

year after the transmittal of the Strategic Petroleum Reserve Plan to the Congress and each year thereafter, on all actions taken to implement this part.

1995—Pub. L. 104-66 struck out subsec. (a) designation before “The Secretary shall”, and struck out subsec. (b) which directed Secretary to report to Congress on activities undertaken with respect to Strategic Petroleum Reserve under the amendments made by Strategic Petroleum Reserve Amendments Act of 1981.

1986—Subsec. (a)(1). Pub. L. 99-509 amended par. (1) generally, inserting “, including” in introductory text and adding subpars. (A) to (G).

1981—Pub. L. 97-35 designated existing provisions as subsec. (a) and added subsec. (b).

1978—Pub. L. 95-619 substituted “Secretary” for “Administrator”, meaning Administrator of the Federal Energy Administration, wherever appearing.

#### EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-35 effective Aug. 13, 1981, see section 1038 of Pub. L. 97-35, set out as a note under section 6240 of this title.

#### REPORTS TO CONGRESS ON PETROLEUM SUPPLY INTERRUPTIONS

Pub. L. 97-229, § 6, Aug. 3, 1982, 96 Stat. 253, provided that:

“(a) **IMPACT ANALYSIS.**—(1) The Secretary of Energy shall analyze the impact on the domestic economy and on consumers in the United States of reliance on market allocation and pricing during any substantial reduction in the amount of petroleum products available to the United States. In making such analysis, the Secretary of Energy may consult with the Secretary of the Treasury, the Secretary of Agriculture, the Director of the Office of Management and Budget, and the heads of other appropriate Federal agencies. Such analysis shall—

“(A) examine the equity and efficiency of such reliance,

“(B) distinguish between the impacts of such reliance on various categories of business (including small business and agriculture) and on households of different income levels,

“(C) specify the nature and administration of monetary and fiscal policies that would be followed including emergency tax cuts, emergency block grants, and emergency supplements to income maintenance programs, and

“(D) describe the likely impact on the distribution of petroleum products of State and local laws and regulations (including emergency authorities) affecting the distribution of petroleum products.

Such analysis shall include projections of the effect of the petroleum supply reduction on the price of motor gasoline, home heating oil, and diesel fuel, and on Federal tax revenues, Federal royalty receipts, and State and local tax revenues.

“(2) Within one year after the date of the enactment of this Act [Aug. 3, 1982], the Secretary of Energy shall submit a report to the Congress and the President containing the analysis required by this subsection, including a detailed step-by-step description of the procedures by which the policies specified in paragraph (1)(C) would be accomplished in an emergency, along with such recommendations as the Secretary of Energy deems appropriate.

“(b) **STRATEGIC PETROLEUM RESERVE DRAWDOWN AND DISTRIBUTION REPORT.**—The President shall prepare and transmit to the Congress, at the time he transmits the drawdown plan pursuant to section 4(c) [section 4(c) of Pub. L. 97-229, set out as a note under 42 U.S.C. 6234], a report containing—

“(1) a description of the foreseeable situations (including selective and general embargoes, sabotage, war, act of God, or accident) which could result in a severe energy supply interruption or obligations of the United States arising under the international energy program necessitating distributions from the Strategic Petroleum Reserve, and

“(2) a description of the strategy or alternative strategies of distribution which could reasonably be used to respond to each situation described under paragraph (1), together with the theory and justification underlying each such strategy.

The description of each strategy under paragraph (2) shall include an explanation of the methods which would likely be used to determine the price and distribution of petroleum products from the Reserve in any such distribution, and an explanation of the disposition of revenues arising from sales of any such petroleum products under the strategy.

“(c) **REGIONAL RESERVE REPORT.**—The President or his delegate shall submit to the Congress no later than December 31, 1982, a report regarding the actions taken to comply with the provisions of section 157 of the Energy Policy and Conservation Act (42 U.S.C. 6237). Such report shall include an analysis of the economic benefits and costs of establishing Regional Petroleum Reserves, including—

“(1) an assessment of the ability to transport petroleum products to refiners, distributors, and end users within the regions specified in section 157(a) of such Act;

“(2) the comparative costs of creating and operating Regional Petroleum Reserves for such regions as compared to the costs of continuing current plans for the Strategic Petroleum Reserve; and

“(3) a list of potential sites for Regional Petroleum Reserves.

“(d) **STRATEGIC ALCOHOL FUEL RESERVE REPORT.**—The Secretary of Energy shall, in consultation with the Secretary of Agriculture, prepare and transmit to the Congress no later than December 31, 1982, a study of the potential for establishing a Strategic Alcohol Fuel Reserve.

