

112TH CONGRESS  
1ST SESSION

# H. R. 142

To establish a national Strategic Gasoline Reserve.

---

IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 2011

Mr. KISSELL introduced the following bill; which was referred to the  
Committee on Energy and Commerce

---

## A BILL

To establish a national Strategic Gasoline 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. SHORT TITLE.**

4       This Act may be cited as the “National Strategic  
5 Gasoline Reserve for Purposes of National Security Act  
6 of 2011”.

7 **SEC. 2. STRATEGIC GASOLINE RESERVE.**

8       (a) ESTABLISHMENT.—

9               (1) AUTHORITY.—The Secretary of Energy  
10 shall establish a Strategic Gasoline Reserve (in this  
11 section referred to as the “Gasoline Reserve”) sys-

1       tem with a total capacity of 10,000,000 barrels of  
2       regular unleaded gasoline.

3           (2) RESERVE LOCATIONS.—No later than 1  
4       year after the date of enactment of this Act, the  
5       Secretary shall determine strategic locations for no  
6       less than three and no more than five Gasoline Re-  
7       serve sites, each located in a different geographical  
8       region of the United States. When determining site  
9       locations, the Secretary shall consider all factors in-  
10      cluding, but not limited to, seasonal and regional  
11      variations in gasoline, cost, regional population, ac-  
12      cessibility for distribution, and the region’s vulner-  
13      ability to natural disasters and acts of terrorism.  
14      The Secretary shall endeavor to find the most af-  
15      fordable method for storage and when possible  
16      should consider the methodology used for the cre-  
17      ation of the Home Heating Oil Reserve and the  
18      Strategic Petroleum Reserve. Gasoline Reserve site  
19      locations shall be operational within 2 years after  
20      the date of enactment of this Act.

21           (3) ONSITE PROTECTION.—In establishing the  
22      Gasoline Reserve under this section, the Secretary of  
23      Energy shall confer with the Secretary of Transpor-  
24      tation and the Secretary of Homeland Security with

1       respect to physical structures' security, the transpor-  
2       tation security, and operational security.

3       (b) TRANSPORTATION.—Not later than 1 year after  
4 the date of enactment of this Act, the Secretary of Energy  
5 shall transmit to the Congress, the Secretary of Homeland  
6 Security, and the Governor of each State, in which a re-  
7 serve will be sited, a plan for the transportation of the  
8 contents of the Gasoline Reserve under this section to  
9 wholesale or retail markets in the event of an emergency  
10 sale under subsection (e).

11       (c) CAPACITY.—The Secretary of Energy shall com-  
12 plete the process of filling the Gasoline Reserve to a min-  
13 imum of 90 percent within 2 years after submitting a  
14 transportation plan to the Congress under subsection (b).

15       (d) AGING SUPPLY.—The Secretary shall conduct an  
16 annual review of the Gasoline Reserve supply to ensure  
17 that reserves do not exceed their shelf-life. The Secretary  
18 shall have in place within 2 years after the date of enact-  
19 ment of this Act a plan for ensuring that the inventory  
20 of the Gasoline Reserve is sold and replaced in a manner  
21 that ensures the integrity of the product at all times. The  
22 Secretary shall have the authority to exchange an aging  
23 supply of reserve gasoline through private sales or by uti-  
24 lizing the fuel for military or Government use. The Sec-

1 retary shall seek the best means to minimize transaction  
2 expense.

3 (e) REQUESTS FOR EMERGENCY SALE AUTHORIZA-  
4 TION.—The Secretary of Energy shall sell gasoline from  
5 the Gasoline Reserve if—

6 (1) the Governor of an affected State submits  
7 a written request that—

8 (A) provides sufficient evidence that the  
9 sale or supply of gasoline in the region has been  
10 severely disrupted caused in significant part by  
11 an interruption in the normal distribution or  
12 availability of gasoline which dramatically af-  
13 fects the price of gasoline; and

14 (B) provides sufficient evidence that the  
15 State would experience further adverse effects  
16 without the sale of gasoline from the Gasoline  
17 Reserve; and

18 (2) the President issues an Executive Order re-  
19 quiring immediate release from any or all reserves  
20 after determining that the conditions specified in  
21 paragraph (1) are satisfied.

22 (f) PROCEDURE.—

23 (1) SECRETARY'S RESPONSE.—The Secretary of  
24 Energy shall respond to a request transmitted under  
25 subsection (e)(1) within 7 days of receipt of the re-

1       quest through a written response, regardless of the  
2       decision.

3               (2) ADDITIONAL INFORMATION.—The Secretary  
4       may request additional information if the Secretary  
5       concludes there are insufficient reasons provided in  
6       a request for the sale of gasoline from the Gasoline  
7       Reserve.

8               (g) PURCHASE.—The Secretary of Energy is author-  
9       ized to conduct purchases and sales of gasoline at whole-  
10      sale for maintenance of the Gasoline Reserve system. In  
11      conducting these transactions, the Secretary shall—

12              (1) ensure that the overall supply returns to a  
13      minimum 90 percent capacity in a timely manner  
14      following a sizeable depletion due to an emergency;  
15      and

16              (2) assess market conditions to avoid to the ex-  
17      tent possible purchases when prices appear to be at  
18      higher levels unlikely to be sustained, or when pur-  
19      chases of gasoline are likely to significantly raise  
20      gasoline prices in the market served by a particular  
21      Reserve, consistent with the need for timely replen-  
22      ishment of the Reserves after emergency or non-  
23      emergency sales.

24              (h) ANNUAL REPORT.—At a specified date as deter-  
25      mined by the Secretary of Energy, the Secretary shall sub-

1 mit to the President, the Committee on Energy and Com-  
2 merce of the House of Representatives and to the Com-  
3 mittee on Energy and Natural Resources of the Senate  
4 a report on the status of the Gasoline Reserve outlining  
5 the Reserve's current capacity, emergency sales from the  
6 previous year, any security threats in the previous year,  
7 and the current condition of the storage facilities. The  
8 Secretary shall also include in the report any recommenda-  
9 tions for improvements in the efficiency of the purchase,  
10 transportation, sale, and storage of the Gasoline Reserves.

11 (i) AUTHORIZATION OF APPROPRIATIONS.—There  
12 are authorized to be appropriated to the Secretary of En-  
13 ergy such sums as may be necessary for construction and  
14 operation of the Gasoline Reserve for fiscal years 2011  
15 through 2015.

○