

White House Authorizes 15-Million Barrel Release from Strategic Petroleum Reserve

President Biden announced Wednesday that he is authorizing the release of 15 million barrels from the Strategic Petroleum Reserve (SPR), a draw that completes the plan announced earlier this year to release a total of 180 million barrels. The White House has released roughly 165 million barrels of oil from the SPR this year, the largest-ever release from the reserve. The 714-million-barrel SPR capacity is currently at a 40-year low, but still contains over 400 million barrels. The upcoming release is designed to ensure there is enough oil on the market to prevent gasoline price spikes at the pump. But the administration's move is unlikely to lower gas prices due to its relatively small size compared with U.S. total daily gasoline consumption. The White House said it will prepare for future releases in order to respond quickly to supply shortages and rising prices. The administration said it plans to restock the reserves as soon as oil prices fall between \$67 and \$72 per barrel, a pledge that would give oil companies a floor so that they can take steps to boost domestic production now. U.S. crude prices are currently around \$82 per barrel. The SPR release comes on the heels of a recent OPEC announcement that it plans to cut production by 2 million barrels a day in November.