113TH CONGRESS 1ST SESSION	S.	

To amend the Helium Act to improve helium stewardship, and for other purposes.

IN THE SENATE OF THE UNITED STATES

	introduced t	the fol	llowing	bill; ˈ	which	was	read	twice
and referred to	the Committ	ee on						

A BILL

To amend the Helium Act to improve helium stewardship, 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,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Helium Stewardship
- 5 Act of 2013".
- 6 SEC. 2. DEFINITIONS.
- 7 Section 2 of the Helium Act (50 U.S.C. 167) is
- 8 amended to read as follows:
- 9 "SEC. 2. DEFINITIONS.
- 10 "In this Act:

1	"(1) CLIFFSIDE FIELD.—The term 'Cliffside
2	Field' means the helium storage reservoir in which
3	the Federal Helium Reserve is stored.
4	"(2) Federal Helium Pipeline.—The term
5	'Federal Helium Pipeline' means the federally owned
6	pipeline system through which the Federal Helium
7	Reserve may be transported.
8	"(3) Federal Helium Reserve.—The term
9	'Federal Helium Reserve' means helium reserves
10	owned by the United States.
11	"(4) Federal Helium System.—The term
12	'Federal Helium System' means—
13	"(A) the Federal Helium Reserve;
14	"(B) the Cliffside Field;
15	"(C) the Federal Helium Pipeline; and
16	"(D) all other infrastructure owned,
17	leased, or managed under contract by the Sec-
18	retary for the storage, transportation, with-
19	drawal, purification, or management of helium.
20	"(5) Federal user.—The term 'Federal user'
21	means a Federal agency or extramural holder of 1
22	or more Federal research grants.
23	"(6) Low-btu gas.—The term 'low-btu gas'
24	means a fuel gas with a heating value of less than
25	250 Btu per standard cubic foot measured as the

1	higher heating value resulting from the inclusion of
2	noncombustible gases, including nitrogen, helium,
3	argon, and carbon dioxide.
4	"(7) Person.—The term 'person' means any
5	individual, corporation, partnership, firm, associa-
6	tion, trust, estate, public or private institution, or
7	State or political subdivision.
8	"(8) Priority pipeline access.—The term
9	'priority pipeline access' means the first priority of
10	delivery of crude helium under which the Secretary
11	schedules and ensures the delivery of crude helium
12	to a helium refinery through the Federal Helium
13	System.
14	"(9) QUALIFIED BIDDER.—The term 'qualified
15	bidder' means a person the Secretary determines is
16	seeking to purchase helium for their own use, refin-
17	ing, or delivery to users.
18	"(10) Qualifying domestic helium trans-
19	ACTION.—The term 'qualifying domestic helium
20	transaction' means any new or newly renegotiated
21	agreement (as of the date that is 1 year before the
22	date of enactment of the Helium Stewardship Act of
23	2013) in the United States for the purchase or sale
24	of at least 20,000,000 standard cubic feet of crude
25	helium or bulk liquid helium to which any holder of

- 1 a contract with the Secretary for the acceptance, 2 storage, delivery, or redelivery of crude helium from 3 the Federal Helium System is a party. "(11) Refiner.—The term 'refiner' means a 4 5 person with the ability to take delivery of crude he-6 lium from the Federal Helium Pipeline and refine 7 the crude helium into bulk liquid helium. 8 "(12)SECRETARY.—The term 'Secretary' 9 means the Secretary of the Interior.". 10 SEC. 3. AUTHORITY OF SECRETARY. 11 Section 3 of the Helium Act (50 U.S.C. 167a) is 12 amended by adding at the end the following: 13 "(c) Extraction of Helium From Deposits on FEDERAL LAND.—All amounts received by the Secretary 14 15 from the sale or disposition of helium on Federal land shall be credited to the Helium Production Fund estab-16 lished under section 6(d).". 18 SEC. 4. FEES FOR STORAGE, WITHDRAWAL AND TRANSPOR-19 TATION. 20 Section 5 of the Helium Act (50 U.S.C. 167c) is 21 amended to read as follows: 22 "SEC. 5. FEES FOR STORAGE, WITHDRAWAL AND TRANS-23 PORTATION. "(a) In General.—If the Secretary provides helium
- 24 storage, withdrawal, or transportation services to any per-

