



CATALYST 2008 A LIQUID FUEL EMERGENCY SIMULATION EXERCISE (FACT SHEET)

Background

The Liquid Fuel Emergency Simulation Exercise, Catalyst 2008, is being undertaken by the Department of Resources, Energy and Tourism on behalf of the National Oil Supplies Emergency Committee (NOSEC). The NOSEC reports to the Ministerial Council on Energy and is the main executive channel through which Australian governments, in co-operation with industry, formulate the overall management response to a national liquid fuel emergency.

Catalyst 2008 will build on the outcomes of the Australian Government's last simulation, Exercise Tanker, which was undertaken in June 2003. It will test the emergency preparedness of the Commonwealth State and Territory Governments and industry to manage a national liquid fuel emergency. In particular, it will test arrangements for identifying and rationing fuels to essential users and bulk allocation arrangements, as well as communication strategies and mechanisms.

Objective

The aim of *Catalyst 2008* is to test Australia's ability to manage a national liquid fuels supply emergency (LFE). It will involve the development of a realistic scenario with specific emphasis on:

- Efficiency and effectiveness of processes to identify and manage essential users;
- Efficiency and effectiveness of processes to make sufficient fuel available to essential users;
- An assessment of the preparedness to respond by Commonwealth, State and Territory Government agencies and the fuel industry to make sufficient fuel available to essential users;
- Efficiency and effectiveness of bulk allocation procedures (including voluntary industry based allocations and regulatory imposed allocations) and;
- An assessment of communication strategies and mechanisms with key stakeholders.

How

The simulation exercise will be delivered through three key elements over a three month period. These include:

Desktop Activities:

The desktop activities, which will be undertaken with NOSEC, Commonwealth agencies as well as State and Territory jurisdictions, will aim to validate and confirm each stakeholders liquid fuel emergency deliberations within the context of the *Liquid Fuels Emergency Act 1984* and associated guidelines.

Industry Communications Exercise:

A confidential communication exercise will be held between the Department of Resources, Energy and Tourism and the fuel industry. The aim of the exercise is to obtain information on industry's bulk allocation procedures.



The outcome of this exercise will provide the Australian Government with an understanding of the procedures implemented by the fuel industry which would support the effective and efficient management of a national liquid fuel emergency.

Simulation Exercise:

The Simulation Exercise will be held on **17 June 2008** and will test the communication pathways between the parties in a real time situation. The simulation exercise will be delivered in three stages:

1. The first stage will involve NOSEC validating their deliberation process and providing subsequent advice to the Commonwealth.
2. Stage two will examine how the Commonwealth consults with the Industry based on the outcomes of Stage 1.
3. Stage three will examine the Commonwealth's response to advice from NOSEC including the process and communication between the Department of Resources, Energy and Tourism, other Commonwealth agencies and the State and Territory Jurisdictions.

The exercise will involve real time meetings, telephone and facsimile / email communications between the parties.

Outcome

Catalyst 2008 will provide the Australian Government with a better understanding of the management and implication issues of a liquid fuel emergency. It will enable the Commonwealth, State and Territory jurisdictions and industry to address any inconsistencies in response plans, including confirming and validating the legislative requirements to be met by all stakeholders under the *Liquid Fuel Emergency Act 1984*.