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Driving Down Demand: Responding to the Russia-Ukraine Energy Crisis

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Introduction

As the war in Ukraine worsens, the U.S. and its allies in Europe are moving quickly to reduce their reliance on Russian fossil fuels and speed up their transition to renewable energy. In the short term, however, they are increasingly facing the prospect of a global energy crisis. Swift economic sanctions forced Germany to [suspend](#) the Nord Stream 2 pipeline and the European Union to roll out a new [plan](#) to slash Russian gas imports by 66 percent by the end of 2022.¹ On the other side of the Atlantic, President Biden issued an [Executive Order](#) on March 8, 2022, banning the import of Russian crude oil, Liquefied Natural Gas (LNG), and coal.² The U.S. and other G7 countries have moved to revoke Russia's "[most favored nation](#)" trade status.

And on March 28, 2022, President Biden and the European Union (EU) [announced](#) a new deal to increase transatlantic gas deliveries and reduce Europe's reliance on Russian energy. Under the agreement, the U.S. committed to supplying Europe with at least 15 billion cubic meters (bcm) of additional LNG by the end of this year, equivalent to around 10 percent of the gas the continent currently receives from Russia. As part of the deal, the EU also pledged to ensure stable demand for U.S. LNG through at least 2030.

There is unanimous agreement among Western democracies that starving Russia's economy of oil and gas revenue is a necessary step to weaken Russia's ability to wage war in Ukraine. But closing off Russian oil and gas is worsening an energy supply and pricing shock in the West, as illustrated by high fuel prices for drivers and homeowners in America and Europe. The single most effective step the U.S. can take to drive down demand for fossil fuels, and apply additional pressure on the Russian economy, is to massively scale up investment in renewable energy and energy

¹ Nord Stream 2, which has been constructed but is not yet operational, is a pipeline that would double the flow of Russian natural gas exports to the EU. The 1,200-kilometer underwater Nord Stream 2 follows the same path as Nord Stream 1 completed in 2011. Once operational, the two pipelines would deliver 110 billion cubic meters of natural gas to Europe each year — equivalent to a quarter of all natural gas consumed by EU countries.

² 87 FR 13625.

efficiency. Such a strategy would buffer the U.S. economy from the price volatility of fossil fuels and help achieve true “energy independence.”

The short-term solution: domestic and international actions to balance supply and demand

The climate crisis notwithstanding, there is no silver bullet to magically increase the domestic production of fossil fuels. Experts [agree](#) that ramping up U.S. oil and gas extraction would not reduce gas prices or provide any immediate relief to European allies. Increasing domestic oil and gas production is not as easy as “[flipping the switch](#).” Even if the Biden Administration offered new leases and fast-tracked permitting, it would still take years to bring new production online. According to the [Government Accountability Office](#), it takes an average of more than four years for companies to begin producing oil and gas on the federal lands they lease. Offshore production takes even longer. ConocoPhillips CEO Ryan Lance confirmed this assessment, [stating](#) in an interview with CNBC that it would take 8 to 12 months to see “the first drop of new oil” if the company immediately began new drilling activities.

At the international level, excess crude oil and LNG supply are also very limited due to cartel production restrictions and the continued impacts of the global pandemic. In its March meeting, the Organization of the Petroleum Exporting Countries (OPEC) Plus [signaled](#) that it only plans to increase production of crude oil by a modest 400,000 barrels per day (bpd), not nearly enough to offset Russia’s output of 11 million bpd.³ In Europe, one short-term fix would be to seek out LNG from major producers like Qatar and Algeria. Unfortunately, Europe’s existing LNG terminals have limited available capacity to absorb the extra supply. Qatar also told President Biden and European allies that most of its exports are already accounted for in long-term contracts. U.S. efforts to better balance crude oil markets’ could address two types of actions each aimed at supply and demand, as briefly described below.

