United States Senate
WASHINGTON, DC 20510

May 23, 2018

The President
The White House
Washington, DC 20500

Dear Mr. President:

World crude oil prices increased over 75 percent in the past year, with some market analysts expecting prices to approach $100 per barrel in the coming months. Elevated fuel prices are a burden on every family, business, and farm and threaten our nation's continued economic growth and global competitiveness. Today, we call on you to use all of your authority to take timely action to pressure the Organization of the Petroleum Exporting Countries (OPEC) and cooperating countries to increase world oil supplies in order to lower prices at the pump during the upcoming summer driving season.

The U.S. Energy Information Administration (EIA) attributes current increases in crude oil prices to "falling global oil inventories, heightened market perceptions of geopolitical risks, and strong global economic growth signals." Indeed, global oil supplies have been relatively flat over the last two years, despite record U.S. crude oil production, because of an agreement between the OPEC and non-OPEC countries like Russia to decrease their oil production by around 1.7 million barrels per day starting in January 2017. Since the agreement has been in place, those countries have actually reduced production by over 2.4 million barrels per day.

Surging oil prices have made gas station fill-ups more expensive. According to the EIA, gasoline prices will average $2.95 per gallon this summer, 61 cents higher than last year. That means the average U.S. household will be forced to pay $167 more in fuel costs this summer driving season as compared to the same period last year. Diesel fuel, essential for transporting American goods to market, will average 64 cents more per gallon than last summer, and prices could top $4 per gallon in some states.

The impact of rising fuel prices on our economy and on family budgets is significant and widespread. According to a recent analysis by Goldman Sachs, the run up in oil prices will roughly cancel out the effects from tax reductions this year, with the greatest impact on households that can least afford it.

Last month, you said it was unacceptable for OPEC to artificially inflate oil prices. We agree and urge you to work with our international partners to take the following actions to make sure OPEC does not continue to suppress world crude oil supplies, and to protect domestic policies that help consumers:

- Leverage your personal relationship with Saudi Crown Prince Mohammad bin Salman to urge Saudi Arabia to use their swing capacity to increase world oil supplies.
- Send Energy Secretary Perry to the June 22, 2018, OPEC meeting in Vienna, Austria to personally communicate the importance of maintaining stable crude oil prices.
- Initiate World Trade Organization dispute proceedings against countries engaged in anticompetitive practices that artificially inflate world oil prices.
- Work with our European allies and China, which last year surpassed the United States as the world's largest oil importer, to put pressure on oil exporting nations.
- Direct the Federal Trade Commission, Commodities Futures Trading Commission, and the Department of Justice to exercise vigorous oversight over oil markets.
- Maximize the use of more environmentally friendly and domestically produced biofuel alternatives by protecting the Renewable Fuel Standard.
- Abandon your Administration's stated plan to roll back fuel economy standards that otherwise will save the average car owner more than $6,000 over the life of the car and cut the nation's oil consumption by over two million barrels per day by 2025.

The current run up in world oil prices is effectively a tax on every American family's discretionary budget, except that the money goes to the OPEC cartel rather than the U.S. Treasury. Adding to our constituents' pocketbook concerns is their understanding that our nation's continued dependence on oil is at the heart of many of our nation's greatest economic, environmental, and national security challenges.

Sincerely,

Maria Cantwell　　Robert Menendez Jr.

Charles Schumer　　Edward J. Markey