



FOR IMMEDIATE RELEASE

April 20, 2015

[Permalink](#)

CONTACT: [Robert Dillon](#) 202.224.6977

Sen. Murkowski Calls for Lifting Prohibition on Crude Oil Exports
Top Republican Announces Plans for Legislation to Repeal Ban in CERAWeek Speech

Houston, T.X. – U.S. Sen. Lisa Murkowski, R-Alaska, today announced plans to introduce legislation this year to end the 40-year-old ban on exporting domestic crude oil production.

In her keynote address to national and international energy leaders at the 34th annual [CERAWeek](#), Murkowski also underscored her efforts to increase access to America’s natural energy resources, including those in her home state of Alaska, and to secure America’s place in “Energy’s New World.”

“America has entered an era of energy abundance. Imports are down, and so are prices. We are on the verge of being able to help our allies and trading partners with our energy – instead of competing with them for supply from others,” Murkowski said.

Murkowski called many federal energy policies, including the prohibition on oil exports, “alarmingly deficient and outdated” and highlighted the importance of reforming the nation’s energy policies. She also noted the urgency of ending the ban, as American sanctions on Iran could soon be lifted bringing as much as 1 million barrels a day of Iranian oil onto the global market.

“The United States has a general prohibition – a ‘ban’ – on exports of domestic crude oil. To me, this equates to a sanctions regime against ourselves,” Murkowski said. “It hurts American producers, who have to sell oil at a significant discount to Brent, and it hurts American consumers, whose prices at the pump are higher than they would otherwise be.”

“We should not lift sanctions on Iranian oil while keeping sanctions on American oil. It makes no sense,” Murkowski added.

Murkowski, the chairman of the Senate Energy and Natural Resources Committee, concluded her remarks with a pledge to “find a way to have a rational conversation about energy policy” but cautioned that “there’s no guarantee of that in the current political climate, but we must make the attempt – to do our jobs and to legislate.”

The full text of Murkowski’s speech is available on the Senate Energy and Natural Resources Committee [website](#) and pasted below.

Opening Remarks: CERA Week 2015
Sen. Lisa Murkowski
April 20, 2015

Dan, thank you for that warm introduction, and for organizing another outstanding CERA Week. I also want to thank you for inviting me back here to Houston, for the second year in a row, to be part of it.

My goal today is to provide a policymaker's perspective on the future of U.S. energy policy – in 12 minutes or less. As a reference point, I want to look back to 2007. That's the last time Congress passed a major energy bill, and there have been many big changes since then.

In 2007, we had a different President, a different party in control of Congress, a different regulatory environment, and a different mindset about our energy future. We had not yet gone through a major recession – or seen the American oil and gas industry help lead us out of it. We had not yet witnessed historic increases in oil and gas production on private and State land, and instead faced high-energy costs and high import dependence.

Today, however, thanks to many of the people in this room, we are in a better place.

America has entered an era of energy abundance. Imports are down, and so are prices. We are on the verge of being able to help our allies and trading partners with our energy – instead of competing with them for supply from others. Of course, we continue to face many threats to our growth and prosperity, which should also shape our approach to our energy policy. For starters, America still imports roughly 7 million barrels of oil every day.

One constant is that the world has remained a dangerous place, by virtue of territorial aggression, nuclear ambitions, terror in Iraq and Syria and elsewhere, and too many other factors to name.

Here at home, many of our federal policies are still alarmingly deficient and outdated – in genuine need of modernization and reform. The federal government now routinely fails to permit energy projects, mines, and infrastructure in a timely manner. The Keystone XL pipeline, at more than 2,400 days of delay, is the best example. But it is hardly the only one.

In my home state of Alaska, the President has rejected some of America's best opportunities for new development. This Administration has chosen to lock down the 35 billion barrels of conventional oil in our federal areas, rather than recognizing the jobs, revenues, security, and prosperity they would bring.

All of this has factored into my thinking, as I survey the current state of U.S. energy policy. What I have recognized now is the prime time to make lasting improvements to our energy policy. So that's exactly what I have set out to do.

Those of us on the Senate Energy Committee are beginning work on a broad energy bill, and we are breaking with tradition. Instead of dividing our bill into oil, renewables, gas, electricity, pipelines, and so on, we are focusing on four broad titles: efficiency, supply, infrastructure, and reforms to promote accountability.

This reflects my basic philosophy that energy is good. Rather than divide by source, we need to

come together and strengthen affordable, abundant, secure, safe, and reliable energy systems for our country and the world.

Over the next few months, we will hold a series of hearings and markups. Later this summer, we hope our work will advance to consideration on the Senate floor.

Given that I spoke here last year about the need for access to new lands and new markets, many of you are probably wondering: will oil exports be in our broader bill? It's too early to know, just yet. But it is time to lift America's ban on domestic oil exports, which is why I am actively turning to legislation on that topic this year.

If last year was the Year of the Report, this should be the Year of Legislation. So I am announcing today – right here, right now – that I plan to introduce a bill that fully repeals our nation's outdated export ban, while still preserving the emergency authority of the President.

There are many studies and economic principles that show why the export ban should be repealed. But the latest case in point comes from the Administration's nuclear deal with Iran.

Last Thursday, we held a hearing where Adam Sieminski, the Administrator of the Energy Information Administration, testified that the Iran deal could – depending on the details – bring as much as 1 million barrels of Iranian oil onto the global market each day.

Meanwhile, the United States has a general prohibition – a “ban” – on exports of domestic crude oil. To me, this equates to a sanctions regime against ourselves. It hurts American producers, who have to sell oil at a significant discount to Brent, and it hurts American consumers, whose prices at the pump are higher than they would otherwise be.

We should not lift sanctions on Iranian oil while keeping sanctions on American oil. It makes no sense.

While we work on legislation to repeal the oil export ban, I want to note that current law allows the President to make “exemptions” from the ban for a whole range of reasons – the country of destination, the purpose of the export, and more.

Nothing prevents America's trading partners from asking for exemptions. One already exists for Canada and you've seen an effort to move toward granting the same status to Mexico.

Why stop there? Why not members of NATO, such as Italy, which relies on Libya; Poland, which relies on Russia; or the enormous refining complex in the Netherlands, which serves the European continent and the world? Why not our traditional energy partners in Asia, such as South Korea, Japan, and even India?

Full repeal of the oil export ban is a priority, but exemptions for allies can happen today.

The list of options for improving U.S. energy policy is actually quite long right now. I see the potential for greater efficiency in our use of energy. It should be our goal to cut down on the permitting delays that reduce investment and harm our competitiveness. It should be our goal to open our most productive lands to development – and, in an era of low prices, to open the lands where the cost of development is lowest. We should look to Alaska – and the Arctic – and recognize the amazing opportunities they offer. And it should be our goal to open up new

markets, which will benefit both our country and the world.

What is also clear is that whether we are considering a broad bill, an exports bill, production from Alaska, or something else, nothing out there is a *fait accompli*. There are many people with ideas and opinions. Many of them are fundamentally different than mine and yours. So we also need to find a way to have a rational conversation about energy policy. There's no guarantee of that in the current political climate, but we must make the attempt – to do our jobs and to legislate.

While I am chairman of the Energy Committee, that's exactly what we are going to do. We are going to legislate, instead of allowing our policy and our future to be decided by regulators and courts. We are going to do our best to work together, and we will work tirelessly to secure America's place in "Energy's New World."

###

Energy.Senate.Gov

