

# United States Senate

WASHINGTON, DC 20510

June 26, 2015

President Barack Obama  
The White House  
1600 Pennsylvania Avenue NW  
Washington DC 20500

Dear Mr. President:

We write to express our concern with efforts to lift the longstanding ban on exporting American crude oil. Repealing the crude export ban is opposed by a broad coalition, including the AFL-CIO, the United Steelworkers, environmental organizations and domestic refiners. We are concerned that repealing the 40 year old statutory prohibition on exporting U.S. crude oil could harm consumers, businesses and our national security.

Repealing or weakening the crude oil export ban could harm our national security. Despite the production gains we have seen in recent years, the United States still imports roughly 5 million barrels of oil every day from foreign nations. We are neck and neck with China as the world's largest oil importers. Moreover, the Department of Energy (DOE) does not forecast that we will eliminate our dependence on foreign oil in future years. In DOE's recently released Annual Energy Outlook 2015, the reference case projects that U.S. crude oil production will peak in 2020 and then decline through 2040. Even at peak production in 2020, the Department of Energy forecasts that we will continue to import millions of barrels of oil a day. From the perspective of U.S. energy security, it is premature to contemplate lifting the ban on exporting domestically-produced crude oil when we are still – and projected to remain – dependent on millions of barrels of foreign oil every day.

We are concerned that lifting the crude oil export ban could harm American consumers by raising U.S. energy prices. Recent lower gas prices are acting like a massive stimulus for middle class families and small businesses across the country. Economists generally note that every penny reduction in gas prices translates into \$1 billion in consumer savings. U.S. oil prices have been trading at a significant discount to international oil prices in recent years. A recent Barclays report found that U.S. consumers saved \$11.4 billion last year at the pump because of lower U.S. oil prices. When the price of crude oil makes up nearly half of the cost of gasoline, we are concerned that allowing U.S. oil to be sold overseas at higher prices could increase prices here.

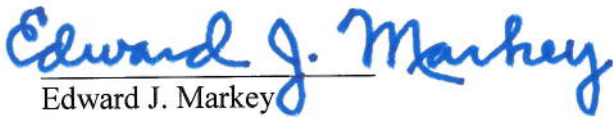
Repealing or weakening the export ban could harm U.S. businesses. Despite the claims of some, the U.S. refining industry is responding to our increasing oil production and increasing production of lighter crude oils. Industry analysts report that there are at least 800,000 barrels per day of refinery capacity additions or upgrades that are in the works. Many of these refinery upgrades involve investments of \$300 million per refinery or more and many of these investments are designed to handle our increasing production of lighter crude oils. Creating uncertainty about lifting the export ban will jeopardize these refinery investments, and hurt our

ability to create good-paying, American jobs. The Energy Information Administration has found that lifting the ban could lead to nearly \$9 billion less investment in the U.S. refining sector over the next decade. Outsourcing more of our refining capacity also makes America more dependent on other nations for our supply of critical transportation and heating fuels, hurting our domestic energy security.

Moreover, lifting the crude export ban could have important negative regional impacts. For example, the Government Accountability Office (GAO) has noted that some stakeholders have highlighted the potential that lifting the export ban could increase prices and threaten refineries in the Midwest and Northeast. Lifting the crude export ban could adversely affect the ability of some refineries to compete with foreign refineries. The Energy Information Administration (EIA) had previously found that closing refineries in the Northeast could lead to price spikes, increased volatility and supply shortages in the region. We are concerned about the impact that refinery closures could have on consumers across the country. Crude oil exports could also result in more oil being transported across the United States via rail and pipeline, which could increase the chance of derailments and serious accidents across the country or spills that can harm public health and the environment.

We are concerned that lifting the crude oil export ban could harm U.S. consumers, businesses and our national security and we urge you to pay close attention to these adverse impacts that could result from any efforts to repeal or weaken this longstanding U.S. law.

Sincerely,



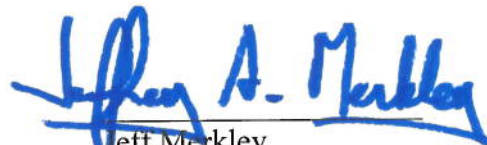
Edward J. Markey  
U.S. Senator



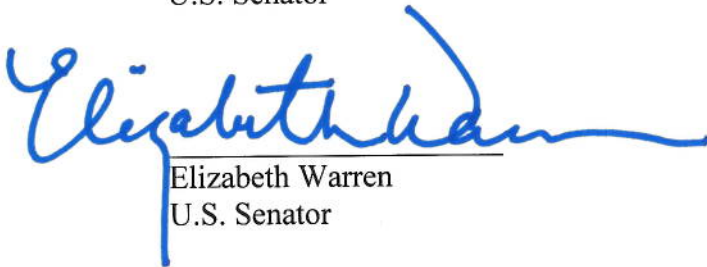
Robert Menendez  
U.S. Senator



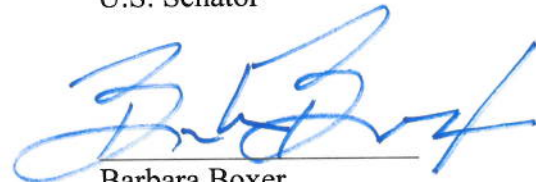
Sheldon Whitehouse  
U.S. Senator



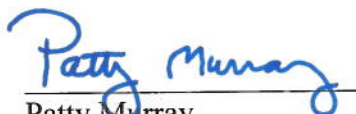
Jeff Merkley  
U.S. Senator



Elizabeth Warren  
U.S. Senator



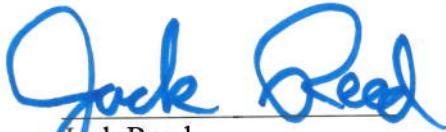
Barbara Boxer  
U.S. Senator




Patty Murray  
U.S. Senator

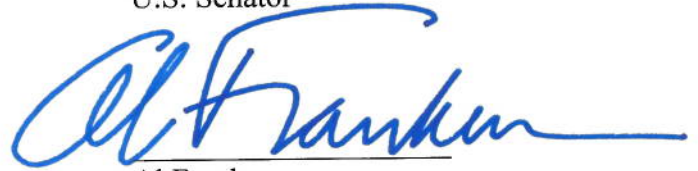



Mazie K. Hirono  
U.S. Senator

  
Jack Reed  
U.S. Senator

  
Ron Wyden  
U.S. Senator

  
Tammy Baldwin  
U.S. Senator

  
Al Franken  
U.S. Senator

  
Robert P. Casey Jr.  
U.S. Senator