

## The American Energy Alliance

# *To Adapt to Changing Crude Oil Market Conditions*

## *Bill hr702*

### *Description*

Earlier this year, Rep. Joe Barton introduced H.R. 702, a bill to end the ban on crude oil exports. The American Energy Alliance supports ending the crude oil export ban and urges all Members of Congress to co-sponsor H.R. 702. Co-sponsorship of this legislation will be calculated into our American Energy Scorecard.

The crude oil export ban is an outdated and economically damaging policy. The statute is a relic from the 1970s. Technological advances, specifically in hydraulic fracturing and horizontal drilling, have given way to a domestic oil boom. **Since 2008, U.S. oil production has increased more than 80 percent** and will almost certainly continue to increase. Today, the U.S. is the largest combined oil and natural gas producer in the world. But banning oil exports puts a damper on future domestic oil expansion. This means greater uncertainty and fewer jobs for U.S. oil producers.

One of the biggest concerns about allowing oil exports is that it seems like it would increase gasoline prices here at home. In fact, studies show the opposite would occur because allowing U.S. oil exports would increase the overall supply of oil in the world. This would drive down fuel prices at home and abroad.

For example, the Brookings Institution found a potential **9 cents per gallon** drop in gas prices. IHS estimates lifting the ban could lower gas prices by **8 cents per gallon**, and an industry study estimates removing the export ban could result in up to **\$5.8 billion in reduced consumer fuel costs** from 2015-2035.

The American Energy Alliance will include co-sponsoring H.R. 702 to end the ban on crude oil exports as a component of a Member's final score in our American Energy Scorecard.