In the short term, the single most important tool that the U.S. and its allies can use to minimize oil supply disruptions and lessen price spikes is a set of coordinated releases from their strategic oil reserves. The U.S. Strategic Petroleum Reserve (SPR), which was established following the 1973 oil crisis and is located on the Texas and Louisiana Gulf Coast, currently holds approximately [580 million](#) barrels of crude oil, while the European Union has around [766 million](#) barrels stockpiled.⁴

³ Russia’s deputy prime minister, Alexander Novak, is a co-chair of OPEC Plus, a group of 23 oil and gas producing countries led by Saudi Arabia.

⁴ Japan and South Korea currently possess 485 million and 96 million barrels of petroleum reserves respectively. In total, IEA members hold emergency stockpiles of 1.5 billion barrels.

On March 1, 2022, the U.S. and its allies initially [announced](#) the release of 60 million barrels of oil from their reserves, including 30 million barrels from the U.S. SPR. This release was coordinated by the International Energy Agency and included the participation of major European countries, Japan, and South Korea. The 60 million barrels amounted to approximately 4 percent of emergency stockpiles. More recently, President Biden announced an [Executive Order](#) on March 21, 2022, authorizing the release of one million barrels of oil per day for the next six months from the U.S. SPR. This “wartime bridge” is the largest ever release from the U.S. SPR and will boost U.S. supply by 4.8 percent.⁵ At the domestic level, [redirecting](#) existing LNG exports could also help ease the supply crunch in Europe, but the permitting and construction of any new export facilities would lock in decades of reliance on gas and further pollute Gulf Coast communities and must be avoided.

There is also a proposal in Congress that could provide immediate relief to millions of Americans struggling with high gas and home-heating prices: a windfall profits tax on the fossil fuel industry. The “[Big Oil Windfall Profits Tax Act](#)” (H.R. 7061) proposed by Rep. Ro Khanna (D-CA17) and Senator Sheldon Whitehouse (D-RI) would disincentivize the industry from driving up the price of oil by imposing a 50 percent tax on every barrel of oil sold above the average price between 2015-2019. These revenues would be rebated back to Americans who make below a certain income threshold. With oil prices at \$120 a barrel, the levy would raise around \$45 billion per year, meaning that individuals could expect to receive a check of around \$240 to help with rising prices.

The long-term solution: driving down demand

The data above demonstrate that there is no silver bullet to magically increase the global supply of fossil fuels. The only solution is to reduce demand. In practical terms, this means massively scaling up investment in renewable energy and energy efficiency. Such a strategy would delink the U.S. economy from the inherent price volatility of fossil fuels and achieve true “energy independence.”

Steps that the Biden Administration and Congress can take to reduce demand for Russian fossil fuels include accelerating the buildout of renewable energy, encouraging the adoption of electric vehicles (EVs), investing in public transit, and scaling up U.S. production of low-cost heat pumps. Together, these actions will address the existential crisis that is climate change, reduce household utility bills, and eliminate U.S. energy reliance on authoritarian petrostates like Russia and Saudi Arabia.

⁵ According to EIA, the U.S. consumes approximately 21 million barrels of oil per day.

Specific steps the Biden Administration and Congress could take over the medium and long terms are outlined below.

Scale-up investments in renewable energy: Congress is currently debating \$550 billion in clean energy and climate provisions. This includes [\\$292 billion](#) in clean energy tax incentives to supercharge the installation of renewable energy and [lower](#) the average family's energy bill by \$500 per year. For example, a new investment tax credit for the buildout of regionally significant, high-voltage transmission lines is projected to add 30,000 megawatts of renewable energy capacity to the grid, providing \$2.3 billion in energy cost savings for the bottom 80 percent of income brackets. Furthermore, these tax incentives would cut U.S. greenhouse gas emissions by more than one gigaton and help achieve President Biden's climate goals of 80 percent clean electricity by 2030, while delivering at least 40 percent of the investments to disadvantaged communities. Compared with a simple five-year extension of the existing tax code, the expansion and 10-year extension of these clean energy tax incentives are projected to result in [10-30 times](#) greater emissions reductions.

