



## Strategic Petroleum Reserve Modernization Act

S. 1231 provides Congress with greater oversight of Strategic Petroleum Reserve management and evaluates options for its continued operation.

### *Background*

The Strategic Petroleum Reserve (SPR) is the United States' emergency oil stockpile. It is maintained by the Department of Energy (DOE) for use in times of an oil shortage or supply disruption. The current capacity of the SPR is 727 million barrels. Maintenance requirements and other potential costs, coupled with the upswing in domestic oil production, has resulted in calls to modernize the SPR.

### *Key Provisions*

- Requires DOE to notify Congress of any test drawdown from the SPR, before it occurs, and submit a report to Congress on the results of those tests.
  - Addresses DOE's past failures to provide notification or describe results to Congress of SPR-related tests.
- Requires a DOE study on the costs associated with the operation and maintenance of the SPR, as well as an evaluation of international obligations associated with the SPR, and cost-effective alternatives available for meeting those obligations.
  - Study would further inform actions that might be taken to modernize the SPR.
  - Supplements information in DOE's Quadrennial Energy Review with a detailed breakdown of the costs associated with maintaining the SPR's 62 salt caverns, four geographically dispersed storage sites, and other associated infrastructure.