

Congress of the United States
Washington, DC 20515

March 9, 2020

The Honorable Dan Brouillette
Secretary
U.S. Department of Energy
1000 Independence Avenue SW

Dear Secretary Brouillette:

We write to express concern with the Department's plan to sell oil from the Strategic Petroleum Reserve (SPR) in light of recent actions that have destabilized world energy markets. Russia and the Organization of the Petroleum Exporting Countries (OPEC) recently announced plans to increase output, causing chaos and dramatic swings in the price of oil. Given these developments, we believe that you should reconsider the sale of oil from the SPR, as authorized by Public Law 114—74 and Public Law 116—94.

While we understand the need to continue with the modernization sale, the department should consider that a sale at this time will not provide a fair return to the taxpayer. Further, a sale at this time will likely fail to meet the financial targets associated with the underlying law.

U.S. energy production has had a tremendous benefit for U.S. consumers and created millions of jobs in recent years. In 2019 alone, offshore federal oil production reached nearly 683 million barrels of oil (a record high), and more than one billion barrels of oil were produced from leases on federal and American Indian-owned lands. We are undoubtedly on track to solidify our position as a global leader in energy production and transportation. However, the recent actions of certain OPEC+ countries, specifically Russia, and their unwillingness to adjust global production, combined with the evolving coronavirus situation has hampered global energy demand and has put downward pressure on oil prices to a level that which SPR oil sales may not be in the best interest to the federal government.

For that reason, we are writing to ask you to terminate the sale of assets currently planned from the SPR in whole or in part, as allowed by current law¹. Under current law, the Department has until the end of FY20 to complete the sale of these assets.

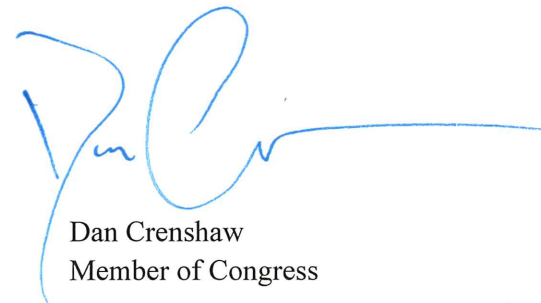


Liz Cheney
Member of Congress

Sincerely,



Garret Graves
Member of Congress



Dan Crenshaw
Member of Congress

¹ 15 U.S.C. 761; 42 U.S.C. 7101; 42 U.S.C. 6201.