

110TH CONGRESS
2D SESSION

H. R. 5146

To amend the Energy Policy Act of 2005 to require the Secretary of Energy to acquire petroleum in quantities sufficient to fill the available capacity of the Strategic Petroleum Reserve, subject to certain limitations, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2008

Mr. LAMPSON (for himself and Mr. EDWARDS) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Science and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Energy Policy Act of 2005 to require the Secretary of Energy to acquire petroleum in quantities sufficient to fill the available capacity of the Strategic Petroleum Reserve, subject to certain limitations, 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 “Invest in Energy Secu-
5 rity Act”.

1 **SEC. 2. STRATEGIC PETROLEUM RESERVE.**

2 (a) PETROLEUM ACQUISITION FOR THE STRATEGIC
3 PETROLEUM RESERVE.—Section 301(e)(1) of the Energy
4 Policy Act of 2005 (42 U.S.C. 6240 note) is amended to
5 read as follows:

6 “(1) IN GENERAL.—The Secretary shall, as ex-
7 peditiously as practical, without incurring excessive
8 cost or appreciably affecting the price of petroleum
9 products to consumers, acquire petroleum in quan-
10 tities sufficient to fill the available capacity of the
11 Strategic Petroleum Reserve, subject to the following
12 limitations:

13 “(A) SUSPENSION OF ROYALTY-IN-KIND
14 TRANSFERS TO THE STRATEGIC PETROLEUM
15 RESERVE.—No later than September 30, 2008,
16 the Secretary shall sell 13,000,000 barrels of
17 petroleum received under the royalty-in-kind
18 program. Beginning October 1, 2008, the Sec-
19 retary shall suspend acquisition of petroleum
20 for the Strategic Petroleum Reserve under the
21 Royalty-In-Kind program, subject to resump-
22 tion as provided in subparagraph (B).

23 “(B) RESUMPTION OF PETROLEUM ACQUI-
24 SITION FOR THE STRATEGIC PETROLEUM RE-
25 SERVE.—The Secretary may resume acquisition
26 of petroleum for the Strategic Petroleum Re-

1 serve 30 days after notification to Congress
2 that—

3 “(i)(I) the Secretary projects that the
4 United States will fall short of its commit-
5 ments under the International Energy Pro-
6 gram within a period of 24 months from
7 the date of the projection; or

8 “(II) the weighted average price of pe-
9 troleum for the most recent 90 day period
10 is at least 25 percent less than the 24-
11 month historical average price; and

12 “(ii) that resumption of Strategic Pe-
13 troleum Reserve fill will not have an appre-
14 ciable effect on the price of petroleum
15 products to consumers within the following
16 12-month period after the resumption of
17 acquisition.

18 “(C) FUTURE SUSPENSION OF STRATEGIC
19 PETROLEUM RESERVE PETROLEUM ACQUI-
20 TION.—During any period in which the Sec-
21 retary is acquiring petroleum for the Strategic
22 Petroleum Reserve, the Secretary shall suspend
23 acquisition activities if—

24 “(i) the monthly weighted average
25 price of petroleum increases by more than

1 20 percent over any period of 6 months or
2 less; or

3 “(ii) the Secretary determines that
4 continued Strategic Petroleum Reserve fill
5 may have an appreciable impact on prices
6 of petroleum products in future months.”.

7 (b) REVISED PROCEDURES.—No later than 60 days
8 after the date of the enactment of this section, the Sec-
9 retary shall publish revised procedures under section
10 301(e)(2) of the Energy Policy Act of 2005 consistent
11 with the provisions contained in the amendment made by
12 subsection (a).

13 **SEC. 3. ENERGY INDEPENDENCE AND SECURITY FUND.**

14 (a) ESTABLISHMENT.—There is hereby established in
15 the Treasury of the United States the “Energy Independ-
16 ence and Security Fund” (hereinafter in this section re-
17 ferred to as “the Fund”).

