

ONE HUNDRED SEVENTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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WASHINGTON, DC 20515-6115

Majority (202) 225-2927
Minority (202) 225-3641

June 30, 2022

The Honorable Joseph R. Biden
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Biden:

I write to thank you for your numerous efforts to date to address the impact of rising fuel prices on American families, and to urge you to consider further action that could help to lower the price of gasoline at the pump. Specifically, I ask you to restore in whole or in part a ban on the export of crude oil.

In 2015, Republicans successfully pushed through Congress a repeal of the Energy Policy and Conservation Act's statutory crude oil export ban that protected U.S. refiners and consumers for over 40 years. As the Ranking Member of the House Energy and Commerce Committee (Committee) at the time, I strongly opposed this action out of concern that it would harm our energy security and economic well-being while also potentially increasing prices at the pump. I was particularly fearful that exporting crude oil and bypassing domestic refineries would result in economic harm to those facilities and loss of employment for their highly skilled U.S. workers.

Unfortunately, our current situation appears to have validated my concerns: the repeal of the export ban has only served to benefit oil companies and refiners in countries with lower environmental and labor standards. On January 1, 2016, immediately prior to the ban being lifted, the United States had 141 operable refineries with a total crude oil processing capacity of just over 18 million barrels per day.¹

¹ U.S. Energy Information Administration, *Refinery Capacity Report* (www.eia.gov/petroleum/refinerycapacity/archive/2016/refcap2016.php) (accessed June 28, 2022).

As of January 1, 2021, that number had dropped to 129 refineries.² In fact, between January 2017 and January 2021, the United States experienced a net loss of 12 refineries, with half those losses coming before declaration of the coronavirus disease of 2019 (COVID-19) pandemic emergency.³ The Trump Administration failed to timely address those closures and the American people are unfortunately paying for that inaction.

Thanks to the efforts of Committee Democrats, the law repealing the statutory crude oil ban preserved the President's ability to impose restrictions on such exports for up to one year if the President declares a national emergency, or if crude oil exports have resulted in sustained high prices and those increases are likely to cause adverse effects on domestic employment. I write today to request that you exercise that authority to help lower prices at the gas pump.

The United States is the largest producer of oil in the world, and domestic oil production has increased 16 percent since your first full month in office.⁴ But instead of refining that crude oil at home for domestic use, the United States is exporting near record-amounts of oil to other countries.⁵

As expected, unrestricted crude oil exports have increased profits for fossil fuel producers each year to the detriment of domestic refining investments and lower prices for consumers.⁶ Taking action to restrict exports could provide real relief to Americans.

As you examine new restrictions on the export of U.S. crude oil, it is also important to consider how the United States can continue to assist its allies with their energy needs, while minimizing our exports to non-allied countries. Russia's invasion of Ukraine is creating serious energy challenges in Ukraine and elsewhere that deserve our continued attention.

I believe that our current circumstances meet the requirements of the law with respect to reimposing export restrictions on U.S. crude oil. Stopping crude oil exports would increase the domestic supply of oil available to U.S. refiners and would consequently help reduce prices at the pump here at home.

² U.S. Energy Information Administration, *Refinery Capacity Report* (www.eia.gov/petroleum/refinerycapacity/archive/2021/refcap2021.php) (accessed June 28, 2022).

³ *Id.*

⁴ U.S. Energy Information Administration, *Monthly Crude Oil and Natural Gas Production* (www.eia.gov/petroleum/production/) (accessed June 28, 2022).

⁵ U.S. Energy Information Administration, *Petroleum and Other Liquids* (www.eia.gov/petroleum/weekly/archive/2022/220615/includes/analysis_print.php) (accessed June 28, 2022).

⁶ U.S. Government Accountability Office, *Crude Oil Markets: Effect of the Repeal of the Crude Oil Export Ban*, (Oct. 2020) (www.gao.gov/assets/gao-21-118.pdf) (accessed June 28, 2022).

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I, therefore, urge you to exercise your authority to halt the export of U.S. crude oil, except for those exports that directly help Ukraine and other U.S. allies weather the effects of Russian aggression.

Thank you for your swift and thoughtful attention to this request.

Sincerely,

A handwritten signature in blue ink that reads "Frank Pallone, Jr." in a cursive style.

Frank Pallone, Jr.
Chairman