

113TH CONGRESS
1ST SESSION

H. R. 527

AN ACT

To amend the Helium Act to complete the privatization of the Federal helium reserve in a competitive market fashion that ensures stability in the helium markets while protecting the interests of American taxpayers, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Responsible Helium
3 Administration and Stewardship Act”.

4 **SEC. 2. DEFINITIONS.**

5 Section 2 of the Helium Act (50 U.S.C. 167) is
6 amended—

7 (1) in paragraph (1), by striking the semicolon
8 at the end and inserting a period;

9 (2) in paragraph (2), by striking “; and” and
10 inserting a period; and

11 (3) by adding at the end the following:

12 “(4) FEDERAL HELIUM RESERVE.—

13 “(A) IN GENERAL.—The term ‘Federal
14 Helium Reserve’ means the Bureau of Land
15 Management Cliffside Gas Field and supporting
16 infrastructure.

17 “(B) INCLUSIONS.—The term ‘Federal He-
18 lium Reserve’ includes—

19 “(i) the Cliffside Gas Field helium
20 storage reservoir; and

21 “(ii) all associated infrastructure
22 owned, leased, or managed under contract
23 by the Secretary for storage, transpor-
24 tation, withdrawal, purification, or man-
25 agement of helium.

1 “(5) QUALIFYING DOMESTIC HELIUM TRANS-
 2 ACTION.—The term ‘qualifying domestic helium
 3 transaction’—

4 “(A) except as provided in subparagraph
 5 (B), means any new or newly renegotiated
 6 agreement for the purchase or sale of at least
 7 15,000,000 standard cubic feet of crude helium
 8 or bulk liquid helium delivered in the United
 9 States in the most recent full fiscal year; and

10 “(B) does not include any purchase of
 11 crude helium from the Secretary.

12 “(6) TOLLING AGREEMENT.—The term ‘tolling
 13 agreement’ means an agreement between a helium
 14 refiner and another party under which the helium
 15 refiner agrees to process the other person’s helium
 16 at an agreed upon price.”.

17 **SEC. 3. SALE AND AUCTION OF CRUDE HELIUM.**

18 (a) IN GENERAL.—Section 6 of the Helium Act (50
 19 U.S.C. 167d) is amended to read as follows:

20 **“SEC. 6. SALE OF HELIUM.**

21 “(a) PHASE A: FINALIZING DEBT PAYOFF.—

22 “(1) IN GENERAL.—Subject to paragraph (2),
 23 the Secretary shall offer for sale crude helium for
 24 Federal, medical, research, scientific, and commer-
 25 cial uses in such quantities, at such times, and

1 under such conditions as the Secretary determines
2 necessary to carry out this subsection with minimum
3 market disruption.

4 “(2) MINIMUM QUANTITY.—The Secretary shall
5 offer for sale during each fiscal year under para-
6 graph (1) a quantity of crude helium equivalent to
7 the quantity of crude helium produced from the Fed-
8 eral Helium Reserve during fiscal year 2012.

9 “(3) IN-KIND PURCHASE BY FEDERAL AGEN-
10 CIES AND GRANTEES.—Federal agencies, and hold-
11 ers of 1 or more Federal research grants, may pur-
12 chase refined helium under this subsection for Fed-
13 eral, medical, research and scientific uses from per-
14 sons who have entered into enforceable contracts to
15 purchase an equivalent quantity of crude helium
16 from the Secretary.

17 “(4) PRICES AND DETERMINATIONS.—Sales of
18 crude helium by the Secretary under this subsection
19 shall be at prices established by the Secretary that
20 shall not be less than the price in the last sale of
21 crude helium from the Federal Helium Reserve be-
22 fore the date of enactment of the Responsible He-
23 lium Administration and Stewardship Act, except
24 that any sale to a person referred to in paragraph

1 (3) for a purchase authorized by that paragraph
2 shall be at a price specified by the Secretary.

