December 16, 2013

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

Dear Mr. President:

I write to express my deep concerns over the recent comments of Energy Secretary Ernest Moniz, stating that your Administration is considering easing the ban on exporting domestically-produced crude oil. When Congress first enacted limits on crude exports in the 1970s following the oil embargo, these laws were designed to enhance American energy security and protect U.S. consumers from volatility and price spikes. Despite changes in the global energy market, these goals should remain priorities in our nation's energy policy. Easing this ban might be a win for Big Oil, but it would hurt American consumers.

As you know, the world price of oil (otherwise known as the Brent crude price) is currently about $110 per barrel, while the American price is about $97 per barrel. The threshold question then, is why would we want to export oil and raise American oil prices to match the world's oil price? Big Oil clearly wants to pad their record profits and fetch a higher price for their oil. But considering that the five largest publicly traded oil companies made $118 billion in profits last year, I think they are doing just fine. I believe we should be more worried about the bottom line for American families.

As our nation continues on the path to economic recovery, it is critical that we support working class families who are carefully budgeting every dollar. According to the U.S. Energy Information Administration, U.S. households are spending nearly $3,000 a year on gasoline[1]. Over the last ten years, American consumers have seen average gas prices rise from approximately $1.50 a gallon in 2003 to approximately $3.50 per gallon today. Crude oil that is produced in the U.S. should be used to lower prices here at home, not sent to the other side of the world.

We must continue to keep domestically-produced crude here to lower prices for consumers, while aggressively working towards clean and renewable alternatives. Allowing for expanded crude exports would serve only to enhance the profits of Big Oil, and could force U.S. consumers to pay even more at the pump. I urge you to reject any attempts to send more U.S.-produced crude oil abroad, and thank you for your attention to this important matter.

Sincerely,

_____

Robert Menendez
United States Senator

[1] http://www.eia.gov/todayinenergy/detail.cfm?id=9831