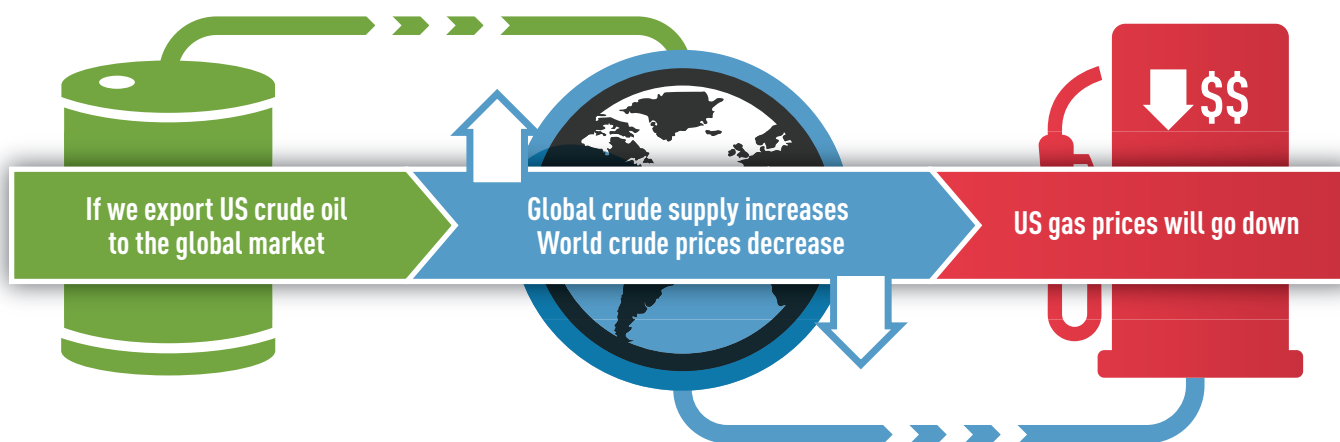


# EFFECTS OF LIFTING THE CRUDE OIL EXPORT BAN

Research shows that lifting the export ban would actually reduce the price of gasoline in the United States.<sup>1</sup> This is because gasoline prices are determined by the global market. Indeed, recent studies show that the price of gasoline in the U.S. is more reliant on the global benchmark of crude oil (Brent) than the domestic price (WTI).<sup>2</sup> Following this logic, if the ban were to be lifted, more U.S. produced crude oil on the global market would increase global supply, and assuming international gasoline demand remains constant, the global price of crude oil would decline, impacting the price of internationally traded gasoline and ultimately the U.S. consumer.

## POTENTIAL IMPACT OF LIFTING CRUDE OIL EXPORT BAN



## POTENTIAL IMPACT ON DOMESTIC GAS PRICES

Study	Decrease in Gasoline Prices
The Brookings Institute and National Economic Research Associates (NERA) <sup>3</sup>	\$0.09 per gallon
Columbia University <sup>4</sup>	Up to \$0.12 per gallon
Congressional Budget Office <sup>5</sup>	\$0.05 to \$0.10 per gallon
Resources for the Future <sup>6</sup>	\$0.017 to \$0.045 per gallon
U.S. Government Accountability Office (review of 4 studies) <sup>7</sup>	\$0.015 to \$0.13 per gallon
U.S. Energy Information Administration <sup>8</sup>	\$0.00 to \$0.01 per gallon

<sup>1</sup> Stephen P.A. Brown, Charles Mason, Alan Krupnick, and Jan Mares, "Crude Behavior: How Lifting the Export Ban Reduces Gasoline Prices in the United States," Resources for the Future, February 2014. <http://www.rff.org/RFF/Documents/RFF-IB-14-03-REV.pdf>.

<sup>2</sup> U.S. Energy Information Administration, "What Drives U.S. Gasoline Prices?" October 2014. <http://www.eia.gov/analysis/studies/gasoline/pdf/gasolinepricestudy.pdf>.

<sup>3</sup> Charles K. Ebinger and Heather Greenley, "8 Facts About U.S. Crude Oil Exports," Brookings, September 9, 2014. <http://www.brookings.edu/research/reports/2014/09/09-8-facts-about-us-crude-oil-production>.

<sup>4</sup> Jason Bordoff and Trevor Houser, "Navigating the U.S. Oil Export Debate," Columbia University: Center on Global Energy Policy, January 2015. [http://energypolicy.columbia.edu/sites/default/files/energy/Navigating%20the%20US%20Oil%20Export%20Debate\\_January%202015.pdf](http://energypolicy.columbia.edu/sites/default/files/energy/Navigating%20the%20US%20Oil%20Export%20Debate_January%202015.pdf).

<sup>5</sup> Congressional Budget Office, "The Economic and Budgetary Effects of Producing Oil and Natural Gas From Shale," December 2014. [http://www.cbo.gov/sites/default/files/cbofiles/attachments/49815-Effects\\_of\\_Shale\\_Production.pdf](http://www.cbo.gov/sites/default/files/cbofiles/attachments/49815-Effects_of_Shale_Production.pdf).

<sup>6</sup> Stephen P.A. Brown, Charles Mason, Alan Krupnick, and Jan Mares, "Crude Behavior: How Lifting the Export Ban Reduces Gasoline Prices in the United States," Resources for the Future, February 2014. <http://www.rff.org/RFF/Documents/RFF-IB-14-03-REV.pdf>.

<sup>7</sup> Frank Rusco, "Crude Oil Export Restrictions: Studies Suggest Allowing Exports Could Reduce Consumer Fuel Prices," U.S. Government Accountability Office, July 8, 2015. <http://www.gao.gov/assets/680/671235.pdf>.

<sup>8</sup> U.S. Energy Information Administration, "Effects of Removing Restrictions on U.S. Crude Oil Exports," September 2015, xiii. <http://www.eia.gov/analysis/requests/crude-exports/pdf/fullreport.pdf>.