3 “(5) DURATION.—This subsection applies dur-
4 ing the period—

5 “(A) beginning on the date of enactment of
6 the Responsible Helium Administration and
7 Stewardship Act; and

8 “(B) ending on the expiration of the one-
9 year period following such date of enactment.

10 “(b) PHASE B: MAXIMIZING TOTAL RECOVERY OF
11 HELIUM AND INCREASING RETURNS TO THE AMERICAN
12 TAXPAYER.—

13 “(1) IN GENERAL.—The Secretary shall offer
14 for sale at auction, as described in subsection (d),
15 crude helium for medical, research, scientific, and
16 commercial uses in such quantities, at such times,
17 and under such conditions as the Secretary deter-
18 mines necessary—

19 “(A) to maximize total recovery and con-
20 servation of helium from the Federal Helium
21 Reserve;

22 “(B) to manage crude helium sales accord-
23 ing to the ability of the Secretary to extract and
24 produce helium from the Federal Helium Re-
25 serve;

1 “(C) to respond to helium market supply
2 and demand and minimize market disruption;
3 and

4 “(D) to give priority to meeting the helium
5 demand of Federal users through purchases
6 under paragraph (2).

7 “(2) IN-KIND PURCHASE BY FEDERAL AGEN-
8 CIES AND GRANTEES.—Any Federal agency, and any
9 holder of 1 or more Federal research grants, may
10 purchase refined helium for Federal, medical, re-
11 search, and scientific uses from an eligible person.
12 The Secretary shall then provide an equivalent vol-
13 ume of crude helium to the eligible person as if the
14 eligible person was the successful bidder for the he-
15 lium at auction. Provision of helium by the Sec-
16 retary under this paragraph shall not be considered
17 a sale of helium by the Secretary at auction. The
18 Secretary shall provide such helium at the minimum
19 price established by the Secretary for the most re-
20 cent auction held under this subsection or such other
21 price as may be specified by the Secretary.

22 “(3) ELIGIBLE PERSON.—For purposes of this
23 subsection, the term ‘eligible person’ means a helium
24 distributor who is registered as such with the Sec-
25 retary.

1 “(4) DURATION.—This subsection applies dur-
2 ing the period—

3 “(A) beginning on the expiration of the pe-
4 riod described in subsection (a)(5)(B); and

5 “(B) ending on the date on which the vol-
6 ume of recoverable crude helium at the Federal
7 Helium Reserve (other than privately owned
8 quantities of crude helium stored temporarily at
9 the Federal Helium Reserve under section 5
10 and this section) is 3,000,000,000 standard
11 cubic feet.

12 “(5) MAXIMUM ANNUAL SALES.—Notwith-
13 standing any provision of subsection (d), for each
14 fiscal year, the Secretary may not offer or provide
15 for sale under this subsection a total volume of
16 crude helium that exceeds the lesser of—

17 “(A) the projected maximum total produc-
18 tion capacity of the Federal Helium Reserve
19 during that fiscal year; and

20 “(B) the maximum refining capacity of
21 persons connected by pipeline to the Federal
22 Helium Reserve during that fiscal year.

23 “(c) PHASE C: ACCESS FOR FEDERAL USERS.—

24 “(1) IN GENERAL.—The Secretary may offer
25 for sale crude helium for Federal uses (including

1 medical, research, and scientific uses) in such quan-
2 tities, at such times, and under such conditions as
3 the Secretary determines necessary to carry out this
4 subsection.

5 “(2) PURCHASE BY FEDERAL AGENCIES AND
6 GRANTEES.—Federal agencies, and holders of 1 or
7 more Federal research grants related to helium or
8 the use of helium, may purchase refined helium
9 under this subsection for Federal uses (including
10 medical, research, and scientific uses) from persons
11 who have entered into enforceable contracts to pur-
12 chase an equivalent quantity of crude helium from
13 the Secretary.

14 “(3) EFFECTIVE DATE.—This subsection ap-
15 plies beginning on the day after the date described
16 in subsection (b)(4)(B).

