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The Honorable Ed Whitfield
Chairman
Subcommittee on Energy and Power
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20510

The Honorable Bobby L. Rush
Ranking Member
Subcommittee on Energy and Power
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20510

Dear Chairman Whitfield and Ranking Member Rush:

On behalf of the American Petroleum Institute (API), I write today to commend the House Energy and Commerce Subcommittee on Energy and Power for holding a hearing to reexamine America's outdated export restrictions on crude oil. Revisiting these 1970s-era trade policies is a critical step toward maximizing the benefits of our energy revolution.

As you know, America is now the world's largest natural gas producer and, in 2015, is expected to become the world's largest oil producer. This is the result of innovations in hydraulic fracturing and horizontal drilling. By opening the doors to free trade, America can harness this energy abundance to create jobs, grow our economy, and cut the trade deficit. Furthermore, exports will expand America's geopolitical influence, helping our allies abroad and diminishing the influence of foreign suppliers that dominate other markets.

Study after study agrees that exports are good for consumers and will grow our economy. Estimates analyzed by the Government Accountability Office projected that exports would put downward pressure on consumer prices by increasing the global supply of fuel, saving U.S. consumers 1.5 to 13 cents per gallon on gasoline. Most recently, the Energy Information Administration confirmed the same link between global crude prices and gasoline costs for consumers here in the U.S.

According to ICF, the free trade of U.S. crude also could prompt up to \$70 billion in additional U.S. investment by 2020, leading to an increase in crude oil production of 500,000 barrels per day and 300,000 new jobs. In addition, ICF estimates that crude exports would contribute to the administration's goal of doubling exports by cutting the trade deficit as much \$22 billion annually by 2020.

As we have seen in recent weeks, America's growth as an energy superpower has been a game changer, creating a more competitive global market, where one group cannot easily control prices. Our competitive position is strong because U.S. producers are at the forefront of innovation and continually improving efficiency. To ensure that America maintains that momentum, we should adopt modern trade policies that allow producers to access a free market for America's crude.

By opening the door to foreign markets – as well as turning aside duplicative regulations and permitting access to energy on federal lands – Congress can help to protect U.S. economic growth and energy security. Once again, we would like to thank the subcommittee for its attention to this critical issue, and we look forward to working with you in the months ahead to advance America's growth as a global energy superpower.

Sincerely,

A handwritten signature in black ink, appearing to read 'LF', with a long horizontal flourish extending to the right.

Louis Finkel