



**Producers for
American Crude Oil Exports**

Jobs. Economic Growth. Security.

The Honorable John Boehner
Speaker of the House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Democratic Leader, House of Representatives
Washington, DC 20515

Dear Mr. Speaker and Democratic Leader Pelosi:

The Producers for American Crude Oil Exports (PACE), a coalition of 16 independent exploration and production companies that collectively employ more than 75,000 employees, strongly urge you to support HR 702, legislation that would lift the long outdated and now harmful 1970s-era ban on the export of domestically produced crude oil. In allowing U.S. crude oil exports, HR 702 will help spur economic growth and job creation, enhance energy security, reduce our trade deficit and generate more tax revenue for local, state and federal governments.

Oil exports will also help reduce the price at the pump for consumers. A broad consensus among economists and policy experts from across the political spectrum agrees with the Energy Information Administration's conclusion 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."

Lifting the ban will support jobs and spur economic growth. Numerous independent economic analyses have concluded that lifting the ban on crude oil exports will increase investment in the U.S. and support job growth across the supply chain. Ending the ban would add investment of nearly \$750 billion to the U.S. economy and higher oil production would increase GDP by \$135 billion. Furthermore, the increased economic activity resulting from the rise in crude oil production would support an average of 394,000 additional U.S. jobs per year between 2016 and 2030.

In addition, U.S. national security and geopolitical position in the world will be strengthened by crude oil exports. Ending the export ban will enhance U.S. national security by providing greater stability to the global crude oil market, reducing price volatility and providing our allies with a reliable and secure supply of energy.

Additionally, with sanctions restricting Iran's ability to export crude oil set to expire, Congress needs to level the playing field to allow U.S. oil producers to compete for international customers. The EIA projects that Iran will increase exports by 600,000 bpd by the end of 2016 which will cause a 400,000 bpd reduction in U.S. production – costing U.S. jobs and impacting communities. Former Secretary of Defense Leon Panetta and former National Security Advisor Stephen Hadley recently explained: "The U.S. has broken free of its dependence on energy from unstable sources...But our friends and allies, particularly in Europe, do not enjoy the same degree of independence. The moment has come for the U.S. to deploy its oil and gas in support of its security interests around the world."

Finally, oil exports will reduce the U.S. trade deficit and demonstrate America's commitment to free trade. Trade is an integral part of our economy – with the U.S. importing \$2.37 trillion and exporting \$1.64 trillion in goods in 2014 alone. While crude oil is currently banned from export, refined petroleum products, such as gasoline, diesel and home heating oil are exported. In 2014 the U.S. exported over 6.7 billion gallons of gasoline. EIA concludes that allowing oil exports will also increase the export of refined products from the U.S., which is a major benefit of the U.S. becoming an energy superpower.

For these reasons and more, we strongly urge each Member of the House to support HR 702.

Respectfully,

George Baker
Executive Director