18 (b) ADMINISTRATION.—The Secretary of Energy
19 shall be responsible for administering the Fund for the
20 purpose of carrying out this section.

21 (c) DEPOSITS.—All proceeds from sales of petroleum
22 from the Strategic Petroleum Reserve, as authorized in
23 section 301(e)(1) of the Energy Policy Act of 2005 (as
24 amended by section 2 of this Act), after deduction of the

1 direct administrative costs associated with such sales,
2 shall be deposited in the Fund.

3 (d) DISTRIBUTION OF FUNDS.—The Secretary shall
4 make available for obligation, without further appropria-
5 tion and without fiscal year limitation, the following
6 amounts from the Fund:

7 (1) ADVANCED RESEARCH PROJECTS AGENCY—
8 ENERGY.—For fiscal year 2008, the Secretary shall
9 transfer \$100,000,000 to the “Energy Trans-
10 formation Acceleration Fund”, as authorized in sec-
11 tion 5012(m) of the America COMPETES Act (42
12 U.S.C. 16538(m)), to remain available until ex-
13 pended. Of the funds transferred, the Secretary shall
14 further allocate the amounts made available for obli-
15 gation as follows:

16 (A) \$50,000,000 shall be available for uni-
17 versity-based research projects.

18 (B) \$10,000,000 shall be available for pro-
19 gram direction expenses.

20 (2) RURAL WIND ENERGY.—For fiscal year
21 2008, the Secretary shall transfer \$15,000,000 to
22 the account “Energy Efficiency and Renewable En-
23 ergy”, to remain available until expended, for nec-
24 essary expenses for a program to support the devel-
25 opment of infrastructure necessary for deployment

1 of wind energy systems in rural areas, as authorized
2 in section 931(f)(1) of the Energy Policy Act of
3 2005 (42 U.S.C. 16231(f)(1)).

4 (3) SOLAR ENERGY RESEARCH AND DEVELOP-
5 MENT.—For fiscal year 2008, the Secretary shall
6 transfer \$30,000,000 to the account “Energy Effi-
7 ciency and Renewable Energy”, to remain available
8 until expended, for necessary expenses for a program
9 to accelerate the research, development, demonstra-
10 tion, and deployment of solar energy technologies, as
11 authorized by section 931(a)(2)(A) of the Energy
12 Policy Act of 2005 (42 U.S.C. 16231(a)(2)(A)).

13 (4) LOW INCOME WEATHERIZATION.—For fiscal
14 year 2008, the Secretary shall transfer
15 \$100,000,000 to the account “Weatherization As-
16 sistance Program”, to remain available until ex-
17 pended, for necessary expenses for a program to
18 weatherize low income housing, as authorized by sec-
19 tion 411 of the Energy Independence and Security
20 Act of 2007 (Public Law 110–140).

21 (5) MARINE AND HYDROKINETIC RENEWABLE
22 ELECTRIC ENERGY.—For fiscal year 2008, the Sec-
23 retary shall transfer \$30,000,000 to the account
24 “Energy Efficiency and Renewable Energy”, to re-
25 main available until expended, for necessary ex-

1 penses for a program to accelerate the research, de-
2 velopment, demonstration, and deployment of ocean
3 and wave energy, including hydrokinetic renewable
4 energy, as authorized by section 931 of the Energy
5 Policy Act of 2005 (42 U.S.C. 16231) and section
6 636 of the Energy Independence and Security Act of
7 2007 (Public Law 110–140).

8 (6) INDUSTRIAL ENERGY EFFICIENCY RE-
9 SEARCH AND DEVELOPMENT.—For fiscal year 2008,
10 the Secretary shall transfer \$110,000,000 to the ac-
11 count “Energy Efficiency and Renewable Energy”,
12 to remain available until expended, for necessary ex-
13 penses for a program to accelerate the research, de-
14 velopment, demonstration, and deployment of new
15 technologies to improve the energy efficiency and re-
16 duce greenhouse gas emissions from industrial proc-
17 esses, as authorized in section 911(a)(2)(C) of the
18 Energy Policy Act of 2005 (42 U.S.C.
19 16191(a)(2)(C)) and in section 452 of the Energy
20 Independence and Security Act of 2007 (Public Law
21 110–140).

