

# The Strategic Petroleum Reserve— America's Energy Security Back-Stop

Samuel Buchan | January 2023

Following the 1970s oil crises, Congress established the Strategic Petroleum Reserve (SPR) to address “severe energy supply interruptions” through the Energy Policy and Conservation Act of 1975. The SPR is notable as a tool to mitigate short-term supply disruptions but falters in efficacy under long-term disruption scenarios—the latter requires a domestic policy calculus geared toward greater production. As a result of the shale revolution and supportive regulatory policy by the Trump Administration, the U.S. became the world’s largest producer in 2019 and a net exporter. This monumental advancement means that ***the U.S. must rethink the role of the SPR as an emergency tool in an era of energy independence.***

**The Biden Administration’s use of the SPR as a price-fixing tool** is a poor substitute for ending its war on American oil production and tempering its unrealistic energy transition:

- The administration reversed course on streamlining and modernizing environmental review procedures, specifically related to the National Environmental Policy Act (NEPA).
- The administration **drained the SPR by 41%** to 371 million barrels as of January 2023. This represents the lowest levels since 1983.

## STEPS IN MODERNIZING AMERICAN ENERGY SECURITY

1. **Promote policies that increase congressional oversight** by limiting the duration of presidentially declared national emergencies to no more than 60 days and requiring Congressional approval for reauthorization.
2. **Codify operational guidelines and criteria for “severe energy supply interruptions”** to safeguard American energy security and national security above all.
3. **Establish a bipartisan National Emergency SPR Response Task Force** to review and authorize SPR releases in response to severe energy supply interruptions. The Task Force could be comprised of the Speaker of the House, the House Minority Leader, the Senate Majority Leader, and the Senate Minority Leader, and overseen by the Vice President.
4. **Require administrations to submit an annual report** for the Task Force’s approval identifying barriers to domestic energy production and outlining measures to foster greater production.
5. **Prohibit future non-emergency SPR releases** that view the SPR as a revenue-generating crutch for poor fiscal policy while neglecting the national and energy security implications. Revenue generation should be limited to the modernization and upkeep of the SPR.
6. **Prioritize SPR Exchange Agreements** to support the continuity of commercial operations for producers, refiners, and millions of American consumers, rather than embracing the status quo of distorting markets to the disservice of American industry.