

[DISCUSSION DRAFT]

115TH CONGRESS
2D SESSION

H. R. _____

To authorize the Secretary of Energy to carry out a program to lease underutilized Strategic Petroleum Reserve facilities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To authorize the Secretary of Energy to carry out a program to lease underutilized Strategic Petroleum Reserve facilities, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the [“_____ Act of
5 2018”].]

1 **SEC. 2. USE OF UNDERUTILIZED STRATEGIC PETROLEUM**
2 **RESERVE FACILITIES.**

3 Section 168 of the Energy Policy and Conservation
4 Act (42 U.S.C. 6247a) is amended to read as follows:

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

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

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

21 “(c) **ACCESS BY THE UNITED STATES.**—The Sec-
22 retary shall ensure that leasing of facilities under the pro-
23 gram established under subsection (a) does not impair the
24 ability of the United States to withdraw, distribute, or sell
25 petroleum products from the Strategic Petroleum Reserve
26 in response to an energy emergency or to the obligations

1 of the United States under the Agreement on an Inter-
2 national Energy Program.

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

7 “(e) DEPOSITS OF AMOUNTS RECEIVED.—

8 “(1) IN GENERAL.—Except as provided in para-
9 graph (2), amounts received through the leasing of
10 facilities under the program established under sub-
11 section (a) shall be deposited in the general fund of
12 the Treasury during the fiscal year in which such
13 amounts are received.

14 “(2) COSTS.—The Secretary may use for costs
15 described in subsection (b), without further appro-
16 priation, amounts received through the leasing of fa-
17 cilities under the program established under sub-
18 section (a).”.

19 **SEC. 3. PILOT PROGRAM TO LEASE STRATEGIC PETRO-**
20 **LEUM RESERVE FACILITIES.**

21 (a) IN GENERAL.—Part B of title I of the Energy
22 Policy and Conservation Act (42 U.S.C. 6231 et seq.) is
23 amended by adding at the end the following:

1 **“SEC. 170. PILOT PROGRAM TO LEASE STORAGE AND RE-**
2 **LATED FACILITIES.**

3 “(a) ESTABLISHMENT.—In carrying out section 168
4 and not later than 180 days after the date of enactment
5 of the [_____ Act of 2018], the Secretary shall
6 establish and carry out a pilot program to make available
7 for lease—

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

11 “(2) related facilities.

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

14 “(1) identify appropriate Strategic Petroleum
15 Reserve storage facilities and related facilities to
16 lease, in order to make maximum use of such facili-
17 ties;

18 “(2) identify and implement any changes to fa-
19 cilities or facility operations necessary to so lease
20 such facilities, including any such changes necessary
21 to ensure the long-term structural viability and use
22 of the facilities for purposes of this part and part C;

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

24 “(4) identify environmental effects, including
25 benefits, of leasing storage facilities and related fa-
26 cilities.

1 “(c) REPORT.—Not later than 1 year after the date
2 of enactment of the [_____ Act of 2018], the
3 Secretary shall submit to Congress a report on the status
4 of the pilot program established under subsection (a).”.

5 (b) CONFORMING AMENDMENT.—The table of con-
6 tents for the Energy Policy and Conservation Act is
7 amended by adding after the item relating to section 169
8 the following:

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