22 (7) BUILDING ENERGY EFFICIENCY RESEARCH
23 AND DEVELOPMENT.—For fiscal year 2008, the Sec-
24 retary shall transfer \$70,000,000 to the account
25 “Energy Efficiency and Renewable Energy”, to re-

1 main available until expended, for necessary ex-
2 penses for a program to accelerate the research, de-
3 velopment, demonstration, and deployment of new
4 technologies to improve the energy efficiency and re-
5 duce greenhouse gas emissions from buildings, as
6 authorized in section 422 of the Energy Independ-
7 ence and Security Act of 2007 (Public Law 110-
8 140).

9 (8) ENERGY STORAGE FOR TRANSPORTATION
10 AND ELECTRIC POWER APPLICATIONS.—For fiscal
11 year 2008, the Secretary shall transfer \$30,000,000
12 to the account “Energy Efficiency and Renewable
13 Energy”, to remain available until expended, for
14 necessary expenses for a program to accelerate the
15 research, development, demonstration, and deploy-
16 ment of new materials for improving the energy effi-
17 ciency of transportation, electric power and other
18 technologies, as authorized by section 641 of the En-
19 ergy Independence and Security Act of 2007 (Public
20 Law 110–140).

21 (9) GEOTHERMAL ENERGY DEVELOPMENT.—
22 (A) For fiscal year 2008, the Secretary shall trans-
23 fer \$30,000,000 to the account “Energy Efficiency
24 and Renewable Energy”, to remain available until
25 expended, for necessary expenses for a program for

1 geothermal research and development activities to be
2 managed by the National Renewable Energy Lab-
3 oratory, as authorized by section 931(a)(2)(C) of the
4 Energy Policy Act of 2005 (42 U.S.C.
5 16231(a)(2)(C)); and

6 (B) For fiscal year 2008, the Secretary shall
7 transfer \$30,000,000 to the account “Fossil Energy
8 Research and Development”, to remain available
9 until expended, for necessary expenses for a program
10 of advanced geothermal drilling and resource charac-
11 terization to be managed by the National Energy
12 Technology Laboratory.

13 (10) CARBON CAPTURE AND STORAGE.—For
14 fiscal year 2008, the Secretary shall transfer
15 \$385,000,000 to the account “Fossil Energy Re-
16 search and Development”, to remain available until
17 expended, for necessary expenses for a program of
18 demonstration projects of carbon capture and stor-
19 age, as authorized by sections 702 and 703 of the
20 Energy Independence and Security Act of 2007
21 (Public Law 110–140). Notwithstanding any other
22 provision of law, one of the demonstration projects
23 shall be a component of the FutureGen project.

1 (11) NONCONVENTIONAL DOMESTIC NATURAL
2 GAS AND PETROLEUM PRODUCTION AND ENVIRON-
3 MENTAL RESEARCH.—

4 (A) For fiscal year 2008, the Secretary
5 shall transfer \$50,000,000 to the “Ultra-Deep-
6 water and Unconventional Natural Gas and
7 Other Petroleum Research Fund”, to remain
8 available until expended, as authorized by sec-
9 tion 999H(e) of the Energy Policy Act of 2005
10 (42 U.S.C. 16378(e)).

11 (B) For fiscal year 2008, the Secretary
12 shall transfer \$15,000,000 to the account “Fos-
13 sil Energy Research and Development”, to re-
14 main available until expended, for necessary ex-
15 penses for a program of environmental research
16 in support of small producers of domestic petro-
17 leum and natural gas, for regulatory analysis
18 and for support for the stripper well Consor-
19 tium.