- 1 son, the Secretary shall impose a fee on the person that
- 2 accurately reflects the economic value of those services.
- 3 "(b) MINIMUM FEES.—The fees charged under sub-
- 4 section (a) shall be not less than the amount required to
- 5 reimburse the Secretary for the full costs of providing
- 6 storage, withdrawal, or transportation services.
- 7 "(c) Increases.—The Secretary shall increase stor-
- 8 age fees over time in order to encourage the withdrawal
- 9 of stored helium not later than 2 years after the date on
- 10 which storage of the helium commences.
- 11 "(d) Treatment.—All fees received by the Secretary
- 12 under this section shall be credited to the Helium Produc-
- 13 tion Fund established under section 6(d).
- 14 "(e) Existing Storage.—Any helium in storage as
- 15 of the date of enactment of the Helium Stewardship Act
- 16 of 2013 shall receive priority pipeline access, except that
- 17 the helium shall not have priority over helium intended
- 18 for Federal users.
- 19 "(f) New Storage.—In accordance with this sec-
- 20 tion, the Secretary shall allow any person or qualified bid-
- 21 der to which crude helium is sold or auctioned under sec-
- 22 tion 6 to store that helium in the Federal Helium Re-
- 23 serve.".

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1	SEC.	5.	SALE	\mathbf{OF}	CRUDE	HELIUM.
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1	SEC. 5. SALE OF CRUDE HELIUM.
2	Section 6 of the Helium Act (50 U.S.C. 167d) is
3	amended to read as follows:
4	"SEC. 6. SALE OF CRUDE HELIUM.
5	"(a) Phase A: Allocation Transition.—
6	"(1) In General.—The Secretary may offer
7	crude helium for sale in such quantities, at such
8	times, at not less than the minimum price estab-
9	lished under subsection $(b)(7)$, and under such
10	terms and conditions as the Secretary determines
11	necessary to carry out this subsection with minimum
12	market disruption.
13	"(2) Federal purchases.—Federal users
14	may purchase refined helium with priority pipeline
15	access under this subsection from persons who have
16	entered into enforceable contracts to purchase an
17	equivalent quantity of crude helium from the Sec-
18	retary.
19	"(3) Duration.—This subsection applies dur-
20	ing the period—
21	"(A) beginning on the date of enactment of
22	the Helium Stewardship Act of 2013; and
23	"(B) ending on September 30, 2014.
24	"(b) Phase B: Auction Implementation.—
25	"(1) In General.—The Secretary may offer

crude helium for sale in quantities not subject to

1	auction under paragraph (2), at such times, at not
2	less than the minimum price established under para-
3	graph (7), and under such terms and conditions as
4	the Secretary determines necessary—
5	"(A) to maximize total recovery of helium
6	from the Federal Helium Reserve over the long
7	term;
8	"(B) to maximize the total financial return
9	to the taxpayer;
10	"(C) to manage crude helium sales accord-
11	ing to the ability of the Secretary to extract and
12	produce helium from the Federal Helium Re-
13	serve;
14	"(D) to give priority to meeting the helium
15	demand of Federal users in the event of any
16	disruption to the Federal Helium Reserve; and
17	"(E) to carry out this subsection with min-
18	imum market disruption.
19	"(2) Auction quantities.—For the period de-
20	scribed in paragraph (4) and consistent with the
21	conditions described in paragraph (8), the Secretary
22	shall annually auction to any qualified bidder a
23	quantity of crude helium in the Federal Helium Re-
24	serve equal to—