17 “(d) AUCTION AND MINIMUM PRICES DETERMINA-
18 TION.—

19 “(1) IN GENERAL.—Sales of crude helium by
20 the Secretary in auctions under subsection (b) shall
21 be conducted under the conditions described in this
22 section and at no less than the minimum price es-
23 tablished by the Secretary.

24 “(2) AUCTION.—The Secretary shall conduct
25 such auctions of crude helium as soon as practical

1 but no later than beginning 180 days after the first
2 day of the period described in subsection (b)(4),
3 under the following conditions:

4 “(A) 60 percent of the volume of crude he-
5 lium made available in each auction shall be
6 made available to entities that can show the
7 Secretary they have either adequate refining ca-
8 pacity or tolling agreements for refining in
9 place, in accordance with the conditions set
10 forth in paragraph (3).

11 “(B) 20 percent of the volume of crude he-
12 lium made available in each auction shall be
13 made available to any bidder, in accordance
14 with the conditions set forth in paragraph (3).

15 “(C) In each auction after the first auction
16 under this subsection after the date of the en-
17 actment of the Responsible Helium Administra-
18 tion and Stewardship Act, the Secretary shall
19 make available an additional volume of crude
20 helium, in an amount equivalent to the amount
21 made available under subparagraph (B) that
22 the Secretary certifies can be refined, through
23 tolling agreements or otherwise. Of such addi-
24 tional volume, a person may not acquire in the
25 auction a volume in excess of the volume they

1 demonstrate to the Secretary they have the
2 ability to refine through either refining capacity
3 or tolling agreements.

4 “(D) The Secretary shall conduct such
5 auctions at such times as the Secretary deter-
6 mines necessary to ensure a reliable supply of
7 helium and a fair return to taxpayers, but no
8 less frequently than 2 times each fiscal year.

9 “(E) For purposes of the first auction
10 under this subsection after the date of the en-
11 actment of the Responsible Helium Administra-
12 tion and Stewardship Act, the Secretary may
13 revise the percentage under subparagraph (A)
14 so as to make available for auction 100 percent
15 of the volume of crude helium intended to be of-
16 fered.

17 “(F) The Secretary may adjust the per-
18 centages and amount specified in subpara-
19 graphs (A) through (C), respectively, in any
20 auction if the Secretary determines the adjust-
21 ment is necessary to—

22 “(i) respond to market supply and de-
23 mand and minimize market disruption; or

24 “(ii) increase participation in helium
25 auctions.

1 “(G) The Secretary may conduct an auc-
2 tion no more frequently than once each fiscal
3 year of an amount of helium equal to up to 10
4 percent of the volume of crude helium to be
5 made available at auction during the following
6 fiscal year. Such amount of crude helium shall
7 be made available to any bidder, in accordance
8 with the conditions set forth in paragraph (3).
9 Notwithstanding paragraph (3)(C), for crude
10 helium sold in such an auction the Secretary
11 shall begin charging a storage fee under clause
12 (i) of that paragraph beginning 1 year after the
13 date of such auction, and shall begin charging
14 increasing storage fees under clause (ii) of that
15 paragraph beginning 270 days after beginning
16 charging storage fees under clause (i) of that
17 paragraph.

18 “(3) AUCTION CONDITIONS.—

19 “(A) BIDDING METHOD.—The Secretary
20 shall conduct each auction by sealed bid for
21 predetermined volume lots, unless the Secretary
22 determines that an alternative bidding method
23 may result in more revenue to the Federal Gov-
24 ernment or may increase participation in the
25 auction.

1 “(B) BIDDER QUALIFICATIONS AND LIM-
2 ITS.—In carrying out an auction under sub-
3 section (b), the Secretary—

4 “(i) may accept bids only from per-
5 sons the Secretary determines are seeking
6 to purchase helium for their own use, for
7 refining, or for delivery to users; and

8 “(ii) may not award to a person more
9 than 30 percent of the total volume of
10 crude helium offered in that auction, ex-
11 cept that the Secretary may adjust such
12 limitation based on the number of bidders
13 in the auction.

