

# U.S. Sen. Baldwin: As Putin's illegal invasion of Ukraine causes gas prices to rise, Baldwin joins colleagues to urge Biden Administration to tap strategic petroleum reserve

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*WASHINGTON, DC* – In an effort to combat a sharp rise in oil prices amid Vladimir Putin's illegal invasion of Ukraine, U.S. Senator Tammy Baldwin (D-WI) joined a bicameral group, led by Senator Jack Reed (D-RI) and U.S. Representative Ro Khanna (D-CA), in sending a letter to President Biden urging the White House to stabilize gas prices and help working families by releasing oil from the Strategic Petroleum Reserve (SPR). Drawing down oil from the federal government's stockpile now and then replacing it later with less expensive crude could help temporarily keep gas prices down for Americans, strengthen U.S. national security, and be a good deal for taxpayers.

"As Russia's invasion of Ukraine continues to cause volatility in the global oil market, we are writing to urge you to consider using all of the tools at your disposal to insulate Americans from rising gasoline prices. This includes an additional release from the Strategic Petroleum Reserve, the use of diplomatic pressure to encourage global oil producers to ramp up their output, and restrictions on petroleum exports unless they will advance our national security goals and lower prices for consumers," **the members of Congress wrote.**

In addition to Senators Baldwin and Reed and Rep. Khanna, the letter is also signed by U.S. Senators Patrick Leahy (D-VT), Richard Blumenthal (D-CT), Ron Wyden (D-OR), Raphael Warnock (D-GA), Chris Van Hollen (D-MD), Maggie Hassan (D-NH), and

Sherrod Brown (D-OH).

The Strategic Petroleum Reserve is an emergency stockpile of petroleum maintained by the U.S. Department of Energy (DOE). It is the largest known emergency supply of oil in the world, and its underground salt domes in Louisiana and Texas has an authorized capacity for approximately 714 million barrels.

According to DOE, the average price paid for oil in the Strategic Petroleum Reserve – \$29.70 per barrel. Today, gas prices surged to over \$100 per barrel for the first time since 2014.

In November, President Biden ordered the release of 50 million barrels of oil from the Strategic Petroleum Reserve to deal with surging gasoline prices in the U.S. which appeared to put a temporary damper on them.

Crude oil prices represent the biggest factor in terms of the prices that consumers pay at the gas pump. But the cost of refining, distribution expenses, taxes, and rent for the gas station also influence the price at the pump.

The full text of the letter is available [HERE](#) and below:

Dear President Biden:

As Russia's invasion of Ukraine continues to cause volatility in the global oil market, we are writing to urge you to consider using all of the tools at your disposal to insulate Americans from rising gasoline prices. This includes an additional release from the Strategic Petroleum Reserve, the use of diplomatic pressure to encourage global oil producers to ramp up their output, and restrictions on petroleum exports unless they will advance our national security goals and lower prices for consumers.

We appreciate your decision last November to release 50 million barrels of oil from the Strategic Petroleum Reserve and to coordinate that effort with similar releases by our allies. We believe the current moment calls for another release to help lower

gasoline costs for struggling American families and businesses.

Due to the pandemic, oil speculators, and worldwide energy price spikes, Americans consumers are paying \$1 more at the pump than a year ago. Families are having to choose between filling up their cars and putting food on their kitchen tables. In our home states, high gasoline prices are hurting families and small businesses still trying to dig themselves out of the economic fallout of the pandemic. Meanwhile, the major oil companies are pocketing their highest profits in years, and they are using those profits to issue higher dividends and buy back stock. We support your pledge to “closely [monitor] energy supplies for any disruption” and echo your words of caution that “American oil and gas companies should not exploit this moment to hike their prices to raise profits.”

Similarly, international oil producers rely on the United States for their security, yet are lining up with Russia in setting production targets. At a time when American consumers are suffering because of Russia’s actions, we should insist that our international partners do more to increase production and stabilize prices.

Finally, at a time of significant unrest, we should be judicious in allowing the export of domestically produced petroleum. Today, total U.S. production of petroleum liquids roughly matches domestic consumption. Indeed, the Department of Energy projects that the U.S. will reach its highest level of crude oil production by next year and that net exports of petroleum product will reach new highs this year. We should leverage that capacity to ensure that consumers at home are protected and that our global partners have access to supply no matter what actions Russia takes.

We know that in the long-term, eliminating U.S. dependence on oil will provide the stability we need to keep energy costs low for American households. To that end, we were proud to support the Infrastructure Investment and Jobs Act, championed by your administration, which will invest \$7.5 billion to build out a national network of electric vehicle chargers and \$90 billion to improve public transit systems, including funding for electric buses. We also believe now is the time to enact your clean energy plan to fight climate change and further insulate Americans from exogenous energy shocks.

Yet, as states work to implement transformative changes to our transportation system, Americans will feel increased pain at the pump in the short-term due to Russia's actions in Ukraine. We believe the current moment calls for the Administration to use all its options to help insulate American households from price spikes being exacerbated by events far from home.

Thank you for your continued leadership on this important issue.

Sincerely,

An online version of this release is available [here](#).