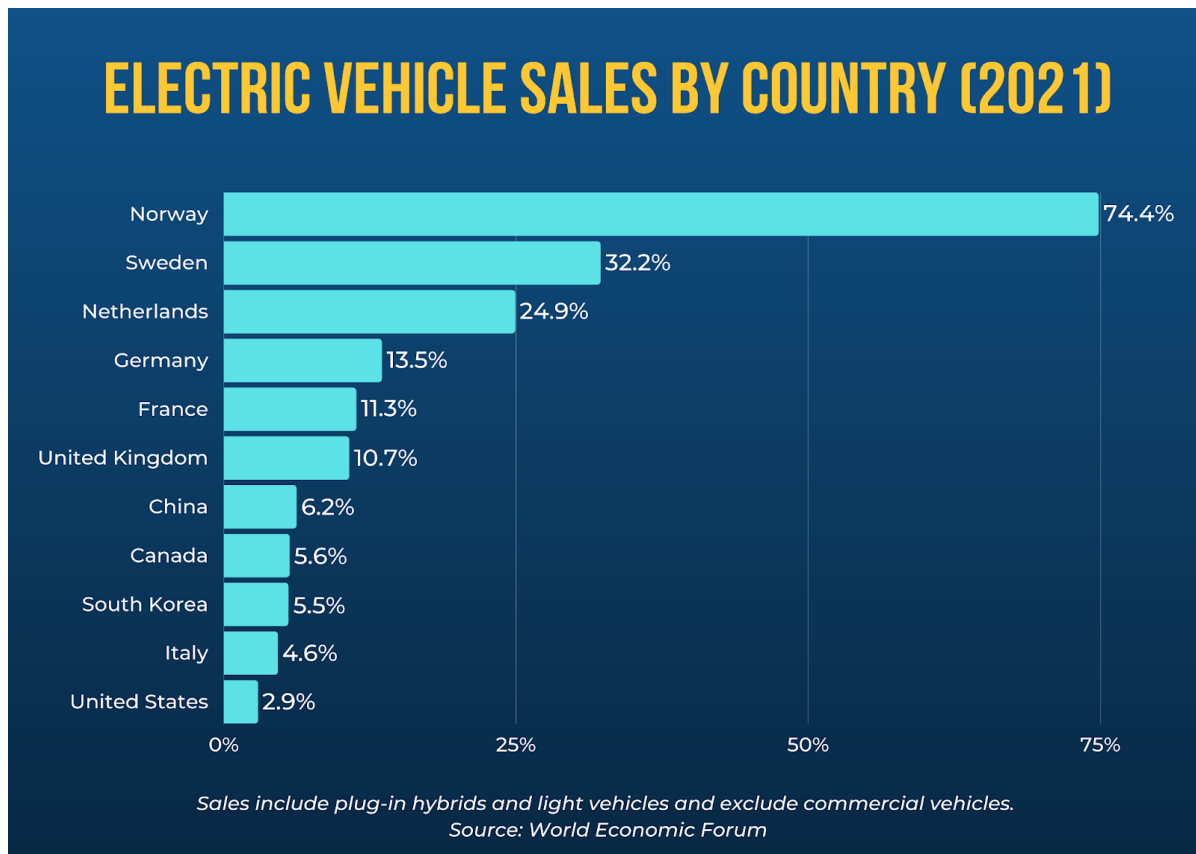
Increase U.S. adoption of electric vehicles: The transportation sector is the [largest contributor](#) to U.S. greenhouse gas emissions and is responsible for more than two-thirds of oil consumption. To address rising prices and achieve energy independence, it is essential to build out a transportation system that uses less oil, shifts travel to public transportation, and encourages the adoption of battery and plug-in electric vehicles.