14 “(C) STORAGE FEES.—In each auction the
15 Secretary—

16 “(i) shall begin charging each winning
17 bidder a storage fee for crude helium pur-
18 chased by the bidder that remains in the
19 Federal Helium Reserve, beginning on the
20 date the Secretary receives payment of the
21 purchase price for the helium; and

22 “(ii) beginning 270 days after the
23 date of the auction, shall charge increasing
24 storage fees that will encourage the with-

1 drawal of the helium no later than 2 years
2 after the date of the auction.

3 “(4) DETERMINATION OF MINIMUM SALE
4 PRICE.—The Secretary shall make a determination
5 of the minimum sale price for sales described in
6 paragraph (1) using—

7 “(A) a confidential survey of qualifying do-
8 mestic helium transactions to which any holder
9 of a contract with the Secretary for the accept-
10 ance, storage, and redelivery of crude helium in
11 the Cliffside Gas Field helium storage reservoir
12 is a party;

13 “(B) current market crude helium prices
14 as represented by the sale price at any auction
15 held by the Secretary in the preceding 2 years;

16 “(C) the volume-weighted average cost
17 among helium refiners, producers, and lique-
18 fiers, in dollars per thousand cubic feet, of con-
19 verting gaseous crude helium into bulk liquid
20 helium;

21 “(D) the additional layer of cost and profit
22 associated with the sale or resale of bulk liquid
23 helium; and

1 “(E) the sale price for crude helium of-
2 fered in the most recent auction under para-
3 graph (2)(G).

4 “(5) AUTHORITY OF SECRETARY.—The Sec-
5 retary shall—

6 “(A) require all persons that are parties to
7 a contract with the Secretary for the accept-
8 ance, storage, and redelivery of crude helium to
9 disclose, on a strictly confidential basis in dol-
10 lars per thousand cubic feet, the weighted aver-
11 age price of all crude helium and bulk liquid he-
12 lium purchased, sold, or processed by the per-
13 sons in all qualifying domestic helium trans-
14 actions during the fiscal year;

15 “(B) appoint a qualified independent third
16 party to perform data collection and analysis
17 for the purposes of the survey under paragraph
18 (4)(A); and

19 “(C) adopt such administrative policies
20 and procedures as the Secretary considers nec-
21 essary and reasonable to ensure robust protec-
22 tion of the confidentiality of data submitted by
23 private persons.

24 “(6) CHANGES IN MINIMUM PRICE.—If the Sec-
25 retary believes that the minimum price as deter-

1 mined by the survey under paragraph (4)(A) may
2 not be reflective of the current market value of he-
3 lium, or if a higher minimum price may result in
4 greater conservation of the Federal crude helium re-
5 source, the Secretary may change the minimum
6 price charged for crude helium sold under this sec-
7 tion by up to 10 percent of the price determined
8 under paragraph (4). If at any sale in which the
9 minimum price is increased under this paragraph all
10 crude helium offered is sold at the increased price,
11 the Secretary shall consider that increased price to
12 be the minimum price determined under paragraph
13 (4) for all future sales of crude helium under this
14 section unless that price is further changed in ac-
15 cordance with this paragraph.

16 “(7) ENSURING FAIR AND NONDISCRIMINATORY
17 ACTS AND PRACTICES.—The Secretary may issue
18 such rules and regulations with respect to ensure
19 bidding, transfer, and refining of helium produced
20 from or held in the Federal Helium Reserve as may
21 be necessary to ensure fair and nondiscriminatory
22 acts and practices.

23 “(8) AUCTION RECORDS.—

24 “(A) FURNISHING RECORDS.—Every per-
25 son participating in auctions of helium from the

1 Federal Helium Reserve shall furnish to the
2 Secretary on request such records of trans-
3 actions in helium auctions as the Secretary may
4 require to reconstruct bidding or trading in the
5 course of a particular inquiry or investigation
6 being conducted by the Secretary for enforce-
7 ment or surveillance purposes. In requiring in-
8 formation pursuant to this paragraph, the Sec-
9 retary shall specify the information required,
10 the period for which it is required, and the time
11 and date on which the information must be fur-
12 nished.