1	"(A) for fiscal year 2015, 10 percent of
2	the total volume of crude helium made available
3	for that fiscal year; and
4	"(B) for each subsequent fiscal year, a
5	percentage of the total volume of crude helium
6	that is 10 percentage points greater than the
7	percentage available for the previous fiscal year,
8	but not to exceed 100 percent.
9	"(3) Federal purchases.—Federal users
10	may purchase refined helium with priority pipeline
11	access under this subsection from persons who have
12	entered into enforceable contracts to purchase an
13	equivalent quantity of crude helium from the Sec-
14	retary.
15	"(4) Duration.—This subsection applies dur-
16	ing the period—
17	"(A) beginning on October 1, 2014; and
18	"(B) ending on the date on which the vol-
19	ume of recoverable crude helium at the Federal
20	Helium Reserve (other than privately owned
21	quantities of crude helium stored temporarily at
22	the Federal Helium Reserve under section 5
23	and this section) is 3,000,000,000 standard
24	cubic feet.

1	"(5) Safety Valve.—The Secretary may ad-
2	just the quantities specified in paragraph (1)—
3	"(A) upward, if the Secretary determines
4	the adjustment necessary—
5	"(i) to minimize market disruptions
6	that pose a threat to the economic well-
7	being of the United States; and
8	"(ii) only after submitting a written
9	justification of the adjustment to the Com-
10	mittee on Energy and Natural Resources
11	of the Senate and the Committee on Nat-
12	ural Resources of the House of Represent-
13	atives; or
14	"(B) downward, if the Secretary deter-
15	mines the adjustment necessary to increase par-
16	ticipation in crude helium auctions or returns to
17	the taxpayer.
18	"(6) Auction format.—The Secretary shall
19	conduct each auction using a method that maximizes
20	revenue to the Federal Government.
21	"(7) MINIMUM SALE PRICE.—The Secretary
22	shall establish minimum sale and auction prices
23	under subsection (a)(1) and paragraphs (1) and (2)
24	using, if applicable and in the following order of pri-
25	ority:

1	"(A) The sale price of crude helium in auc-
2	tions held by the Secretary under paragraph
3	(2).
4	"(B) A confidential survey of qualifying
5	domestic helium transactions conducted by a
6	qualified, independent third party.
7	"(C) The volume-weighted average price of
8	all crude helium and bulk liquid helium pur-
9	chased, sold, or processed by persons in all
10	qualifying domestic helium transactions.
11	"(D) The volume-weighted average cost of
12	converting gaseous crude helium into bulk liq-
13	uid helium.
14	"(E) Any amount received by the Sec-
15	retary from extracting or disposing helium on
16	Federal land (after the date that is 1 year be-
17	fore the date of enactment of the Helium Stew-
18	ardship Act of 2013) under section 3 or any
19	other provision of law.
20	"(8) Terms and conditions.—
21	"(A) In General.—The Secretary shall
22	require all persons that are parties to a con-
23	tract with the Secretary for the withdrawal, ac-
24	ceptance, storage, transportation, or delivery of
25	crude helium to disclose, on a strictly confiden-

1	tial basis and in dollars per thousand cubic
2	feet—
3	"(i) the volume-weighted average price
4	of all crude helium and bulk liquid helium
5	purchased, sold, or processed by persons in
6	qualifying domestic helium transactions;
7	and
8	"(ii) the volume-weighted average cost
9	of converting gaseous crude helium into
10	bulk liquid helium.
11	"(B) Condition.—As a condition of sale
12	or auction to a refiner under subsection $(a)(1)$
13	and paragraphs (1) and (2), effective beginning
14	90 days after the date of enactment of the He-
15	lium Stewardship Act of 2013, the refiner shall
16	make excess refining capacity of helium avail-
17	able to parties prevailing in auctions under
18	paragraph (2) at commercially reasonable rates.
19	"(9) Use of information.—The Secretary
20	may use the information collected under this Act—
21	"(A) to approximate crude helium prices;
22	and
23	"(B) to ensure the recovery of fair value
24	for the taxpayers of the United States from
25	sales of crude helium.

