

With turmoil spreading across the Middle East, light sweet crude oil spiking above \$100 a barrel for the first time since 2008, and summer driving season fast approaching, Rep. Peter Welch (D-Vt.) and two House colleagues have asked President Obama to reprise a tactic used by the last three presidents and consider using the Strategic Petroleum Reserve [SPR] to reduce prices in the short-term for American consumers and businesses.

"As we approach the summer driving season, we must carefully consider all immediate options in order to prevent the runaway increase in prices that we saw in the summer of 2008," write Reps. Edward J. Markey (D-Mass.), Rosa DeLauro (D-Conn.) and Peter Welch (D-Vt.). "We therefore urge you to consider leveraging the SPR to respond to these supply disruptions and combat the rapid price escalations resulting from rampant speculation in the oil markets."

The letter can be found [HERE](#) .

Even before the recent spike in oil prices, the Department of Energy was forecasting high gas prices this summer. Earlier this month, the Energy Information Administration (EIA) projected that the nationwide average for regular gasoline would be \$3.20 per gallon during the summer driving season, with a 10 percent chance that prices would exceed \$4.00 per gallon.

The SPR currently holds 727 million barrels and is filled to capacity. The current budget request from the president already proposes a \$500 million non-emergency sale of SPR oil. The letter notes that while OPEC nations have available spare production capacity that could easily offset any disruption in Libyan supply, "[OPEC nations] also profit from oil price spikes and therefore have little incentive to quickly respond with the increased supply needed to calm markets."

"Releasing even a small fraction of that oil could have a significant impact on speculation in the marketplace and on prices," write Reps. Markey, DeLauro and Welch. "It would also remind the world that the United States is ready, willing and able to use the SPR aggressively and effectively if needed. Signaling your intent to consider selling oil from the SPR in the near term would send a strong signal to oil markets responding to the unrest in the Middle East."

The letter notes this is an important short-term step to help consumers, but "in the long term, we

need to develop clean energy alternatives that can reduce our dependence on oil and insulate us from supply shocks. Clean energy, fuel economy and innovation are American made solutions that will end our dangerous reliance on foreign oil and OPEC."