



**The Center for North American Energy Security**  
*Our Fuels. Our Future.*

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## **THE HISTORY OF THE CENTER**

The Center for North American Energy Security (CNAES) grew from the national energy policy debate leading up to enactment of the Energy Policy Act of 2005. To many in the Congress, the Executive Branch and the private sector, it was obvious that our Nation's energy consumption left us increasingly vulnerable to foreign producers with a different worldview and a growing tendency to exploit their resources for geopolitical gain. The wars in Iraq and Afghanistan, as well as the resources required for them, underscored this vulnerability from a military perspective. A consensus began to emerge among key policymakers in the Congress, the military and the other Executive agencies, as well in private energy and related financial sectors, that an active program to develop our Nation's unconventional energy resources would be essential to our future security and prosperity.

The 2005 Act gave voice to this consensus in two primary provisions. First, Section 965 requires the Secretary of Energy to conduct a program of research, development, demonstration, and commercial application of oil and gas, including heavy oil, oil shale, and tar sands plus related environmental research. This provision encourages the development of technology available to U.S. energy producers, particularly independent operators, to minimize the economic dislocation caused by the decline of domestic supplies of conventional oil and natural gas resources.

Second, Section 369 creates a new program for the development oil shale, tar sands and other strategic fuels, known as the "Oil Shale, Tar Sands, and Other Strategic Unconventional Fuels Act of 2005." These provisions declare that it is the policy of the United States that: (1) oil shale, tar sands, and other unconventional fuels are strategically important domestic resources that should be developed to reduce the growing dependence of the United States on politically and economically unstable sources of foreign oil imports; (2) research and commercial development of oil shale, tar sands, and other strategic unconventional fuels should be conducted in an environmentally sound manner, using practices that minimize impacts; and (3) development of those strategic unconventional fuels should occur, with an emphasis on sustainability, to benefit the United States while taking into account affected States and communities. Various substantive provisions then create a series of studies and reports on current domestic resources and incentives for development and use.

The Center's principals were actively engaged in development of this legislation, beginning in 2002, and played a substantial role in its eventual enactment. However, the implementation of the unconventional fuels provisions in the 2005 Act has been disappointing to date. Pursuant to Section 369 of the 2005 Act, the Task Force on Unconventional Fuels has produced an excellent series of reports that provide a sound blueprint for future development and supply the

basis for much of the current CNAES program. Yet virtually none of the research or other substantive provisions has been funded as a result of appropriations deadlocks in 2006 and 2007.

Further, the new Congress elected in 2006 considered a series of legislative proposals to roll back key aspects of the 2005 legislation. Chief among these were the Udall restrictions on appropriations for oil-shale development, the Rahall energy bill to eliminate many of the 2005 incentives, and the provision in the Lieberman/Warner climate-change bill to introduce a low-carbon life cycle standard that would unfairly penalize unconventional fuels.

As a result of these developments, CNAES's principals began a new unconventional fuels outreach program in 2007. The objective was to create a single organization to coalesce unconventional fuels advocates in all of the affected private and governmental sectors around a unified program to advance the development and use of all of the five unconventional fuels sectors studied in the Task Force report: Heavy Oil, Tar Sands, Shale Oil, Coal-to-Liquids and Enhanced Oil Recovery.

In August 2007, The Center for Unconventional Fuels was created for this purpose. The inaugural workshop in November 2007 was attended by 35 participants from virtually all of the related private and governmental sectors, and the Center's mailing list grew to over 250 interested parties.

In July 2008 we changed our name to The Center for North American Energy Security to reflect the importance of cooperation with Canada and Mexico to assure our collective energy security.

CNAES is the only organization dedicated to advancing the common interests of all five unconventional-fuels segments, wherever and however that can be accomplished, in both governmental and private sectors.