1	"(10) Protection of confidentiality.—
2	The Secretary shall adopt such administrative poli-
3	cies and procedures as the Secretary considers nec-
4	essary and reasonable to ensure the confidentiality
5	of information submitted pursuant to this Act.
6	"(c) Phase C: Continued Access for Federal
7	Users.—
8	"(1) In General.—The Secretary may offer
9	crude helium for sale to Federal users in such quan-
10	tities, at such times, at not less than the minimum
11	price established under subsection (b)(7), and under
12	such terms and conditions as the Secretary deter-
13	mines necessary to carry out this subsection.
14	"(2) Federal purchases.—Federal users
15	may purchase refined helium with priority pipeline
16	access under this subsection from persons who have
17	entered into enforceable contracts to purchase an
18	equivalent quantity of crude helium from the Sec-
19	retary.
20	"(3) Effective date.—This subsection ap-
21	plies beginning on the day after the date described
22	in subsection (b)(4)(B).
23	"(d) Helium Production Fund.—
24	"(1) In general.—All amounts received under
25	this Act, including amounts from the sale or auction

1	of crude helium, shall be credited to the Helium Pro-
2	duction Fund, which shall be available without fiscal
3	year limitation for purposes considered necessary by
4	the Secretary to carry out this Act (other than sec-
5	tions 16, 17, and 18), including capital investments
6	in upgrades and maintenance at the Federal Helium
7	System, including—
8	"(A) well head maintenance at the Cliff-
9	side Field;
10	"(B) capital investments in maintenance
11	and upgrades of facilities that pressurize the
12	Cliffside Field;
13	"(C) capital investments in maintenance
14	and upgrades of equipment related to the stor-
15	age, withdrawal, transportation, purification,
16	and sale of crude helium from the Federal He-
17	lium Reserve; and
18	"(D) any other scheduled or unscheduled
19	maintenance of the Federal Helium System.
20	"(2) Excess funds.—Any amounts in the He-
21	lium Production Fund described in paragraph (1)
22	that exceed the amounts that the Secretary deter-
23	mines to be necessary to carry out paragraph (1)
24	shall be deposited in the general fund of the Treas-
25	ury.

1	"(e) MINIMUM QUANTITY.—The Secretary shall offer
2	for sale or auction during each fiscal year under sub-
3	sections (a), (b), and (c) a quantity of crude helium that
4	is the lesser of —
5	"(1) the quantity of crude helium offered for
6	sale by the Secretary during fiscal year 2012; and
7	"(2) the maximum total production capacity of
8	the Federal Helium Reserve.".
9	SEC. 6. INFORMATION, ASSESSMENT, RESEARCH, AND
10	STRATEGY.
11	The Helium Act (50 U.S.C. 167 et seq.) is amend-
12	ed—
13	(1) by repealing section 15 (50 U.S.C. 167m);
14	(2) by redesignating section 17 (50 U.S.C. 167
15	note) as section 20; and
16	(3) by inserting after section 14 (50 U.S.C.
17	167l) the following:
18	"SEC. 15. INFORMATION.
19	"(a) Transparency.—The Secretary, acting
20	through the Bureau of Land Management, shall make
21	available on the Internet information relating to the Fed-
22	eral Helium System that includes a description of—
23	"(1) refinery capacity and future capacity esti-
24	mates:

1	"(2) ownership of helium held in the Federal
2	Helium Reserve;
3	"(3) the volume of helium delivered to indi-
4	vidual buyers through the Federal Helium Pipeline;
5	"(4) pressure constraints of the Federal Helium
6	Pipeline;
7	"(5) an estimate of the projected date when
8	3,000,000,000 standard cubic feet of crude helium
9	will remain in the Federal Helium Reserve and the
10	final phase described in section 6(c) will begin;
11	"(6) the amount of the fees charged under sec-
12	tion 5;
13	"(7) the scheduling of crude helium deliveries
14	through the Federal Helium Pipeline; and
15	"(8) other factors that will increase trans-
16	parency.
17	"(b) Reporting.—Not later than 90 days after the
18	date of enactment of the Helium Stewardship Act of 2013,
19	to provide the market with appropriate and timely infor-
20	mation affecting the helium resource, the Director of the
21	Bureau of Land Management shall establish a real-time
22	reporting process (including reporting over the Internet)
23	to provide data that affects the helium industry, includ-
24	ing—

