests by DOD.

(a) When DOD finds that (1) a fuel supply shortage for DOD exists or is anticipated which would have a substantial negative impact on the national defense, and (2) the defense activity for which fuel is required cannot be postponed until after the fuel supply shortage is likely to terminate, DOD may submit a written request to ERA for the issuance to it of a priority rating for the supply of crude oil and petroleum products.

(b) Not later than the transmittal date of its request to ERA, DOD shall notify the Federal Emergency Management Agency that it has requested a priority rating from ERA.

(c) Requests from DOD shall set forth the following:

(1) The quantity and quality of crude oil or petroleum products determined by DOD to be required to meet national defense requirements;

(2) The required delivery dates;

(3) The defense-related activity and the supply location for which the crude oil or petroleum product is to be delivered;

(4) The current or most recent suppliers of the crude oil or petroleum product and the reasons, if known, why the suppliers will not supply the requested crude oil or petroleum product;

(5) The degree to which it is feasible for DOD to use an alternate product in lieu of that requested and, if such an alternative product can be used, the efforts which have been made to obtain the alternate product;