

Washington, DC - In an effort to help lower the cost of gas at the pump, Congressman Maurice Hinchey (D-NY) tonight helped the House pass a bill to temporarily suspend purchases of oil for the Strategic Petroleum Reserve (SPR) until the end of the year in order to boost market supply. The Senate approved a similar bill earlier in the day.

The passage of the measure in the House comes less than a week after Hinchey and 93 other House members, including Speaker of the House Nancy Pelosi and House Majority Leader Steny Hoyer, wrote a letter to President Bush urging him to halt SPR purchases on his own. The president has said he opposes halting purchases for the SPR even though he has done so in the past. However, today it appeared he may now go along with the plan from Congress.

"Today the House took the common sense step to temporarily halt the purchases of 70,000 barrels of oil a day for the Strategic Petroleum Reserve in order to put that oil on the market to help lower prices at the pump," Hinchey said. "Given that the SPR is nearly completely full, we can afford to take this step to help ease prices at the pump. This is by no means a long term solution to the very serious and complex problems of oil prices and oil dependence. We must continue to find ways to crack down on price gouging and oil speculation, become more energy efficient, and ultimately transition to the use of solar and other alternative energy products instead of oil. In the meantime, the suspension of purchases for the SPR will help make filling the tank at the pump a little more bearable for families in New York and across the country."

Despite the fact that gas prices have skyrocketed over the past seven years during the Bush presidency, the United States is currently taking 70,000 barrels of oil a day off the market to continue filling the nation's SPR. Moreover, the U.S. Department of Energy (DOE) recently announced plans to increase this SPR fill rate to 76,000 barrels per day before the end of the summer. As of May 7, 2008, the current SPR inventory was more than 96.5 percent full, with 702 million barrels of oil out of a capacity of 727 million barrels.

Energy experts and the DOE say that temporarily suspending the fill of the SPR would lower both oil and gas prices immediately. It's estimated that halting contribution to the SPR could reduce gas prices from 5 to 24 cents a gallon. President Bush suspended SPR purchases in April 2006 in order to lower fuel prices.

After such action in 2000, the price of oil dropped by one-third – from \$30 to \$20 per barrel. The U.S. maintains the SPR for national security purposes in the event the foreign oil supply is cutoff.