13 “(B) REPORTING REQUIREMENTS.—The
14 Secretary may issue rules to require persons
15 participating in helium auctions to file such re-
16 ports as the Secretary determines to be nec-
17 essary for purposes of this Act.

18 “(C) RECORDKEEPING REQUIREMENTS.—
19 Rules under this subsection may require speci-
20 fied persons to make and keep for prescribed
21 periods such records as the Secretary deter-
22 mines are necessary or appropriate to ensure
23 that such persons can comply with reporting re-
24 quirements under this subsection.

1 “(D) LIMITATION ON DISCLOSURE OF IN-
2 FORMATION.—Notwithstanding any other provi-
3 sion of law, the Secretary shall not be compelled
4 to disclose any proprietary information required
5 to be kept or reported under this subsection.
6 Nothing in this subsection authorizes the Sec-
7 retary to withhold information from Congress,
8 prevents the Secretary from complying with a
9 request for information from any other Federal
10 department or agency requesting information
11 for purposes within the scope of its jurisdiction,
12 or prevents the Secretary from complying with
13 an order of a court of the United States in an
14 action brought by the United States or by the
15 Secretary.

16 “(e) HELIUM PRODUCTION FUND.—

17 “(1) IN GENERAL.—All amounts received under
18 this Act shall be credited to the Helium Production
19 Fund, which shall be available without fiscal year
20 limitation for purposes considered necessary by the
21 Secretary to carry out this subsection.

22 “(2) ADMINISTRATIVE EXPENSES.—Amounts in
23 the Helium Production Fund may be used by the
24 Secretary to conduct helium auctions and otherwise
25 administer this Act.

1 “(3) REPAYMENT AMOUNTS.—During the pe-
2 riod described in subsection (a)(4), amounts in the
3 Helium Production Fund in excess of amounts the
4 Secretary considers necessary to conduct helium auc-
5 tions and otherwise administer this Act shall be paid
6 to the general fund of the Treasury and credited
7 against all amounts required to be repaid to the
8 United States under this Act as of October 1, 1995.

9 “(4) CAPITAL INVESTMENTS AND MAINTENANCE.—Amounts in the Helium Production Fund
10 in excess of amounts the Secretary considers nec-
11 essary to carry out paragraphs (1) through (3) may
12 be used to fund the following capital investments in
13 upgrades and maintenance at the Federal Helium
14 reserve:
15

16 “(A) Wellhead maintenance at the Cliffside
17 Gas Field helium storage reservoir.

18 “(B) Capital investments in maintenance
19 and upgrades of facilities that pressurize the
20 Cliffside Gas Field helium storage reservoir.

21 “(C) Capital investments in maintenance
22 and upgrades of equipment related to the stor-
23 age, withdrawal, transportation, purification,
24 and sale of crude helium at the Cliffside Gas
25 Field helium storage reservoir.

1 “(D) Any other scheduled or unscheduled
2 maintenance of the Cliffside Gas Field helium
3 storage reservoir and helium pipeline.

4 “(5) EXCESS FUNDS AND DEFICIT REDUC-
5 TION.—Amounts in the Helium Production Fund in
6 excess of amounts the Secretary considers necessary
7 to carry out paragraphs (1) through (4) shall be
8 paid to the general fund of the Treasury and used
9 to reduce the annual Federal budget deficit.

10 “(f) EXTRACTION OF HELIUM FROM DEPOSITS ON
11 FEDERAL LAND.—All amounts received by the Secretary
12 from the sale or disposition of crude helium on Federal
13 land shall be paid to the general fund of the Treasury and
14 credited against all amounts required to be repaid to the
15 United States under this Act as of October 1, 1995.