If enacted quickly, the \$32 billion in direct EV tax credits under consideration in Congress could help make this transportation system a reality. Under the proposal, individuals and commercial enterprises would be eligible for a fully-refundable tax credit of up to \$12,500 for electric vehicles built in the U.S. using union labor. New analysis from [Energy Innovation](#) forecasts that EV sales from proposed tax credits would reduce U.S. demand for Russian oil in half within 36 months.⁶ These EV investments would leverage the investment in the nationwide charging network already enacted as part of the bipartisan [Infrastructure Investment and Jobs Act](#) in 2021. By 2027, reductions would exceed total U.S. demand for Russian oil. By 2030, 61 million new EVs would be on the road, decreasing U.S. annual oil consumption by 180 million barrels per year – more than double the current imports of Russian oil

⁶ In 2021, the U.S. imported 672,000 bpd of Russian crude and refined products last year. Of that, 30 percent, or 199,000 bpd was crude, while 473,000 bpd was refined products.

estimated at 73 million barrels in 2021.⁷ Full EV penetration in the passenger market could ultimately reduce U.S. oil demand by more than 4.4 million bpd.

Figure 1



Increasing EV sales as quickly as possible is also critical given that the average lifespan of a vehicle in the U.S. is 13 years, meaning that even if we reach 100 percent EV sales by 2035, U.S. light-duty vehicles wouldn't be fully electrified until after 2050. Otherwise, the U.S. risks falling further behind other countries, as outlined in Figure 1. EV sales only accounted for [2.9 percent](#) of U.S. new car sales in 2021. For comparison, 10 percent of all cars sold in the U.K. were electric and [65 percent](#) of cars sold in Norway were electric. If these direct EV tax credits were passed immediately, they would add 61 million EVs to the road by 2030.

Increase U.S. public transit ridership: Public transportation saves the U.S. the equivalent of 4.2 billion gallons of gasoline annually, more than 11 million gallons of

⁷ Modeling projects that 25-27 million new EVs are required to displace 1 million bpd of gasoline consumption. Model assumptions include: an average annual mileage of 15,000, taken from VMT schedules used by EPA and NHTSA in their greenhouse gas and CAFE rulemaking modeling, and an average fuel economy of 24.5 mpg for gasoline vehicles, taken from EIA's 2021 annual energy outlook.

gasoline per day. It also reduces traffic congestion and creates shorter travel times for transit riders and drivers.

During the COVID-19 pandemic, however, public transit ridership fell sharply and has yet to recover. In many cities, the subsequent loss of revenue created a negative feedback loop — reductions in revenue led to service cuts, further reducing ridership, which in turn has led to even greater financial losses. Federal investments to encourage citizens back onto under-utilized public transit are a far better use of additional appropriations than a temporary suspension of the gas tax, which would only further increase oil demand. Passing legislation currently under debate in Congress to provide \$10 billion for high-speed rail, \$10 billion for public transit access to affordable housing, and \$150 million for zero-emission buses in disadvantaged communities would be far more constructive. These investments in public transit would also create good-paying, predominantly union jobs. By one estimate every dollar invested in public transportation [generates](#) five dollars in economic returns.

Use the Defense Production Act to increase U.S. heat pump production: Natural gas currently provides 35 percent and 48 percent of Europe's and the U.S.' heating respectively. Swift and massive deployment of energy-efficient electric heat pumps is another important step that President Biden can take to reduce demand for natural gas in the U.S. and Europe. By one estimate, if the U.K. installed [3.6 million heat pumps](#) over the next two years, it could reduce natural gas consumption by 5 percent, offsetting demand for Russian LNG imports.

In the U.S., President Biden could invoke the [Defense Production Act](#) (DPA) to mass-produce energy-efficient electric heat pumps that can be shipped and quickly installed in Europe. Such a strategy is not without precedent. Passed during the Korean War, the DPA was used most recently by President Trump to mandate the production of ventilators and President Biden to mandate the production of masks, but it was also [invoked](#) to supply natural gas to California during the 2001 energy crisis.⁸ This measure would build on a previous [announcement](#) from the Department of Energy (DOE) in November 2021 to bolster the industry by launching a partnership with six heat pump manufacturers.