“(e) **MEANING OF TERMS.**—As used in this section, the terms ‘international energy program’, ‘petroleum product’, ‘Reserve’, ‘severe energy supply interruption’, and ‘Strategic Petroleum Reserve’ have the meanings given such terms in sections 3 and 152 of the Energy Policy and Conservation Act (42 U.S.C. 6202 and 6232).”

#### § 6246. Authorization of appropriations

There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this part and part D of this subchapter, to remain available until expended.

(Pub. L. 94-163, title I, § 166, as added Pub. L. 109-58, title III, § 301(a)(1), Aug. 8, 2005, 119 Stat. 683.)

#### PRIOR PROVISIONS

A prior section 6246, Pub. L. 94-163, title I, § 166, Dec. 22, 1975, 89 Stat. 890; Pub. L. 95-70, § 4, July 21, 1977, 91 Stat. 277; Pub. L. 97-35, title X, § 1034(b), Aug. 13, 1981, 95 Stat. 619; Pub. L. 104-306, § 1(1), Oct. 14, 1996, 110 Stat. 3810; Pub. L. 105-177, § 1(1), June 1, 1998, 112 Stat. 105; Pub. L. 106-64, § 1(1), Oct. 5, 1999, 113 Stat. 511; Pub. L. 106-469, title I, § 103(18), Nov. 9, 2000, 114 Stat. 2033; Pub. L. 108-7, div. F, title III, § 339(a)(1), Feb. 20, 2003, 117 Stat. 278, authorized appropriations for this part, prior to repeal by Pub. L. 109-58, title III, § 301(a)(1), Aug. 8, 2005, 119 Stat. 683.

#### § 6247. SPR Petroleum Account

##### (a) Establishment

The Secretary of the Treasury shall establish in the Treasury of the United States an account to be known as the “SPR Petroleum Account” (hereinafter in this section referred to as the “Account”).

##### (b) Obligation of funds for acquisition, transportation, and injection of petroleum products into SPR

Amounts in the Account may be obligated by the Secretary of Energy for the acquisition,

transportation, and injection of petroleum products into the Strategic Petroleum Reserve, for test sales of petroleum products from the Reserve, and for the drawdown, sale, and delivery of petroleum products from the Reserve—

(1) Repealed. Pub. L. 106-469, title I, §103(19)(A)(ii), Nov. 9, 2000, 114 Stat. 2033;

(2) in the case of any fiscal year, subject to section 7270 of this title, in such aggregate amounts as may be appropriated in advance in appropriation Acts; and

(3) in the case of any fiscal year, notwithstanding section 7270 of this title, in an aggregate amount equal to the aggregate amount of the receipts to the United States from the sale of petroleum products in any drawdown and distribution of the Strategic Petroleum Reserve under section 6241 of this title, including a drawdown and distribution carried out under subsection (g) of such section, or from the sale of petroleum products under section 6240(f) of this title.

Funds available to the Secretary of Energy for obligation under this subsection may remain available without fiscal year limitation.

**(c) Provision and deposit of funds**

The Secretary of the Treasury shall provide and deposit into the Account such sums as may be necessary to meet obligations of the Secretary of Energy under subsection (b) of this section.

**(d) Off-budgeting procedures**

The Account, the deposits and withdrawals from the Account, and the transactions, receipts, obligations, outlays associated with such deposits and withdrawals (including petroleum product purchases and related transactions), and receipts to the United States from the sale of petroleum products in any drawdown and distribution of the Strategic Petroleum Reserve under section 6241 of this title, including a drawdown and distribution carried out under subsection (g) of such section, and from the sale of petroleum products under section 6240(f) of this title—

(1) shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States; and

(2) shall not be deemed to be budget authority, spending authority, budget outlays, or Federal revenues for purposes of title III of Public Law 93-344, as amended [2 U.S.C. 631 et seq.].

(Pub. L. 94-163, title I, §167, as added Pub. L. 97-35, title X, §1034(a)(1), Aug. 13, 1981, 95 Stat. 619; amended Pub. L. 97-229, §4(b)(2)(A), Aug. 3, 1982, 96 Stat. 251; Pub. L. 99-58, title I, §103(b)(3), (4), July 2, 1985, 99 Stat. 104; Pub. L. 101-383, §5(b)(1), (2), Sept. 15, 1990, 104 Stat. 729; Pub. L. 102-486, title XIV, §1404(b)(1), Oct. 24, 1992, 106 Stat. 2995; Pub. L. 106-469, title I, §103(19), Nov. 9, 2000, 114 Stat. 2033.)

