

Washington, DC - Following the U.S. Congress passing legislation authored by Rep. Peter Welch (D-VT) to help reduce gas prices earlier this week, the U.S. Department of Energy (DOE) announced today it will temporarily suspend shipments of oil to the Strategic Petroleum Reserve (SPR).

CNN is reporting that "In quick response, oil prices retreated from a record high near \$128 a barrel." [5.16.08]

Welch called on President Bush to suspend SPR shipments in February and also introduced legislation compelling him to do so if he failed to act.

"The Department's action today underscores that President Bush had the authority all along to trigger lower oil prices. He should have taken this action months ago. It's a shame that he needed to be compelled by Congress to help consumers. While the bill sits on his desk, the president is on bended knee in Saudi Arabia begging for more oil production. He should sign the bill as soon as he gets back and work with the Congress on a sound energy policy that ends our dependence on oil," said Welch.

The DOE announced in a statement, "The U.S. Department of Energy today announced it will not sign contracts this year for the receipt, exchange and transportation of up to 13 million barrels of crude oil to the Nation's strategic petroleum reserve sites (SPR)."

The contracts would have initiated the sale of crude oil starting in July 2008 through December 2008. Welch's legislation to suspend shipments for the year is on the president's desk awaiting signature.

Both the U.S. House and U.S. Senate passed legislation authored by Welch directing the Bush administration to temporarily suspend shipments to the Strategic Petroleum Reserve (SPR) as a short-term action to lower prices at the fuel pump. The legislation passed the U.S. Senate Thursday night and was sent to President Bush for his signature.

The president has stated his opposition to the legislation, however, the House version passed both chambers by wide bipartisan margins. The Senate passed Welch's bill by unanimous consent Wednesday evening, following a Tuesday vote of 385 to 25 in the House and a Senate vote of 97 to 1 on companion legislation authored by Sen. Byron Dorgan (D-ND).

House Speaker Nancy Pelosi said in a statement late yesterday, "I want to commend Congressman Peter Welch of Vermont and Senator Byron Dorgan of North Dakota for their tremendous leadership in shepherding this legislation through the House and Senate."

The Strategic Petroleum Reserve Fill Suspension and Consumer Protection Act of 2008, H.R. 6022, sponsored by Welch, Reps. Nick Lampson (D-TX) and Edward Markey (D-MA), directs President Bush to suspend shipments to the SPR through the end of the year or until prices drop below \$75 per barrel. This action could reduce gas prices by 5 to 24 cents per gallon, according to experts.

In recent weeks, and as gas prices continued to skyrocket, Welch's SPR initiative received support from nearly 100 co-sponsors, as well as support from House Speaker Nancy Pelosi and Democratic leadership. Earlier this week, Welch introduced H.R. 6022, a revised version of his bill (H.R. 5473) to address technical concerns.

Currently, to fill the SPR, the government is spending taxpayer dollars to purchase oil at record high prices and taking 70,000 barrels of oil off the market each day. The reserve is 97 percent full, sufficient to meet our national security needs.