

Washington, DC - House Speaker Nancy Pelosi late last week called on President Bush to suspend shipments to the Strategic Petroleum Reserve (SPR), an initiative Rep. Peter Welch (VT-AL) is leading in the U.S. House to lower prices at the gas pump.

At the end of another week of record high gas prices, [The Hill](#) reported Friday that in responding to Pelosi's call, President Bush continues to oppose temporarily suspending shipments to the SPR in order to reduce demand and lower gas prices.

"Vermonters and Americans are being crippled by these gas prices and anything Congress can do to ease this burden should be done," Welch said. "President Bush is hopelessly out of touch with the pain consumers are feeling at the pump."

Welch is also the lead sponsor of The Close the Enron Loophole Act, legislation that would restore regulation of energy markets to end price manipulation and excessive speculation by energy traders.

Welch first urged President Bush to suspend shipments to the SPR on February 8 with Rep. Rahm Emanuel and Rep. Ron Kind. At that time, Welch also introduced legislation to compel the president to stop shipments to top off the SPR if the president failed to act. This short-term action could save consumers as much as 24 cents per gallon.

Welch's bill, the Strategic Petroleum Reserve Fill Suspension and Consumer Protection Act of 2008, H.R. 5473, requires the Secretary of the Department of Energy (DOE) to suspend shipments to the SPR in 2008, or until the average price of crude oil falls below \$50 a barrel.

The bill has 63 co-sponsors.

The SPR currently contains 701.3 million barrels and is 96 percent full. Since 2001 the Bush administration has purchased oil for the SPR regardless of market conditions and shipments have continued despite record-high oil prices. Last November, the DOE announced that it had

contracted for an additional 12.3 million barrels of oil shipments beginning this year. Additionally, the DOE is scheduled to increase purchases to the SPR in August, in the middle of peak summer driving season. They plan to make an additional purchase worth \$585 million.

[Recent experience and research](#) shows that suspending SPR purchases will drive down gas prices in the short-term. Independent economists, including a team at Goldman Sachs, have estimated that filling the SPR has raised the cost of oil between \$2.25 and \$6 per barrel, or 4 and 24 cents per gallon at the pump.

All three presidential candidates support suspending shipments to the SPR.

The letter by Welch, Emanuel, and Kind from February 8 can be found [here](#) .