

The proper, responsible use of the Strategic Petroleum Reserve (SPR) vs. the Biden administration's reckless abuse of the SPR

Testimony by Alex Epstein

The Strategic Petroleum Reserve (SPR) is a crucial tool to protect America's oil security—which is a foundation of its national security (oil powers our military) and economic security (oil powers modern mobility).

The Biden Administration is abusing the SPR and, as a result, threatening our oil security.

The purpose of the SPR is to aid the US in securing a reliable supply of oil and oil fuels by providing an “emergency” stockpile of up to 1/10th of US oil consumption—to be used during major “interruptions” of supply such as “sabotage” or disaster, then refilled after.¹

Office of Cybersecurity, Energy Security, and Emergency Response » Statutory Authority for an SPR Drawdown

The Energy Policy and Conservation Act's Statutory Authority for an SPR Drawdown

DEFINITIONS

SEC. 3. As used in this Act:

(8) The term "severe energy supply interruption" means a national energy supply shortage which the President determines -

(A) is, or is likely to be, of significant scope and duration, and of an emergency nature;

(B) may cause major adverse impact on national safety or the national economy; and

(C) results, or is likely to result, from (i) an interruption in the supply of imported petroleum products, (ii) an interruption in the supply of domestic petroleum products, or (iii) sabotage or an act of God.

¹ [U.S. DOE, Office of Cybersecurity, Energy Security, and Emergency Response - Statutory Authority for an SPR Drawdown](#)

[U.S. DOE, Office of Cybersecurity, Energy Security, and Emergency Response - About the SPR](#)

[U.S. Energy Information Administration - How much oil is consumed in the United States?](#)

The SPR is only an aid to oil security. The core of oil security is facilitating a reliable, affordable oil supply by protecting industry's freedom to invest in, produce, refine, and transport oil.

Without oil industry freedom, the SPR's modest stockpile can't make us secure.

Instead of protecting our oil security by protecting oil industry freedom and backing it up with an ample reserve, President Biden has doubly damaged it by

1. Attacking the oil industry's freedom, then
2. Dangerously depleting our reserve for political purposes

How President Biden has harmed oil security by attacking the industry's freedom

For the last over 15 years, the global anti-fossil-fuel movement, with major leadership by Joe Biden, has artificially reduced the supply of oil by opposing oil investment, production, refining, and transport.²

When global anti-fossil-fuel policies make oil supply go down, and oil demand goes up, oil prices go up.

And when oil prices are going up, the prices of everything in our global, oil-based economy go up.

It's really that simple.

Biden blames "Putin's war" for today's oil prices. But the root cause is global anti-fossil-fuel policies, supported by Biden—which made oil (and other fossil fuel) prices artificially high pre-war and prevented the free world from quickly increasing production in response.

Biden also blames the Covid-19 pandemic for reducing oil supply. But supply would have recovered faster had Biden and others not spent 2020-2021 making supply-suppressing

² [Alex Epstein - How a fake climate emergency created a real energy emergency](#)
[Alex Epstein - Testimony: "How the Biden Administration and the Global Anti-Fossil-Fuel Movement Caused an Energy Crisis and Inflated Our Cost of Living"](#)

threats to the industry, such as Biden's campaign promise: "I guarantee you, we're going to end fossil fuel."³

More broadly, had Biden and other Democrats spent the last 4 years liberating US fossil fuel investment, production, and transport instead of restricting and threatening them, America would produce significantly more oil.⁴

To summarize: Instead of protecting the core of oil security, oil industry freedom, Joe Biden and other anti-fossil-fuel politicians around the world have gravely harmed it for over 15 years by restricting oil investment, production, refining, and transport.

How President Biden has further harmed oil security by abusing the SPR

The 638 million barrels of oil in the SPR when Biden took office were supposed to be used for short-term, "emergency" "interruptions" such as "sabotage" or disaster.

Instead they were used for political purposes.

The proper response by Biden to Europe's and our vulnerability to Russia and to rising oil prices would have been: apologize for supporting anti-oil policies and lead a reversal of them to minimize further damage to our security and economy.