The [Energy Information Administration](#) (EIA) estimates that doubling the EU installation rate of heat pumps — at the modest cost of \$16 billion — would reduce natural gas consumption by 2 billion cubic meters (bcm) in the first year alone. Such

⁸ See generally 50 U.S.C. § 2091 *et seq.* (Title III of the DPA empowers the executive to provide various financial measures, including loans, loan guarantees, purchases, and purchase commitments to incentivize domestic production and ensure that the federal government has the capacity to produce critical items. Title III also authorizes the federal government to procure and install equipment in private industrial facilities to achieve production goals).

a strategy would also have the benefit of creating tens of thousands of good-paying union jobs in the manufacturing industry.

Electrify the U.S. Postal Service Fleet: In February, the U.S. Postal Service (USPS) [announced](#) plans to replace up to 165,000 vehicles — 90 percent of its fleet — with gasoline-powered trucks. The new model gets worse mileage than the 1988 Grumman postal truck model and is designed to weigh exactly one pound over the threshold that would have subjected it to more efficient light-duty vehicle standards. In response, both the [White House](#) and [EPA](#) sharply criticized the plan and urged the Postal Service to reconsider. The EPA characterized the contract as “seriously deficient” for failing to acknowledge climate concerns.⁹ With an anticipated lifespan of more than 20 years, procurement of a predominantly gas-powered fleet would also place USPS at a competitive disadvantage. Amazon has already deployed some of the 100,000 electric vans it recently ordered, and FedEx has promised a fully electric ground fleet by 2040.

Reversing course and purchasing a 100 percent electric fleet is an important step the Postal Service can take to reduce air pollution and U.S. dependence on fossil fuels. Notably, the climate provisions under consideration in Congress include \$2.57 billion for the USPS to electrify 70 percent of its delivery fleet by the end of the decade. Electrification of just 70 percent would save the Postal Service an [estimated](#) 110 million gallons of fuel per year.

End U.S. Overseas Financing of Fossil Fuel Projects: Pursuant to President Biden’s [Executive Order](#) “Tackling the Climate Crisis at Home and Abroad,” the Department of Treasury released [guidance](#) in August of 2021 ending international financing of carbon-intensive fossil fuel projects.¹⁰ The guidance prohibited U.S. support for coal and oil-based energy projects, but affirmed “narrow support” for midstream (e.g., transportation) and downstream (e.g., power plants) natural gas projects. The guidance FAQ also suggested that natural gas can serve as a transition fuel away from coal in market access countries, despite science to the contrary.

Given the inherent instability of fossil fuels in the global marketplace, as demonstrated by the Ukraine crisis, the Treasury Department should update its guidance to eliminate its “narrow support” for natural gas. It is not in alignment with the goals of the [Paris Agreement](#) and contradicts [EIA’s](#) findings that distributed

⁹ EPA’s letter stated that an updated fleet of 90 percent gas-powered vehicles and 10 percent electric would cause climate damage that “would exceed \$900 million.” EPA’s letter also sharply criticized the Post Service’s Environmental Impact Statement (EIS), stating that, “the EPA’s concerns with the draft EIS were not adequately addressed and that the final EIS remains seriously deficient.”

¹⁰ U.S. Department of Treasury, “Guidance on Fossil Fuel Energy at the Multilateral Development Banks,” August 16, 2021.

renewable energy systems in rural areas — where unmet energy demands are greatest — are more economically viable than financing fossil fuel transmission projects, including gas. Moreover, analysis by [Oil Change International](#) shows that, if guidance conditions are not well applied, up to 40 percent of total fossil fuel finance from multilateral development banks from 2018 to 2020 could continue to receive support.

Increase Energy Transition Support for Producer Nations: During the first year of the coronavirus pandemic, oil demand fell by [8.5 percent](#). This sharp reduction in demand provided a cautionary vision of the future for states like Nigeria and Angola whose economies are heavily dependent on crude oil. In Nigeria, for example, crude oil sales are responsible for [one-third](#) of the government’s budget and about [90 percent](#) of export earnings. This dependency makes transitioning away from fossil fuels especially difficult, a task that requires states to replace huge shares of government revenue and foreign exchange earnings they presently rely on. This challenge is made even more difficult by a lack of international financial support, which forces producer states to finance their own transitions and further drives up oil prices.