16 “(g) MAINTENANCE OF HELIUM SUPPLY.—The Sec-
17 retary shall ensure that there is no disruption in the sup-
18 ply of helium from the Federal Helium Reserve during the
19 transition between phases of helium sales under sub-
20 sections (a), (b), and (c).”.

21 (b) REPORT.—Not later than 1 year after the date
22 of enactment of this Act and annually thereafter, the Sec-
23 retary of the Interior shall submit to the Committee on
24 Natural Resources of the House of Representatives and
25 the Committee on Energy and Natural Resources of the

1 Senate a report describing all expenditures by the Bureau
2 of Land Management for operation and maintenance of
3 the Federal Helium Reserve (as that term is defined in
4 the amendment made by section 2(3)), investments made
5 by the Bureau for such reserve, and scheduled or unsched-
6 uled maintenance of such reserve or its infrastructure to
7 be conducted by the Bureau.

8 **SEC. 4. BLM TRANSPARENCY REQUIREMENTS TO FACILI-**
9 **TATE MARKET AND SUPPLY CHAIN INFORMA-**
10 **TION.**

11 The Helium Act (50 U.S.C. 167 et seq.) is further
12 amended by redesignating sections 15 and 17 as sections
13 17 and 18, and by inserting after section 14 the following:

14 **“SEC. 15. PIPELINE ACCESS.**

15 “(a) ANNUAL REPORT.—The Secretary, acting
16 through the Bureau of Land Management, shall make
17 available on the Internet the current refining capacity on
18 the Federal Helium Reserve pipeline, including—

19 “(1) refinery capacity and future capacity esti-
20 mates;

21 “(2) ownership of federally auctioned helium
22 held in the Federal Helium Reserve;

23 “(3) volume of helium delivered to individual
24 buyers through such pipeline;

25 “(4) for each helium refiner—

1 “(A) the number of tolling agreements en-
2 tered into before October 1, 2013; and

3 “(B) for each fiscal year thereafter—

4 “(i) the number of tolling agreements
5 entered into;

6 “(ii) the number of tolling requests
7 received; and

8 “(iii) the total volume of helium re-
9 fined under each tolling agreement entered
10 into;

11 “(5) pipeline pressure constraints; and

12 “(6) other factors that will increase trans-
13 parency for persons interested in entering refining
14 contracts with existing refiners.

15 “(b) NEW REFINING CAPACITY.—The Secretary shall
16 take any applications for new refining capacity on the
17 Federal Helium Reserve pipeline. To create more competi-
18 tion, any new refining capacity added to the Federal He-
19 lium Reserve pipeline system shall be granted access to
20 crude helium that is equal to the access provided to exist-
21 ing refining facilities.

22 “(c) ACCESS BY PURCHASERS OF HELIUM.—The
23 Secretary shall manage Federal Helium Reserve pipeline
24 access in a competitive manner to ensure that all persons

1 purchasing helium have equal access to timing and deliv-
2 ery of the helium, subject to the capacity of the system.

3 “(d) SCHEDULING DELIVERIES.—The Secretary
4 shall, to the greatest extent practicable, make the sched-
5 uling of crude helium deliveries through the Federal He-
6 lium Reserve pipeline open and transparent to all pur-
7 chasers of helium through the auction process, and to the
8 public if the Secretary believes that it is in the national
9 interest.

10 “(e) SCHEDULING PRIORITY.—

11 “(1) IN GENERAL.—In scheduling crude helium
12 deliveries through the Federal Helium Reserve pipe-
13 line the Secretary shall grant pipeline access in the
14 following order of priority:

15 “(A) Helium held in the Reserve as a re-
16 sult of a purchase under subsection (b)(2).

17 “(B) Helium sold at auction being deliv-
18 ered to fulfill a tolling agreement.

19 “(C) Other helium sold at auction.

20 “(D) Helium held in the Reserve as a re-
21 sult of a crude helium exchange resulting from
22 any temporary shutdown of the Reserve or of a
23 refinery on the Reserve pipeline.

24 “(E) Helium held in inventory in the Re-
25 serve before the date of enactment of the Re-

1 sponsible Helium Administration and Steward-
2 ship Act.

