Congress of the United States Washington, DC 20515

March 10, 2022

The Honorable Joseph R. Biden, Jr. President
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Biden:

We are writing to urge you to use all of the tools at your disposal, including invoking the authorities granted to you under the Defense Production Act (DPA), to rapidly increase domestic oil and gas production. By making a multi-year purchasing commitment to increase supply in our Strategic Petroleum Reserve, employing DPA authorities to expedite and expand domestic oil and gas production, and convening top oil producers to identify and address other barriers to production, you can help reduce domestic energy prices and further our nation's energy independence while blunting the impact of President Vladimir Putin's efforts to use Russian energy exports as leverage in the face of European and American sanctions.

According to the U.S. Energy Information Administration, U.S. domestic oil production fell below 11.6 million barrels per day at the end of 2021 from a record high of 12.2 million in the previous year. With domestic oil production still below pre-pandemic levels and over 9,000 approved and unused oil drilling permits as well as numerous natural gas pipelines that could be brought online, the federal government and the private sector have ample opportunity to partner together to ramp up production and increase domestic supply.

To that end, we write today with a three-pronged plan to achieve these production and supply goals. First, your administration should provide financial certainty to domestic oil and gas producers by making a three-year purchase commitment for domestically produced oil that can be used to ensure that our Strategic Petroleum Reserve has ample supply to address current and future energy price increases. Given the volatility of oil prices over the past several years, that kind of commitment could go a long way towards giving oil producers the confidence to make the types of longer-term capital investments to help grow America's energy independence in the coming years.

Second, you should invoke the DPA, which designates energy as a "strategic and critical material" that is necessary for our national defense. Under the DPA, your administration would be authorized to provide financial incentives to the private sector at a large scale through subsidies and loans to ensure that industry is able to access the raw materials and implement refinery enhancements needed to boost production. This is particularly important given that oil and gas producers have been struggling to procure steel pipes, high-quality sand, and other essential raw materials. The DPA also allows you to make direct purchases and purchase commitments for equipment, as well as the authority to procure and install that equipment in

private industrial facilities. As we saw during the COVID-19 pandemic, the DPA can be an effective way to dramatically increase domestic production during a very short period of time.

Lastly, you should use the power of the presidency to convene a summit at the White House with the top executives of our key oil and gas companies and their investors to identify and address the current challenges to raising output. Rather than suggesting that these companies may begin to engage in price gouging, you should appeal to their sense of patriotism in this heightened moment of international conflict and use your bully pulpit to encourage them to step up in support of American energy independence and security. Doing so would make clear that the federal government is serious about making long-term investments in domestic energy to reduce costs for consumers and protect producers in a volatile global market. You could also use this opportunity with top producers to emphasize that the federal government's partnership in increasing production must be accompanied by a renewed commitment from the private sector to investing in carbon capture, energy storage, and other technologies that will put our country on the path of long-term, responsible energy independence and development.

With the national average of the price of gas exceeding four dollars per gallon, it is clear that Americans need immediate relief from high gas and energy prices. We urge you to use the authorities currently at your disposal to expand and expedite domestic energy production and protect American consumers from future harm resulting from strong sanctions against Russia. Doing so will help maximize domestic production now and minimize our dependence on foreign energy into the future. Should you need congressional action to facilitate these efforts, we stand ready to work with you to lower gas prices and build toward energy independence.

Thank you for your attention to this important matter.

Sincerely,

Jared Golden

Member of Congress

Dusty Johnson Member of Congress

James R. Baird

Member of Congress

Don Bacon

Member of Congress