1	"(1) annual maintenance schedules and quar-
2	terly updates, that shall—
3	"(A) be available on the Internet, to the
4	maximum extent practicable; and
5	"(B) include—
6	"(i) the date and duration of planned
7	shutdowns of the Federal Helium Pipeline;
8	"(ii) the nature of work to be under-
9	taken on the Federal Helium System,
10	whether routine, extended, or extraor-
11	dinary;
12	"(iii) the anticipated impact of the
13	work on the helium supply;
14	"(iv) the efforts being made to mini-
15	mize any impact on the supply chain; and
16	"(v) any concerns regarding mainte-
17	nance of the Federal Helium Pipeline, in-
18	cluding the pressure of the pipeline or de-
19	viation from normal operation of the pipe-
20	line;
21	"(2) for each unplanned outage, a description
22	of—
23	"(A) the beginning of the outage;
24	"(B) the expected duration of the outage;
25	"(C) the nature of the problem;

1	"(D) the estimated impact on helium sup-
2	ply;
3	"(E) a plan to correct problems, including
4	an estimate of the potential timeframe for cor-
5	rection and the likelihood of plan success within
6	the timeframe;
7	"(F) efforts to minimize negative impacts
8	on the helium supply chain; and
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 not
19	later than 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; and
24	"(4) current predictions of the lifespan of the
25	Federal Helium System, including how much longer

1	the crude helium supply will be available based or
2	current and forecasted demand and the projected
3	maximum production capacity of the Federal Helium
4	System for the following fiscal year.
5	"SEC. 16. HELIUM GAS RESOURCE ASSESSMENT.
6	"(a) In General.—Not later than 2 years after the
7	date of enactment of the Helium Stewardship Act of 2013
8	the Secretary, acting through the Director of the United
9	States Geological Survey, shall—
10	"(1) in coordination with appropriate heads of
11	State geological surveys—
12	"(A) complete a national helium gas as-
13	sessment that identifies and quantifies the
14	quantity of helium, including the isotope he-
15	lium-3, in each reservoir, including assessments
16	of the constituent gases found in each helium
17	resource, such as carbon dioxide, nitrogen, and
18	natural gas; and
19	"(B) make available the modern seismic
20	and geophysical log data for characterization of
21	the 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-

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1	fies and quantifies the quantity of the helium, in-
2	cluding the isotope helium-3, in each reservoir;
3	"(3) in coordination 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 de-
10	mand for helium across all sectors, including
11	scientific and medical research, commercial
12	manufacturing, space technologies, cryogenics
13	and national defense; and
14	"(C) an inventory of medical, scientific, in-
15	dustrial, commercial, and other uses of helium
16	in the United States, including Federal uses
17	that identifies the nature of the helium use, the
18	amounts required, the technical and commercial
19	viability of helium recapture and recycling in
20	that use, and the availability of material sub-
21	stitutes wherever possible; and
22	"(4) submit to the Committee on Energy and
23	Natural Resources of the Senate and the Committee
24	on Natural Resources of the House of Representa-

1	tives a report describing the results of the assess-
2	ments required under this paragraph.
3	"(b) Authorization of Appropriations.—There
4	is authorized to be appropriated to carry out this section
5	such sums as are necessary.
6	"SEC. 17. LOW-BTU GAS SEPARATION AND HELIUM CON-
7	SERVATION.
8	"(a) Authorization.—The Secretary of Energy
9	shall support programs of research, development, commer-
10	cial application, and conservation (including the programs
11	described in subsection (b))—
12	"(1) to expand the domestic production of low-
13	Btu gas and helium resources;
14	"(2) to separate and capture helium from nat-
15	ural gas streams; and
16	"(3) to reduce the venting of helium and he-
17	lium-bearing low-Btu gas during natural gas explo-
18	ration and production.
19	"(b) Programs.—
20	"(1) Membrane technology research.—
21	The Secretary of Energy, in consultation with other
22	appropriate agencies, shall support a civilian re-
23	search program to develop advanced membrane tech-
24	nology that is used in the separation of low-Btu
25	gases, including technologies that remove helium and