20 (12) HYDROGEN RESEARCH AND DEVELOP-
21 MENT.—For fiscal year 2008, the Secretary shall
22 transfer \$5,000,000 to the account “Energy Effi-
23 ciency and Renewable Energy”, to remain available
24 until expended, for necessary expenses for the De-
25 partment’s H-Prize Program, as authorized by sec-

1 tion 654 of the Energy Independence and Security
2 Act of 2007 (Public Law 110–140).

3 (e) AMENDMENTS.—(1) Section 999F of the Energy
4 Policy Act of 2005 (42 U.S.C. 16376) is amended by
5 striking “2014” and inserting “2017”.

6 (2) Section 999B(e) of that Act (42 U.S.C.16372(e))
7 is amended by striking paragraph (3) and inserting the
8 following:

9 “(3) PUBLICATION.—The Secretary shall pub-
10 lish in the Federal Register the annual plan, along
11 with any written comments received under para-
12 graph (2)(A) and (B).”.

13 (3) Section 999H(b) of that Act (42 U.S.C.16378(b))
14 is amended by inserting “, and shall be exempt from sub-
15 chapter II of chapter 15 of title 31, United States Code”
16 after “available until expended”.

17 (f) TRANSFER PROCEDURES.—The Secretary shall
18 make an initial transfer from the Fund no later than 30
19 days after the initial deposit of monies into the Fund. The
20 Secretary shall make additional transfers no later than 30
21 days after subsequent deposits, until the full amounts au-
22 thorized for fiscal 2008 have been transferred. To the ex-
23 tent that any transfer in fiscal 2008 is less than the au-
24 thorized total, the transfers shall be made on a pro rata
25 basis.

1 (g) MANAGEMENT AND OVERSIGHT.—

2 (1) ADDITIONALITY OF FISCAL YEAR 2008
3 TRANSFERS.—All amounts transferred under sub-
4 section (d)(1) shall be in addition to, and shall not
5 be substituted for, any funds appropriated for the
6 same or similar purposes in the Consolidated Appro-
7 priations Act, 2008.

8 (2) PROGRAM PLANS AND PERFORMANCE MEAS-
9 URES.—The Secretary shall prepare and publish in
10 the Federal Register a plan for the proposed use of
11 all funds authorized in subsection (d). The plan also
12 shall identify how the use of these funds will be ad-
13 ditive to, and not displace annual appropriations.
14 The plans also shall identify performance measures
15 to assess the additional benefits that may be realized
16 from the application of the additional funding pro-
17 vided under this section. The initial plan shall be
18 published in the Federal Register within 90 days
19 from enactment of this section, and shall be updated
20 annually and submitted to Congress together with
21 the President's budget.

22 (3) CONGRESSIONAL OVERSIGHT AND RE-
23 VIEW.—Nothing in this section shall limit or restrict
24 the review and oversight of program plans by the ap-
25 propriate committees of Congress. Nothing in this

1 section shall limit or restrict the authority of Con-
2 gress to set alternative spending limitations in an-
3 nual appropriations Acts.

4 (4) APPORTIONMENT.—All transactions of the
5 Fund shall be exempt from apportionment under the
6 provisions of subchapter II of chapter 15 of title 31,
7 United States Code.

8 (5) USE OF OTHER TRANSACTIONS AUTHOR-
9 ITY.—(A) Any solicitation for research, development,
10 or demonstration project proposals to be funded
11 under this section shall provide for and encourage
12 the use of Other Transactions Authority, including
13 Technology Investment Agreements as authorized by
14 section 646(g) of the Department of Energy Organi-
15 zation Act (42 U.S.C. 7256) and Part 603 of the
16 Department of Energy Acquisition Regulation.

17 (B) Any solicitation for a commercial dem-
18 onstration project under this section shall require
19 the use of Other Transactions Authority, including
20 Technology Investment Agreements, as authorized
21 by section 646(g) of the Department of Energy Or-
22 ganization Act (42 U.S.C. 7256) and Part 603 of
23 the Department of Energy Acquisition Regulation.

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