REFERENCES IN TEXT

Public Law 93-344, as amended, referred to in subsec. (d)(2), is Pub. L. 93-344, July 12, 1974, 88 Stat. 297, as

amended, known as the Congressional Budget and Impoundment Control Act of 1974. Title III of that Act is classified generally to subchapter I (§631 et seq.) of chapter 17A of Title 2, The Congress. For complete classification of this Act to the Code, see Short Title note set out under section 621 of Title 2 and Tables.

AMENDMENTS

2000—Subsec. (b). Pub. L. 106-469, §103(19)(A)(i), substituted “for test sales of petroleum products from the Reserve, and for the drawdown, sale,” for “and the drawdown” in introductory provisions.

Subsec. (b)(1). Pub. L. 106-469, §103(19)(A)(ii), struck out par. (1) which read as follows: “in the case of fiscal year 1982, in an aggregate amount, not to exceed \$3,900,000,000, as may be provided in advance in appropriation Acts;”.

Subsec. (b)(2). Pub. L. 106-469, §103(19)(A)(iii), struck out “after fiscal year 1982” after “any fiscal year”.

Subsec. (e). Pub. L. 106-469, §103(19)(B), struck out subsec. (e) which read as follows:

“(1) Except as provided in paragraph (2), nothing in this part shall be construed to limit the Account from being used to meet expenses relating to interim storage facilities for the storage of petroleum products for the Strategic Petroleum Reserve.

“(2) In any fiscal year, amounts in the Account may not be obligated for expenses relating to interim storage facilities in excess of 10 percent of the total amounts in the Account obligated in such fiscal year. If the amount obligated in any fiscal year for interim storage expenses is less than the amount of the 10-percent limit under the preceding sentence for that fiscal year, then the amount of the 10-percent limit applicable in the following fiscal year shall be increased by the amount by which the limit exceeded the amount obligated for such expenses.”

1992—Subsec. (d). Pub. L. 102-486 substituted “under subsection (g)” for “subsection (g)”.

1990—Subsec. (b)(3). Pub. L. 101-383, §5(b)(1), inserted before period at end “, or from the sale of petroleum products under section 6240(f) of this title”.

Subsec. (d). Pub. L. 101-383, §5(b)(2), inserted “, and from the sale of petroleum products under section 6240(f) of this title” after “subsection (g) of such section”.

1985—Subsec. (b)(3). Pub. L. 99-58, §103(b)(3), inserted “, including a drawdown and distribution carried out under subsection (g) of such section” after “section 6241 of this title”.

Subsec. (d). Pub. L. 99-58, §103(b)(4), inserted “, including a drawdown and distribution carried out under subsection (g) of such section” after “section 6241 of this title” in provisions preceding par. (1).

1982—Subsec. (e). Pub. L. 97-229 added subsec. (e).

EFFECTIVE DATE

Section effective Aug. 13, 1981, see section 1038 of Pub. L. 97-35, set out as an Effective Date of 1981 Amendment note under section 6240 of this title.

TRANSFER OF FUNDS TO SPR PETROLEUM ACCOUNT FOR DRAWDOWN AND SALE OPERATIONS

Pub. L. 106-113, div. B, §1000(a)(3) [title II], Nov. 29, 1999, 113 Stat. 1535, 1501A-180, provided in part: “That the Secretary of Energy hereafter may transfer to the SPR Petroleum Account such funds as may be necessary to carry out drawdown and sale operations of the Strategic Petroleum Reserve initiated under section 161 of the Energy Policy and Conservation Act (42 U.S.C. 6241) from any funds available to the Department of Energy under this or any other Act: *Provided further*, That all funds transferred pursuant to this authority must be replenished as promptly as possible from oil sale receipts pursuant to the drawdown and sale.”

ACQUISITION, TRANSPORTATION, AND INJECTION OF PETROLEUM PRODUCTS FOR SPR; APPLICABILITY OF SUBSEC. (d)

Pub. L. 97-35, title X, §1034(c), Aug. 13, 1981, 95 Stat. 620, provided that: “The provisions of section 167(d) of

such Act, as added by subsection (a) of this section [subsec. (d) of this section], shall apply with respect to the outlays associated with unexpended balances of appropriations made available and obligated as of the end of fiscal year 1981 for the acquisition, transportation, and injection of petroleum products for the Strategic Petroleum Reserve to the same extent and manner as such provisions apply with respect to withdrawals from the SPR Petroleum Account.”

