

AMENDMENT**OFFERED BY M**____.

At the appropriate place, insert the following:

1 **SEC. ____.** **STRATEGIC PETROLEUM RESERVE REFORMS.**

2 (a) USE OF UNDERUTILIZED STRATEGIC PETRO-
3 LEUM RESERVE FACILITIES.—Section 168 of the Energy
4 Policy and Conservation Act (42 U.S.C. 6247a) is amend-
5 ed to read as follows:

6 **“SEC. 168. USE OF UNDERUTILIZED FACILITIES.**

7 “(a) **AUTHORITY.**—Notwithstanding any other provi-
8 sion of this title, the Secretary may establish and carry
9 out a program to lease underutilized Strategic Petroleum
10 Reserve storage facilities and related facilities to the pri-
11 vate sector, or a foreign government or its representative.
12 Petroleum products stored under this section are not part
13 of the Strategic Petroleum Reserve.

14 “(b) **PROTECTION OF FACILITIES.**—Any lease en-
15 tered into under the program established under subsection
16 (a) shall contain provisions providing for fees to fully com-
17 pensate the United States for all related costs of storage
18 and removals of petroleum products (including the propor-
19 tionate cost of replacement facilities necessitated as a re-

1 sult of any withdrawals) incurred by the United States
2 as a result of such lease.

3 “(c) ACCESS BY THE UNITED STATES.—The Sec-
4 retary shall ensure that leasing of facilities under the pro-
5 gram established under subsection (a) does not impair the
6 ability of the United States to withdraw, distribute, or sell
7 petroleum products from the Strategic Petroleum Reserve
8 in response to an energy emergency or to the obligations
9 of the United States under the Agreement on an Inter-
10 national Energy Program.

11 “(d) NATIONAL SECURITY.—The Secretary shall en-
12 sure that leasing of facilities under the program estab-
13 lished under subsection (a) to a foreign government or its
14 representative will not impair national security.

15 “(e) DEPOSITS OF AMOUNTS RECEIVED.—

16 “(1) IN GENERAL.—Except as provided in para-
17 graph (2), amounts received through the leasing of
18 facilities under the program established under sub-
19 section (a) shall be deposited in the SPR Petroleum
20 Account established in the Treasury under section
21 167 during the fiscal year in which such amounts
22 are received.

23 “(2) COSTS.—The Secretary may use for costs
24 described in subsection (b) (other than costs de-
25 scribed in subsection (f)), without further appropria-

1 tion, amounts received through the leasing of facili-
2 ties under the program established under subsection
3 (a).

4 “(f) PREPARATION OF FACILITIES.—The Secretary
5 shall only use amounts available in the Energy Security
6 and Infrastructure Modernization Fund established by
7 section 404 of the Bipartisan Budget Act of 2015 for costs
8 described in subsection (b) of this section that relate to
9 addition of facilities or changes to facilities or facility op-
10 erations necessary to lease such facilities, including costs
11 related to acquisition of land, acquisition of ancillary fa-
12 cilities and equipment, and site development, and other
13 necessary costs related to capital improvement.”.

14 (b) PILOT PROGRAM TO LEASE STRATEGIC PETRO-
15 LEUM RESERVES.—

16 (1) IN GENERAL.—Part B of title I of the En-
17 ergy Policy and Conservation Act (42 U.S.C. 6231
18 et seq.) is amended by adding at the end the fol-
19 lowing:

20 **“SEC. 170. PILOT PROGRAM TO LEASE STORAGE AND RE-**
21 **LATED FACILITIES.**

22 “(a) ESTABLISHMENT.—In carrying out section 168
23 and not later than 180 days after the date of enactment
24 of this section, the Secretary shall establish and carry out
25 a pilot program to make available for lease—

1 “(1) capacity for storage of up to 200,000,000
2 barrels of petroleum products at Strategic Petroleum
3 Reserve storage facilities; and

4 “(2) related facilities.

5 “(b) CONTENTS.—In carrying out the pilot program
6 established under subsection (a), the Secretary shall—

7 “(1) identify appropriate Strategic Petroleum
8 Reserve storage facilities and related facilities to
9 lease, in order to make maximum use of such facili-
10 ties;

11 “(2) identify and implement any changes to fa-
12 cilities or facility operations necessary to so lease
13 such facilities, including any such changes necessary
14 to ensure the long-term structural viability and use
15 of the facilities for purposes of this part and part C;

16 “(3) make such facilities available for lease; and

17 “(4) identify environmental effects, including
18 benefits, of leasing storage facilities and related fa-
19 cilities.

20 “(c) REPORT.—Not later than 1 year after the date
21 of enactment of this section, the Secretary shall submit
22 to Congress a report on the status of the pilot program
23 established under subsection (a).”.

24 (2) CONFORMING AMENDMENT.—The table of
25 contents for the Energy Policy and Conservation Act

- 1 is amended by adding after the item relating to sec-
- 2 tion 169 the following:

“Sec. 170. Pilot program to lease storage and related facilities.”.

