

109TH CONGRESS
2^D SESSION

H. R. 5365

To provide for the establishment of a Strategic Refinery Reserve.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2006

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

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 **SECTION 1. REFINERIES.**

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

6 **“PART V—REFINERIES**

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

8 “(a) ESTABLISHMENT.—The Secretary shall estab-
9 lish and operate a Strategic Refinery Reserve in the
10 United States. The Secretary may design and construct

1 new refineries, or acquire closed refineries and reopen
2 them, to carry out this section.

3 “(b) OPERATION.—The Secretary shall operate refin-
4 eries in the Strategic Refinery Reserve for the following
5 purposes:

6 “(1) During any period described in subsection
7 (c), to provide petroleum products to the general
8 public.

9 “(2) To provide petroleum products to the Fed-
10 eral Government, including the Department of De-
11 fense, as well as State governments and political
12 subdivisions thereof who choose to purchase refined
13 petroleum products from the Strategic Refinery Re-
14 serve.

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

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

20 “(2) if the President determines that there is a
21 regional petroleum product supply shortage of sig-
22 nificant scope and duration and that action taken
23 under subsection (b)(1) would assist directly and
24 significantly in reducing the adverse impact of such
25 shortage.

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

4 “(1) Impact on the local community (deter-
5 mined after requesting and receiving comments from
6 State, county or parish, and municipal governments,
7 and the public).

8 “(2) Regional vulnerability to a natural dis-
9 aster.

10 “(3) Regional vulnerability to terrorist attacks.

11 “(4) Proximity to the Strategic Petroleum Re-
12 serve.

13 “(5) Accessibility to energy infrastructure.

14 “(6) The need to minimize adverse public
15 health and environmental impacts.

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

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

22 “(f) IMPLEMENTATION PLAN.—Not later than 6
23 months after the date of enactment of this section, the
24 Secretary shall transmit to the Congress a plan for the
25 establishment and operation of the Strategic Refinery Re-

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

13 “(g) COMPLIANCE WITH FEDERAL ENVIRONMENTAL
14 REQUIREMENTS.—Nothing in this section shall affect any
15 requirement to comply with Federal or State environ-
16 mental or other law.

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

18 “(a) CLOSING REPORTS.—The owner or operator of
19 a refinery in the United States shall notify the Secretary
20 at least 6 months in advance of permanently closing the
21 refinery, and shall include in such notice an explanation
22 of the reasons for the proposed closing.

23 “(b) REPORTS TO CONGRESS.—The Secretary, in
24 consultation with the Federal Trade Commission, shall
25 promptly report to the Congress any report received under

1 subsection (a), along with an analysis of the effects the
2 proposed closing would have on petroleum product prices,
3 competition in the refining industry, the national economy,
4 regional economies and regional supplies of refined petro-
5 leum products, and United States energy security.”.

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