

September 8, 2015

The Honorable Fred Upton
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Frank Pallone, Jr.
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Ed Whitfield
Chairman
Subcommittee on Energy and Power
U.S. House of Representatives
Washington, DC 20515

The Honorable Bobby Rush
Ranking Member
Subcommittee on Energy and Power
U.S. House of Representatives
Washington, DC 20515

Dear Chairmen Upton and Whitfield and Ranking Members Pallone and Rush:

We strongly urge you to recognize and embrace America's oil and natural gas production renaissance by supporting legislation to repeal the outdated and unwarranted ban on U.S. crude oil exports. As representatives of our Nation's oil and natural gas industry, we hope to see this bipartisan bill advance out of Committee for a vote on the House floor as soon as possible.

America's energy renaissance has created an opportunity for the United States to become a global energy superpower. In 2014, the U.S. surpassed both Saudi Arabia and Russia to become the largest petroleum producer in the world. The oil export ban was enacted by Congress in 1975, a time of perceived energy scarcity. In light of the U.S. oil production increase, maintaining this self-imposed restraint hinders our economy from realizing the benefits that could come from being an energy supplier to the world.

Extensive research on the benefits of crude oil exports – which include economic growth, job creation, savings for consumers and enhanced national security – has been conducted by think tanks across the political spectrum, academic institutions and government organizations. All have found that allowing U.S. oil to be freely traded on world markets, just like other U.S. produced commodities and manufactured goods, would provide benefits to our economy and national security.

Another study, released just last week by the U.S. Department of Energy's (DOE) Energy Information Administration (EIA), found that, "Petroleum product prices in the United States, including gasoline prices, would be either unchanged or slightly reduced by the removal of current restrictions on crude oil exports." Concerns about crude oil exports leading to higher domestic gasoline prices have proven to be unfounded and it is now clear that removing the ban could help save consumers money at the gas pump.

The EIA and U.S. Energy Secretary Moniz have confirmed that domestic gasoline prices are based on the international price of oil. The addition of U.S. oil to the global market will lower the international price of oil and therefore lower the price that U.S. consumers pay here at home for gasoline. It's the simple effect of greater supply on the global market leading to lower prices.

The U.S. is the only major oil producing country in the world that restricts its own exports of crude oil. The only other country in the world that has restrictions on oil exports is Iran, which is restricted because it has economic sanctions imposed on it by the international community. Lifting those sanctions, as being contemplated, could allow Iran to export oil again as early as 2016. Allowing Iran to export its oil but precluding U.S. oil producers from similarly competing and employing millions of Americans in producing that oil for export is utterly indefensible. It would be a strategic failure to lift the oil export ban on Iran but continue the prohibition on U.S. oil exports. The U.S. should assume the responsibility of leadership in serving as a stable, alternative source of oil supply for our global allies and trading partners, especially those dependent on hostile regimes for their energy supplies.

The numerous compelling benefits for American workers and consumers, our economy and our national security are clear. It is now time to act by passing legislation to repeal the antiquated and destructive 1970s-era oil export ban. We urge the Energy and Commerce Committee to do so.

Sincerely,



V. Bruce Thompson
President



Randall Luthi
President



Louis Finkel
Executive Vice President



Mike Cantrell
Chairman



Frank J. Macchiarola
Executive Vice President, Government Affairs



Leslie Beyer
President



Peter Regan
Executive Director



George Baker
Executive Director



Barry Russell
President and CEO



Albert L. Modiano
President