



Making a Mountain Out of a Mole Hill? (1/14/23)

In a show of unity, the House of Representatives passed a bill preventing China from purchasing oil from our SPR. They would have you believe that this was sending a strong message to the Chinese government. Nothing could be further from the truth. By law, SPR crude oil is sold to the highest bidder as long as the company is registered.

This Administration has sold over 220 million barrels of SPR crude oil, 1 **million** going to a Chinese company or less that ½ of one percent. In truth, there is no way to prevent China from benefitting from an SPR sale (or any puncher of oil).

Crude oil trades in a global market. If China is banned, they still benefit from an increase in supply and a lower price. The SPR oil that might have gone to China will go to someone else. That frees up barrels for China and others to bid on, thus directly or indirectly China benefits

The House of Representatives would have you believe that they took strong action while in truth it may better be described as **speaking loudly but carrying a limp stick**.