#### 117TH CONGRESS 2D SESSION

## H. R. 8766

To require the Secretary of Energy to conduct studies relating to Strategic Petroleum Reserve levels, to amend the Energy Policy and Conservation Act with respect to such Reserve, and for other purposes.

#### IN THE HOUSE OF REPRESENTATIVES

September 2, 2022

Mr. Chabot introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Transportation and Infrastructure, Natural Resources, and Oversight and Reform, 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 require the Secretary of Energy to conduct studies relating to Strategic Petroleum Reserve levels, to amend the Energy Policy and Conservation Act with respect to such Reserve, 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 "Reserving Energy For
- 5 Independence and Empowerment Act" or the "REFINE
- 6 Act".

#### 1 SEC. 2. FINDINGS: SENSE OF CONGRESS.

| 1  | SEC. 2. FINDINGS, SENSE OF CONGRESS.                  |
|----|---|
| 2  | (a) FINDINGS.—Congress finds the following:           |
| 3  | (1) The Strategic Petroleum Reserve was cre-          |
| 4  | ated through the Energy Policy and Conservation       |
| 5  | Act (42 U.S.C. 6231 et seq.) to address "severe en-   |
| 6  | ergy supply interruptions" and provided the execu-    |
| 7  | tive branch authority to draw down these reserves     |
| 8  | provided that specific conditions are met.            |
| 9  | (2) According to the U.S. Energy Information          |
| 10 | Administration's Annual Energy Outlook 2022, pe-      |
| 11 | troleum and natural gas will remain the most-con-     |
| 12 | sumed sources of energy in the United States          |
| 13 | through 2050.   |
| 14 | (3) As of August 19, 2022, the Strategic Petro-       |
| 15 | leum Reserve fell to 453.1 million barrels, from a    |
| 16 | maximum capacity of 714 million barrels, which is     |
| 17 | the lowest level since 1985.                          |
| 18 | (4) Emergency sales in 2022 from the Strategic        |
| 19 | Petroleum Reserve were purchased by Unipec, a         |
| 20 | subsidiary of Chinese oil giant Sinopec, and deliv-   |
| 21 | ered to the People's Republic of China, the principle |
| 22 | strategic competitor to the United States.            |
| 23 | (b) Sense of Congress.—It is the sense of Con-        |
| 24 | gress that—   |
| 25 | (1) continuing to limit energy production in the      |

United States will only provide further leverage and

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- funding for our adversaries and continue to weaken
  global security; and
- 3 (2) the energy independence of the United 4 States is critical to national security and should in-5 clude the production of all available energy sources, 6 including coal, natural gas, oil, nuclear, and renew-7 ables, as well as strategic minerals critical to electric 8 vehicles and other clean energy sources.

# 9 SEC. 3. STRATEGIC PETROLEUM RESERVE LEVELS AND 10 EMERGENCY SALES.

#### (a) Studies and Assessment.—

- (1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Energy shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report containing—
  - (A) the results of a study of metrics that may be used for determining the adequacy of the amounts of petroleum products stored in the Strategic Petroleum Reserve to support United States energy security objectives, taking into consideration gross crude oil imports, net crude oil imports, and refining capacity and utilization, and a determination of which such

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| 1  | metrics are the most appropriate for such pur-       |
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| 2  | pose;  |
| 3  | (B) the results of a study and analysis of           |
| 4  | domestic crude oil refining capacity (including      |
| 5  | technical configuration of refineries, down-         |
| 6  | stream charge capacity, and atmospheric crude        |
| 7  | distillation units) and issues relating to aging     |
| 8  | infrastructure that would inhibit the ability to     |
| 9  | meet production demand, and any recommenda-          |
| 10 | tions for improvements; and                          |
| 11 | (C) an assessment of acquisition proce-              |
| 12 | dures and identification of any provisions of        |
| 13 | Federal law or regulation that either limit or       |
| 14 | prohibit accelerated replenishment of the Stra-      |
| 15 | tegic Petroleum Reserve necessary to maintain        |
| 16 | and support United States energy security ob-        |
| 17 | jectives.  |
| 18 | (2) FORM.—The report required by paragraph           |
| 19 | (1) shall be submitted in unclassified form, but may |
| 20 | contain a classified annex.                          |
| 21 | (b) Prohibition.—                                    |
| 22 | (1) In General.—The Energy Policy and Con-           |
| 23 | servation Act is amended by inserting after section  |
| 24 | 163 (42 U.S.C. 6243) the following:                  |

