

Opening Statement
Chairman Ron Wyden
Committee on Energy and Natural Resources
U.S. Crude Oil Exports: Opportunities and Challenges
Jan. 30, 2014

- Senator Murkowski and I wanted to have this hearing because America's energy renaissance has sparked a conversation on whether exporting crude oil is in the national interest. I think it's fair to say this conversation is not going to be resolved any time in the next few weeks.
- Certainly there is a lot of interest in the subject, and that's why we thought it was important to hold this hearing on a very important issue.
- Personally, I believe deeply in expanded trade. In Oregon, one out of six jobs depends on trade, and trade jobs often pay better than non-trade jobs because they reflect the higher level of productivity, which is often required when we get American goods and services into international markets.
- When I'm asked to summarize my economic view: a major goal is to make things in America, grow things in America, add value to them in America, and then ship them somewhere. I have promoted that philosophy as Chairman of the Finance Subcommittee on International Trade.
- This is why today's debate is especially important: The fact is energy is not the same thing as blueberries and accordingly it is treated differently under federal law.
- The Energy Policy and Conservation Act allows for the export of crude oil only when doing so is in the national interest. There simply isn't that kind of requirement for blueberries or other commodities.
- National security is involved when Americans talk about exporting energy.
- Right now, there are several armed conflicts around the world – in South Sudan, Libya, Mozambique and elsewhere – that are certainly being inflamed by fights to control oil.
- I'll put Oregon blueberries up against anything just about anything, but the last time I looked, nobody is fighting a war over blueberries.
- It's hard to believe that only a few years after campaigns for America's energy independence having been dominated by slogans such as, "drill baby drill", our

country now finds itself having a serious discussion on whether it should export crude oil.

- “Energy independence” has been a well-worn staple of virtually every politician’s energy speech for decades.
- Now our country is in the enviable position of having choices about our energy future. In other words, the question becomes how can this energy boom create the greatest benefit for America?
- Can energy grow our economy and create jobs? The answer is: of course.
- Can this new production ease the pain at the pump for hard-working middle class families? Of course.
- Can our country reduce its dependence on fuel from countries that do not always have our best interest in mind? Again, of course.
- Those are the easy questions. The harder question is: how can we come up with a policy where American can have it all?
- Can our country get both the domestic benefits from exports and still retain a cost advantage for domestic consumers, both businesses and families?
- That is certainly my goal. But in an effort to keep today’s hearing under seven or eight hours, we’re obviously going to have to have a focus.
- I want it understood that for this hearing, I have a particular interest in focusing on the consumer.
- In any energy debate, it’s never very hard to find a voice for the various regions of America, for various industries in American, and for various ideological points of view in American. Consumers, however, often don’t have one. I just want it understood that on my watch, the consumer is not going to get short shrift.
- It looks like a number of influential voices want to start exporting oil. I just want to hammer home the point this morning that for me, the litmus test is how middle class families will be affected by changing our country’s policy on oil exports.
- It’s not enough to say some algorithm determines exports are good for the Gross Domestic Product, or some other abstract concept. American families and American businesses deserve to know what exports would mean for their specific needs when they fill up at the pump, or get their delivery of heating oil.
- Simply charging forward and hoping for the best is no way the way you get the best policy decisions. The responsibility of our Committee, and we have always

worked on these issues in a bipartisan way is to make sure consumers will not get hammered by the cost of gas going up because of some theory that everything is just going to turn out hunky dory in the end.

- I'll wrap up by saying that there are important issues with respect to timing. There may be a time when crude oil exports are appropriate. One of the questions we're going to have to explore is whether that time is now.
- While a conversation has begun on exporting crude oil, I'm not hearing a similar conversation on ending imports. The U.S. is still importing about 40% of its crude oil, including from those places that don't always have America's best interests in mind.
- Every Member of this Committee understands the debate about energy as a global commodity.
- We've all heard about how it's a global price and I'm sure we'll hear that today.
- But a global price does not automatically mean a stable price.
- If oil stopped flowing from Saudi Arabia next week American consumers and businesses would feel it in a hurry.
- The question is, does real energy security mean having the ability to be energy independent, even if we never actually do it?
- I think most Americans think our government would choose not to import oil and provide funding to regimes unfriendly to the United States, if given the option.
- All of that said, we'll listen to the arguments pro and con I personally need to hear more and will not be making any judgments today.
- I look forward to working with Senator Murkowski and all of our colleagues so that our country can maximize what I think we all would say is a historic set of circumstances that we want to think through carefully about how we can tap the potential of.