#### § 6247a. Use of underutilized facilities

##### (a) Authority

Notwithstanding any other provision of this subchapter, the Secretary, by lease or otherwise, for any term and under such other conditions as the Secretary considers necessary or appropriate, may store in underutilized Strategic Petroleum Reserve facilities petroleum product<sup>1</sup> owned by a foreign government or its representative. Petroleum products stored under this section are not part of the Strategic Petroleum Reserve and may be exported without license from the United States.

##### (b) Protection of facilities

All agreements entered into pursuant to subsection (a) of this section shall contain provisions providing for fees to fully compensate the United States for all related costs of storage and removals of petroleum products (including the proportionate cost of replacement facilities necessitated as a result of any withdrawals) incurred by the United States on behalf of the foreign government or its representative.

##### (c) Access to stored oil

The Secretary shall ensure that agreements to store petroleum products for foreign governments or their representatives do not impair the ability of the United States to withdraw, distribute, or sell petroleum products from the Strategic Petroleum Reserve in response to an energy emergency or to the obligations of the United States under the Agreement on an International Energy Program.

##### (d) Availability of funds

Funds collected through the leasing of Strategic Petroleum Reserve facilities authorized by subsection (a) of this section after September 30, 2007, shall be used by the Secretary of Energy without further appropriation for the purchase of petroleum products for the Strategic Petroleum Reserve.

(Pub. L. 94-163, title I, §168, as added Pub. L. 105-33, title IX, §9303(a), Aug. 5, 1997, 111 Stat. 676.)

#### REFERENCES IN TEXT

This subchapter, referred to in subsec. (a), was in the original “this title”, meaning title I of Pub. L. 94-163, Dec. 22, 1975, 89 Stat. 875, which is classified principally to this subchapter. For complete classification of title I to the Code, see Tables.

#### § 6247b. Purchase of oil from marginal wells

##### (a) In general

From amounts authorized under section 6246 of this title, in any case in which the price of oil decreases to an amount less than \$15.00 per bar-

rel (an amount equal to the annual average well head price per barrel for all domestic crude oil), adjusted for inflation, the Secretary may purchase oil from a marginal well at \$15.00 per barrel, adjusted for inflation.

##### (b) Definition of marginal well

The term “marginal well” has the same meaning as the definition of “stripper well property” in section 613A(c)(6)(E) of title 26.

(Pub. L. 94-163, title I, §169, as added Pub. L. 106-469, title III, §301(a), Nov. 9, 2000, 114 Stat. 2037.)

#### PART C—AUTHORITY TO CONTRACT FOR PETROLEUM PRODUCT NOT OWNED BY UNITED STATES

##### PRIOR PROVISIONS

A prior part C, consisting of section 6251 of this title, was redesignated part E of this subchapter, prior to repeal by Pub. L. 109-58.

#### § 6249. Contracting for petroleum product and facilities

##### (a) In general

Subject to the other provisions of this part, the Secretary may contract—

(1) for storage, in otherwise unused Strategic Petroleum Reserve facilities, of petroleum product not owned by the United States; and

(2) for storage, in storage facilities other than those of the Reserve, of petroleum product either owned or not owned by the United States.

##### (b) Conditions

(1) Petroleum product stored pursuant to such a contract shall, until the expiration, termination, or other conclusion of the contract, be a part of the Reserve and subject to the Secretary’s authority under part B of this subchapter.

(2) The Secretary may enter into a contract for storage of petroleum product under subsection (a) of this section only if—

(A) the Secretary determines (i) that entering into one or more contracts under such subsection would achieve benefits comparable to the acquisition of an equivalent amount of petroleum product, or an equivalent volume of storage capacity, for the Reserve under part B of this subchapter, and (ii) that, because of budgetary constraints, the acquisition of an equivalent amount of petroleum product or volume of storage space for the Reserve cannot be accomplished under part B of this subchapter; and

(B) the Secretary notifies each House of the Congress of the determination and identifies in the notification the location, type, and ownership of storage and related facilities proposed to be included, or the volume, type, and ownership of petroleum products proposed to be stored, in the Reserve, and an estimate of the proposed benefits.

(3) A contract entered into under subsection (a) of this section shall not limit the discretion of the President or the Secretary to conduct a drawdown and sale of petroleum products from the Reserve.

(4) A contract entered into under subsection (a) of this section shall include a provision that

<sup>1</sup> So in original. Probably should be “products”.