



Office of Representative Heath Shuler

Representing North Carolina's Eleventh Congressional District

For Immediate Release

April 30, 2008

Contact: Andrew Whalen, Communications Director
office: (202) 225-6401 / cell: (202) 731-5116

Rep. Shuler Supports Plan to Reduce Gas Prices *Calls for Moratorium on Filling of Strategic Reserve*

Washington, D.C. – Representative Heath Shuler is working to reduce the price North Carolinians are paying at the gas pump through legislation to temporarily suspend the purchase of oil for the Strategic Petroleum Reserve (SPR). The legislation, H.R. 5437, will require the Secretary of the Department of Energy to suspend shipments to the SPR in 2008, or until the average price of crude oil drops below \$50 a barrel.

The SPR is currently 97% full and contains enough to meet America's national security needs, which is its purpose. Purchases for the SPR remove up to 70,000 barrels of oil out of the market daily. Prior to the Bush Administration additions to the SPR were suspended due to market conditions. When a SPR moratorium was announced in 2000, the price of oil in the market dropped from \$30 a barrel to \$20.

"The SPR is 97% full, and it makes no sense for our government to continue topping it off while oil is at record prices," Rep. Shuler said. "Adding 70,000 barrels to market will increase supply and bring down costs of gasoline for American families and small businesses by as much as \$0.25."

Independent analysis done by several economists, including a team at Goldman Sachs, have estimated that filling the SPR has raised the cost of oil by at least \$2.25 per barrel, or as much as \$6 per barrel and \$0.25 per gallon of gasoline at the pump.

Rep. Shuler, who has been a strong advocate for renewable and sustainable energy, also renewed his call for America to develop an energy policy for the 21st Century.

"While we can take some steps to reduce gas prices and help our families and businesses, we must focus on making America energy and petroleum independent. Unfortunately, the President has lacked a serious energy policy during his entire time in office. Rather than move toward energy independence, he has chosen to side with the big oil companies, who are making record profits, while American families and small businesses suffer," Rep. Shuler concluded.

BP announced a first-quarter profit increase of 63%, while Royal Dutch Shell reported a profit increase of 25%, continuing a five-year trend of record profits for oil companies under the Bush Administration. Meanwhile, gas prices have increased by more than 110% in the past seven years.

###