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(Original Signature of Member)

109TH CONGRESS  
2D SESSION

# H. R. \_\_\_\_\_

To provide for the establishment of a Strategic Refinery Reserve.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. BOUCHER (for himself and Mr. DINGELL) introduced the following bill;  
which was referred to the Committee on \_\_\_\_\_

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# A BILL

To provide for the establishment of a Strategic Refinery  
Reserve.

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

3 **SEC. 1. REFINERIES.**

4 Title I of the Energy Policy and Conservation Act  
5 is amended by adding at the end the following new part:



1 **“PART E—REFINERIES**

2 **“SEC. 191. STRATEGIC REFINERY RESERVE.**

3 “(a) ESTABLISHMENT.—The Secretary shall estab-  
4 lish and operate a Strategic Refinery Reserve in the  
5 United States. The Secretary may design and construct  
6 new refineries, or acquire closed refineries and reopen  
7 them, to carry out this section.

8 “(b) OPERATION.—The Secretary shall operate refin-  
9 eries in the Strategic Refinery Reserve for the following  
10 purposes:

11 “(1) During any period described in subsection  
12 (c), to provide petroleum products to the general  
13 public.

14 “(2) To provide petroleum products to the Fed-  
15 eral Government, including the Department of De-  
16 fense, as well as State governments and political  
17 subdivisions thereof who choose to purchase refined  
18 petroleum products from the Strategic Refinery Re-  
19 serve.

20 “(c) EMERGENCY PERIODS.—The Secretary shall  
21 make petroleum products from the Strategic Refinery Re-  
22 serve available under subsection (b)(1) only—

23 “(1) during a severe energy supply interruption,  
24 within the meaning of such term under part B; or

25 “(2) if the President determines that there is a  
26 regional petroleum product supply shortage of sig-



1       nificant scope and duration and that action taken  
2       under subsection (b)(1) would assist directly and  
3       significantly in reducing the adverse impact of such  
4       shortage.

5       “(d) LOCATIONS.—In determining the location of a  
6       refinery for the Strategic Refinery Reserve, the Secretary  
7       shall take into account the following factors:

8               “(1) Impact on the local community (deter-  
9               mined after requesting and receiving comments from  
10              State, county or parish, and municipal governments,  
11              and the public).

12             “(2) Regional vulnerability to a natural dis-  
13             aster.

14             “(3) Regional vulnerability to terrorist attacks.

15             “(4) Proximity to the Strategic Petroleum Re-  
16             serve.

17             “(5) Accessibility to energy infrastructure.

18             “(6) The need to minimize adverse public  
19             health and environmental impacts.

20             “(7) The energy needs of the Federal Govern-  
21             ment, including the Department of Defense.

22       “(e) INCREASED CAPACITY.—The Secretary shall en-  
23       sure that refineries in the Strategic Refinery Reserve are  
24       designed to enable a rapid increase in production capacity  
25       during periods described in subsection (c).



1           “(f) IMPLEMENTATION PLAN.—Not later than 6  
2 months after the date of enactment of this section, the  
3 Secretary shall transmit to the Congress a plan for the  
4 establishment and operation of the Strategic Refinery Re-  
5 serve under this section. Such plan shall provide for estab-  
6 lishing, within 2 years after the date of enactment of this  
7 section, and maintaining a capacity for the Reserve equal  
8 to 5 percent of the total United States daily demand for  
9 gasoline, home heating oil, and other refined petroleum  
10 products. If the Secretary finds that achieving such capac-  
11 ity within 2 years is not feasible, the Secretary shall ex-  
12 plain in the plan the reasons therefor, and shall include  
13 provisions for achieving such capacity as soon as prac-  
14 ticable. Such plan shall also provide for adequate delivery  
15 systems capable of providing Strategic Refinery Reserve  
16 product to the entities described in subsection (b)(2).

17           “(g) COMPLIANCE WITH FEDERAL ENVIRONMENTAL  
18 REQUIREMENTS.—Nothing in this section shall affect any  
19 requirement to comply with Federal or State environ-  
20 mental or other law.

21   **“SEC. 192. REFINERY CLOSING REPORTS.**

22           “(a) CLOSING REPORTS.—The owner or operator of  
23 a refinery in the United States shall notify the Secretary  
24 at least 6 months in advance of permanently closing the



1 refinery, and shall include in such notice an explanation  
2 of the reasons for the proposed closing.

3       “(b) REPORTS TO CONGRESS.—The Secretary, in  
4 consultation with the Federal Trade Commission, shall  
5 promptly report to the Congress any report received under  
6 subsection (a), along with an analysis of the effects the  
7 proposed closing would have on petroleum product prices,  
8 competition in the refining industry, the national economy,  
9 regional economies and regional supplies of refined petro-  
10 leum products, and United States energy security.”.

