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Sen. Murkowski: Iran Oil Could Hurt U.S. Production if Prohibition on Exporting Domestic Crude Oil isn't Lifted *Restrictions on U.S. Oil Trade Amount to "Domestic Sanctions"*

Washington, D.C. – U.S. Sen. Lisa Murkowski, R-Alaska, today drew attention to the potential impact that ending sanctions against Iran could have on U.S. production if the outdated prohibition on exporting domestic crude oil is not also lifted.



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“If sanctions on Iran are lifted, Tehran will be able to make money by selling their oil to our friends and may use that money to destabilize our allies,” Murkowski said. “If we lift the current sanctions on Iran while keeping in place our own domestic sanctions on crude oil exports, America’s ability to increase its domestic energy security and that of our allies will suffer.”



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Adam Sieminski, administrator of the Energy Information Administration (EIA), testified before the Senate Energy and Natural Resources Committee on Thursday that sanction relief could result in as much as 1 million barrels a day of Iranian oil flooding the global market. Meanwhile, most U.S. oil production is blocked from competing on the world market by regulations leftover from the 1970s.

Murkowski, chairman of the energy committee, stressed the strategic benefits to the United States of rising domestic oil production, including providing flexibility in dealing with trouble spots such as Iran. “It doesn’t make sense that American producers are blocked by U.S. law from selling to the same markets that Iran could reach once the sanctions are lifted,” Murkowski said.

“It is important for us to recognize that if these sanctions on Iran are lifted and we in fact keep our own domestic sanctions in place it effectively ends up being a liability for us,” Murkowski said. “U.S. producers should be allowed to compete directly with Iran in the global market.”



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EIA Administrator Sieminski said rising U.S. oil production – currently at 9.2 million barrels a day, its highest level since 1972 – has helped stabilize world markets and keep prices in check.

“The impact of U.S. production goes beyond just the Iranian sanctions issue,” Sieminski said. “Back in 2012 and 2013, there were some really serious interruptions in oil production in countries like Libya, Sudan, Yemen, Syria, and others. They add up to a huge amount of oil – over 2 million barrels a day, at one point approaching 3 million barrels a day. If it hadn’t been for the growth in shale production in the U.S. and production in a few other countries, including Canada, the price of oil would have been a lot higher. Obviously that would have been a benefit to producers but the overall impact on the economy could have been pretty devastating. The growth in production in the U.S. played an important role in stabilizing the global oil markets.”

Murkowski has long called for modernizing U.S. energy and trade policy to end the ban on crude oil exports. In March, she held a [hearing](#) looking at the economic and strategic benefits of ending the outdated export prohibition. Murkowski released a [report](#) last year on the need to liberalize America’s energy trade policies.

Chairman Murkowski opening statement is available on the Senate Energy and Natural Resources Committee [website](#). The EIA’s Annual Energy Outlook is available [here](#).

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