3 “(2) In scheduling such deliveries of helium de-
4 scribed in each of subparagraphs (A) through (E) of
5 paragraph (1), the Secretary shall grant pipeline ac-
6 cess based on the following order of priority:

7 “(A) The price paid to the United States
8 for the helium, giving higher priority to helium
9 for which a greater price was paid.

10 “(B) The date the helium was purchased
11 from the Secretary, giving higher priority to he-
12 lium purchased on an earlier date.

13 “(C) Any other factor the Secretary con-
14 siders appropriate to prioritize delivery.

15 **“SEC. 16. BLM REPORTING REQUIREMENTS TO FACILITATE**
16 **SUPPLY CHAIN INFORMATION.**

17 “(a) IN GENERAL.—In order to provide the market
18 with appropriate and timely information affecting the he-
19 lium resource, the Director of the Bureau of Land Man-
20 agement shall establish, no later than 90 days after the
21 date of enactment of the Responsible Helium Administra-
22 tion and Stewardship Act, a real-time reporting process,
23 including reporting over the Internet, to provide data that
24 will affect the helium industry, including such effects for

1 all persons in such industry from crude helium suppliers
2 to end users.

3 “(b) INCLUDED INFORMATION.—Information pro-
4 vided under this section shall include the following:

5 “(1) Annual maintenance schedules and quar-
6 terly updates thereof, which shall be available on the
7 Internet, to the extent practicable, and shall include
8 the following:

9 “(A) The date and duration of planned
10 shutdowns of the Federal Helium Reserve pipe-
11 line.

12 “(B) The nature of work to be undertaken,
13 whether routine, extended, or extraordinary.

14 “(C) The anticipated impact on the helium
15 supply.

16 “(D) The efforts to minimize any impact
17 on the supply chain.

18 “(E) Any concerns regarding maintenance
19 of the Federal Helium Reserve pipeline, pres-
20 sure of such pipeline, or deviation from normal
21 operation of such pipeline.

22 “(2) For each unplanned outage, the following:

23 “(A) The beginning of the outage.

24 “(B) The expected duration of outage.

25 “(C) A description of the problem.

1 “(D) The estimated impact on helium sup-
2 ply.

3 “(E) A plan to correct problems, an esti-
4 mate of the potential timeframe for correction,
5 and the likelihood of plan success within the
6 timeframe.

7 “(F) Efforts to minimize negative impacts
8 on the helium supply chain.

9 “(G) Updates on repair status and the an-
10 ticipated online date.

11 “(3) Minutes of meetings between the Bureau
12 of Land Management and the Cliffside Refiners
13 Limited Partnership, including—

14 “(A) publication of the minutes of each
15 meeting between the Bureau of Land Manage-
16 ment and the Cliffside Refiners Limited Part-
17 nership, including attendees and their affili-
18 ations, on the Internet site of the Bureau with-
19 in 1 week after the meeting; and

20 “(B) indication in the minutes of any ac-
21 tion taken that could affect the supply or oper-
22 ating status related to the Federal helium pro-
23 gram.

24 “(4) Current predictions of the lifespan of the
25 Federal Helium Reserve, including how much longer

1 such crude helium supply will be available based on
2 current and forecasted demand and the projected
3 maximum production capacity of the Federal Helium
4 Reserve for the following fiscal year.”.

5 **SEC. 5. HELIUM RESOURCE ASSESSMENT AND HELIUM-3**
6 **SEPARATION.**

7 (a) **HELIUM GAS RESOURCE ASSESSMENT.**—Not
8 later than 2 years after the date of enactment of this Act,
9 the Secretary of the Interior shall—

10 (1) in coordination with appropriate heads of
11 State geological surveys—

12 (A) complete a national helium gas assess-
13 ment that identifies and quantifies the quantity
14 of helium, including the isotope helium-3, in
15 each reservoir, including assessments of the
16 constituent gases found in each helium re-
17 source, such as carbon dioxide, nitrogen, and
18 natural gas; and