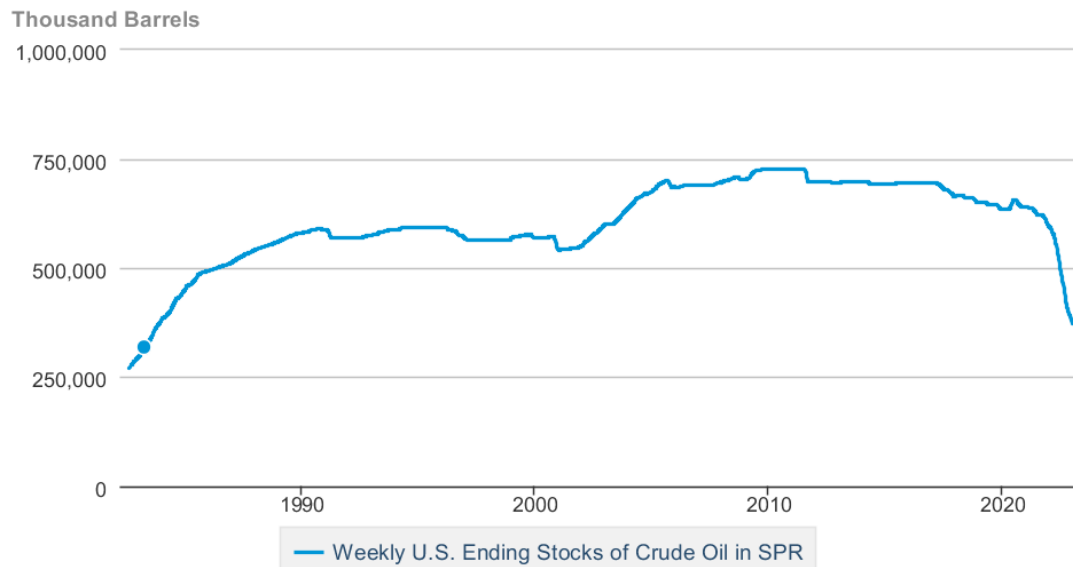
But instead of responding to artificially high oil prices, a consequence of anti-oil policies, with a reversal of those policies, Biden chose to keep his anti-oil policies but lower short-term prices by depleting our SPR—now down to its lowest level since the early 1980s.⁵

³ [Breitbart - Joe Biden Promises Environmentalist: 'Look into My Eyes; I Guarantee You, We Are Going to End Fossil Fuel'](#)

⁴ [Alex Epstein - America's energy crisis is mostly US Democrats' fault](#)

⁵ [U.S. Energy Information Administration - Weekly U.S. Ending Stocks of Crude Oil in SPR](#)

Weekly U.S. Ending Stocks of Crude Oil in SPR



Data source: U.S. Energy Information Administration

Even when full (at 714 million barrels), the SPR contains only 1/10th of US annual oil consumption (>7 billion barrels) and now (at 370M barrels) it contains 1/20th.⁶

This means less oil for real emergencies—such as wars, terrorist attacks or cyberattacks on US oil operations.

The administration claims Putin's war is exactly the kind of “emergency” the SPR is designed for.

Wrong.

Putin's war is not an oil emergency that justifies depleting the SPR now; it is a potential oil emergency that justifies keeping the SPR as full as possible.

Since oil prices have gone down since Biden's biggest SPR withdrawals, the Administration is bragging that they can profitably refill it. But even if they can, it doesn't change the fact that the depletion was reckless, putting our oil security in jeopardy at a critical time.

Biden's main goal in dangerously depleting the SPR has clearly been to lower gasoline prices to help his party's election prospects—the same goal he had when he asked OPEC+

⁶ [U.S. Energy Information Administration - Weekly U.S. Ending Stocks of Crude Oil in SPR](#)
[U.S. Energy Information Administration - How much oil is consumed in the United States?](#)

to delay production cuts for just one month so that subsequent price increases would happen post-election.⁷



A President's discretion over the SPR gives them the grave responsibility to use their best judgment about when to deplete it—doing so only when that is, in their honest judgment, what is best for the country's oil security.

President Biden failed to uphold this responsibility.

To summarize: Instead of protecting our oil security by protecting oil industry freedom and backing it up with an ample reserve, President Biden has doubly damaged it by first attacking the oil industry's freedom, then dangerously depleting our reserve for political purposes.

The solutions to our crippled oil security are:

1. Focus on liberating the oil industry as much as possible, including withdrawing this administration's many threats.
2. Commit to using the SPR responsibly, not politically.

⁷ [New York Post - White House cops to pushing Saudi Arabia to postpone oil cuts until after midterms](#)

Unfortunately, the Administration is 1) continuing its attacks on the oil industry's freedom, and 2) taking no responsibility for its abuse of the SPR.⁸

I hope that this hearing is a step toward reversing this dangerous state of affairs, and I welcome any and all questions.

Alex Epstein is founder and president of the Center for Industrial Progress and the author of *Fossil Future: Why Global Human Flourishing Requires More Oil, Coal, and Natural Gas—Not Less*.

⁸ [Alex Epstein - Talking Points on US Democrats engaging in epic denial on oil and gasoline prices](#)