#### 1 "SEC. 164. PROHIBITION ON EXPORTS.

| 2  | "(a) In General.—Notwithstanding section 101(b)            |  |  |  |
|----|--|--|--|--|
| 3  | of division O of the Consolidated Appropriations Act, 2016 |  |  |  |
| 4  | (42 U.S.C. 6212a(b)), the Secretary shall issue regula-    |  |  |  |
| 5  | tions prohibiting the export of petroleum products drawn   |  |  |  |
| 6  | down and sold from the Strategic Petroleum Reserve to—     |  |  |  |
| 7  | "(1) any country that is—                                  |  |  |  |
| 8  | "(A) subject to a United States arms em-                   |  |  |  |
| 9  | bargo, as specified in list D:5 of Country Group           |  |  |  |
| 10 | D in Supplement No. 1 to part 740 of title 15,             |  |  |  |
| 11 | Code of Federal Regulations; or                            |  |  |  |
| 12 | "(B) a state sponsor of terrorism; and                     |  |  |  |
| 13 | "(2) any entity that is wholly or partially owned          |  |  |  |
| 14 | by the People's Republic of China.                         |  |  |  |
| 15 | "(b) Definition.—In this section, the term 'state          |  |  |  |
| 16 | sponsor of terrorism' means a country the government of    |  |  |  |
| 17 | which has repeatedly provided support for international    |  |  |  |
| 18 | terrorism pursuant to—                                     |  |  |  |
| 19 | "(1) section $1754(e)(1)(A)$ of the Export Con-            |  |  |  |
| 20 | trol Reform Act of 2018 (50 U.S.C. $4813(c)(1)(A)$ );      |  |  |  |
| 21 | "(2) section 620A of the Foreign Assistance                |  |  |  |
| 22 | Act of 1961 (22 U.S.C. 2371);                              |  |  |  |
| 23 | "(3) section 40 of the Arms Export Control Act             |  |  |  |
| 24 | (22 U.S.C. 2780); or                                       |  |  |  |
| 25 | "(4) any other applicable provision of law.".              |  |  |  |
| 26 | (2) Conforming amendments.—                                |  |  |  |

| 1 | (A) Drawdown and sale of Petroleum            |
|---|---|
| 2 | PRODUCTS.—Section 161(a) of the Energy Pol-   |
| 3 | icy and Conservation Act (42 U.S.C. 6241(a))  |
| 4 | is amended by inserting "and section 164" be- |
| 5 | fore the period at the end.                   |

(B) CLERICAL AMENDMENT.—The table of contents for the Energy Policy and Conservation Act is amended by inserting after the item relating to section 163 the following:

"Sec. 164. Prohibition on exports.".

#### 10 SEC. 4. DOMESTIC PRODUCTION RESPONSE PLAN.

Section 161 of the Energy Policy and Conservation 12 Act (42 U.S.C. 6241) is amended by adding at the end 13 the following:

14 "(k) Plan.—

"(1) IN GENERAL.—Except in the case of a severe energy supply interruption described in subsection (d), the Secretary may not execute the first drawdown of petroleum products in the Reserve after the date of enactment of this subsection, whether through sale, exchange, or loan, until the Secretary has developed a plan to increase the percentage of Federal land (including submerged land of the outer Continental Shelf) under the jurisdiction of the Secretary of Agriculture, the Secretary of Energy, the Secretary of the Interior, and the Sec-

| 1                                      | retary of Defense leased for oil and gas production   |
|--|---|
| 2                                      | by the same percentage as the percentage of petro-  |
| 3                                      | leum in the Strategic Petroleum Reserve that is to  |
| 4                                      | be drawn down in that first drawdown and subse-   |
| 5                                      | quent drawdowns.  |
| 6                                      | "(2) Consultation.—The Secretary shall pre-   |
| 7                                      | pare the plan under paragraph (1) in consultation   |
| 8                                      | with the Secretary of Agriculture, the Secretary of   |
| 9                                      | the Interior, and the Secretary of Defense.".   |
| 10                                     | SEC. 5. EXECUTIVE AND AGENCY ACTION.  |
| 11                                     | On the date of enactment of this Act, the President   |
| 12                                     | shall—  |
| 13                                     | (1) rescind Executive Order 13990 (86 Fed.  |
|  | Reg. 7037; relating to protecting public health and   |
| 14                                     | 6 1 F 1 1 1 6 F 1 1 1 1 1 1 1 1 1 1 1 1   |
| 14<br>15                               | the environment and restoring science to tackle the   |
|  |   |
| 15                                     | the environment and restoring science to tackle the   |
| 15<br>16                               | the environment and restoring science to tackle the climate crisis); and  |
| 15<br>16<br>17                         | the environment and restoring science to tackle the climate crisis); and  (2) direct each Federal agency (including the   |
| 15<br>16<br>17<br>18                   | the environment and restoring science to tackle the climate crisis); and  (2) direct each Federal agency (including the Council on Environmental Quality) to, not later than  |
| 15<br>16<br>17<br>18                   | the environment and restoring science to tackle the climate crisis); and  (2) direct each Federal agency (including the Council on Environmental Quality) to, not later than 120 days after the date of enactment of this Act—  |
| 15<br>16<br>17<br>18<br>19             | the environment and restoring science to tackle the climate crisis); and  (2) direct each Federal agency (including the Council on Environmental Quality) to, not later than 120 days after the date of enactment of this Act—  (A) identify and repeal any regulation pro-   |
| 15<br>16<br>17<br>18<br>19<br>20<br>21 | the environment and restoring science to tackle the climate crisis); and  (2) direct each Federal agency (including the Council on Environmental Quality) to, not later than 120 days after the date of enactment of this Act—  (A) identify and repeal any regulation promulgated by the Federal agency that has the |

| 1 | (i) reduce the regulatory burden for       |
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| 2 | energy producers in the United States; and |
| 3 | (ii) increase the energy output by         |
| 4 | those producers.                           |

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