19 (B) make available the modern seismic and
20 geophysical log data for characterization of the
21 Bush Dome Reservoir;

22 (2) in coordination with appropriate inter-
23 national agencies and the global geology community,
24 complete a global helium gas assessment that identi-

1 fies and quantifies the quantity of the helium, in-
2 cluding the isotope helium-3, in each reservoir;

3 (3) in consultation with the Secretary of En-
4 ergy, acting through the Administrator of the En-
5 ergy Information Administration, complete—

6 (A) an assessment of trends in global de-
7 mand for helium, including the isotope helium-
8 3;

9 (B) a 10-year forecast of domestic demand
10 for helium across all sectors, including scientific
11 and medical research, commercial, manufac-
12 turing, space technologies, cryogenics, and na-
13 tional defense; and

14 (C) an inventory of medical, research, sci-
15 entific, industrial, commercial, and other uses
16 of helium in the United States, including Fed-
17 eral and commercial helium uses, that identifies
18 the nature of the helium use, the amounts re-
19 quired, the technical and commercial viability of
20 helium recapture and recycling in that use, and
21 the availability of material substitutes wherever
22 possible;

23 (4) complete an assessment of options for en-
24 suring a domestic helium supply in the future, in-
25 cluding—

1 (A) an analysis of how the Federal Helium
2 Reserve has influenced domestic and global he-
3 lium supply and prices historically; and

4 (B) an assessment of options for how the
5 Federal Helium Reserve could promote the long
6 term availability and security of domestic he-
7 lium supplies; and

8 (5) submit to the Committee on Natural Re-
9 sources of the House of Representatives and the
10 Committee on Energy and Natural Resources of the
11 Senate a report describing the results of the assess-
12 ments required under this subsection.

13 (b) HELIUM-3 SEPARATION.—

14 (1) INTERAGENCY COOPERATION.—The Sec-
15 retary of the Interior shall cooperate with the Sec-
16 retary of Energy, or a designee of the Secretary of
17 Energy, on any assessment or research relating to
18 the extraction and refining of the isotope helium-3
19 from crude helium at the Federal Helium Reserve
20 (as that term is defined in the amendments made by
21 section 2) or along the Federal Helium Reserve
22 pipeline system, including—

23 (A) gas analysis;

24 (B) infrastructure studies; and

1 (C) cooperation with private helium refin-
2 ers.

3 (2) FEASIBILITY STUDY.—The Secretary of the
4 Interior shall assess the feasibility of establishing a
5 facility to separate the isotope helium-3 from crude
6 helium at—

7 (A) the Federal Helium Reserve; or

8 (B) an existing helium separation or purifi-
9 cation facility connected to the Federal Helium
10 Reserve pipeline system.

11 (3) REPORT.—Not later than 1 year after the
12 date of enactment of this Act, the Secretary of the
13 Interior shall submit to the Committee on Natural
14 Resources of the House of Representatives and the
15 Committee on Energy and Natural Resources of the
16 Senate a report that contains a description of the re-
17 sults of the assessments conducted under this sub-
18 section.

19 **SEC. 6. ADDITIONAL CONNECTIONS TO THE FEDERAL HE-**
20 **LIUM RESERVE.**

21 The Secretary of the Interior may allow any person
22 not connected to the Federal Helium Reserve, as that term
23 is defined under section 2 of the Helium Act (50 U.S.C.
24 167), as amended by this Act, to connect to the Federal
25 Helium Reserve for the purpose of storing helium, subject

- 1 to such storage fees as may be required by the Secretary.
- 2 Withdrawal of such helium shall be governed by that Act.

Passed the House of Representatives April 26, 2013.

Attest:

Clerk.

113TH CONGRESS
1ST SESSION

H. R. 527

AN ACT

To amend the Helium Act to complete the privatization of the Federal helium reserve in a competitive market fashion that ensures stability in the helium markets while protecting the interests of American taxpayers, and for other purposes.