1	other constituent gases that lower the Btu content
2	of natural gas.
3	"(2) Helium separation technology.—The
4	Secretary of Energy shall support a research pro-
5	gram to develop technologies for separating, gath-
6	ering, and processing helium in low concentrations
7	that occur naturally in geological reservoirs or for-
8	mations, including—
9	"(A) low-Btu gas production streams; and
10	"(B) technologies that minimize the atmos-
11	pheric venting of helium gas during natural gas
12	production.
13	"(3) Industrial Helium Program.—The Sec-
14	retary of Energy, working through the Advanced
15	Manufacturing Office of the Department of Energy,
16	shall carry out a research program—
17	"(A) to develop low-cost technologies and
18	technology systems for recycling, reprocessing,
19	and reusing helium for all medical, scientific,
20	industrial, commercial, and other uses of helium
21	in the United States, including Federal uses;
22	and
23	"(B) to develop industrial gathering tech-
24	nologies to capture helium from other chemical
25	processing, including ammonia processing.

"(c) Authorization of Appropriations.—There 1 is authorized to be appropriated to carry out this section 3 such sums as are necessary. 4 "SEC. 18. HELIUM-3 SEPARATION. 5 "(a) Interagency Cooperation.—The Secretary shall cooperate with the Secretary of Energy, or a des-6 ignee, on any assessment or research relating to the ex-8 traction and refining of the isotope helium-3 from crude helium at the Federal Helium Reserve or along the Fed-10 eral Helium Pipeline, including— 11 "(1) gas analysis; 12 "(2) infrastructure studies; and 13 "(3) cooperation with refiners. 14 "(b) Feasibility Study.—The Secretary, in con-15 sultation with the Secretary of Energy, or a designee, may carry out a study to assess the feasibility of establishing 16 17 a facility to separate the isotope helium-3 from crude helium at— 18 "(1) the Federal Helium Reserve; or 19 "(2) an existing helium separation or purifi-20 21 cation facility connected to the Federal Helium Pipe-22 line. 23 "(c) Report.—Not later than 1 year after the date of enactment of the Helium Stewardship Act of 2013, the 25 Secretary shall submit to the Committee on Energy and

1	Natural Resources of the Senate and the Committee on
2	Natural Resources of the House of Representatives a re-
3	port that contains a description of the results of the as-
4	sessments conducted under this section.
5	"(d) Authorization of Appropriations.—There
6	is authorized to be appropriated to carry out this section
7	such sums as are necessary.
8	"SEC. 19. FEDERAL AGENCY HELIUM ACQUISITION STRAT-
9	EGY.
10	"Not later than 2 years after the date of enactment
11	of the Helium Stewardship Act of 2013, the Secretary (in
12	consultation with the Secretary of Energy, the Secretary
13	of Defense, the Director of the National Science Founda-
14	tion, and the Director of the National Institutes of
15	Health) shall submit to Congress a report that provides
16	for Federal users—
17	"(1) an assessment of the consumption of, and
18	projected demand for, crude and refined helium;
19	"(2) a description of a 20-year Federal strategy
20	for securing access to crude helium;
21	"(3) an assessment of the effects of increases in
22	the price of refined helium and methods and polices
23	for mitigating any determined effects, and

- 1 "(4) a description of a process for prioritization
- 2 of uses that accounts for diminished availability of
- 3 helium supplies that may occur over time.".

4 SEC. 7. CONFORMING AMENDMENTS.

- 5 (a) Section 4 of the Helium Act (50 U.S.C. 167b)
- 6 is amended by striking "section 6(f)" each place it appears
- 7 in subsections (c)(3), (c)(4), and (d)(2) and inserting
- 8 "section 6(d)".
- 9 (b) Section 8 of the Helium Act (50 U.S.C. 167f)
- 10 is repealed.

11 SEC. 8. REGULATIONS.

- 12 The Secretary of the Interior shall promulgate such
- 13 regulations as are necessary to carry out this Act and the
- 14 amendments made by this Act, including regulations nec-
- 15 essary to prevent unfair acts and practices.