The U.S., Europe, and other consumer countries can help ease energy inflation by meaningfully committing to cooperate with producing countries to address the economic challenges associated with diversification. A successful international cooperation framework would likely include the following positive policy measures: expanding finance, technology, training, trade preferences, investment flexibilities, and debt cancellation. While a comprehensive framework would take time to develop, prompt reassurance of international support for producer countries could have instant price impacts.

Regulations, Guidance, and Other Executive Actions

While there is no silver bullet to eliminate global supply disruptions caused by the invasion of Ukraine and subsequent Russian sanctions, the Biden Administration and federal regulators have made progress in curbing greenhouse gas emissions and reducing U.S. dependence on fossil fuels. The Biden Administration must continue to build on this progress. The following regulations, rulemakings, and agency guidance documents are key to maximizing equity and greenhouse gas emissions reductions.

Federal Energy Regulatory Commission (FERC) Interim Greenhouse Gas Policy Statement (PL-23): In February 2022, FERC issued [guidance](#) requiring analysis of the upstream and downstream greenhouse gas impacts of natural gas pipelines and LNG terminals in federal environmental reviews under the National Environmental

Policy Act (NEPA) and Natural Gas Act (NGA).¹¹ This is a major change from FERC's prior position and brings the agency closer to fulfilling the legal obligations outlined in the *Sabal Trail* case from 2017.¹²

FERC Revised Certificate Policy Statement (PL18-1): In a separate but related decision in February 2022, FERC made long-needed [revisions](#) to its review process for pipelines and LNG terminals, adding new considerations for landowners and environmental justice communities.¹³ Together, these changes are designed to more closely align FERC's approval process with the "public convenience and necessity" clause under Section 7 of the Natural Gas Act (NGA) and ensure that — above all else — the public interest is protected. For years, FERC effectively rubberstamped applications, rarely looking beyond private shipping contracts and economic demand when considering whether to approve a new gas project. Since 1999, FERC has greenlighted more than 1,000 pipeline and LNG projects while rejecting only a handful.

Environmental Protection Agency's (EPA) Proposed Methane Regulations: Last year, the EPA released a draft rule to curb methane emissions and other pollution from the oil and gas industry.¹⁴ Methane is a powerful greenhouse gas with 25 times more warming power than carbon dioxide. If finalized, EPA's proposed rule would reduce methane pollution by 41 million tons, smog and soot-forming compounds by 12 million tons, and hazardous air toxins by 480,000 tons by 2035.

EPA's work to finalize this rule must continue. Ideally, EPA would impose even stronger limits to reduce methane pollution by 65 percent from all new and existing oil and gas operations by 2025. EPA could also establish regular leak monitoring requirements for all oil and gas wells, without exception, and impose strict limits on routine flaring of gas at oil wells. Fortunately, the agency will have another opportunity to implement these changes in a [supplemental rulemaking](#) proposal it plans to issue in 2022.

Department of Energy (DOE) LNG export Categorical Exclusion: In December 2020, the lame-duck Trump Administration DOE released a midnight rule establishing a "[categorical exclusion](#)" for LNG export projects under the National

¹¹ Federal Energy Regulatory Commission, "A companion Interim Policy Statement on the Consideration of Greenhouse Gas Emissions in Natural Gas Infrastructure Project Reviews," February 18, 2022.

¹² See *Sierra Club v. FERC*, 867 F.3d 1357, 1371 (D.C. Cir. 2017) and *Birckhead v. FERC*, No. 18-1218 (DC Cir. 2019).

¹³ Federal Energy Regulatory Commission, "Updated Policy Statement on Certification of New Interstate Natural Gas Facilities," February 18, 2022.

¹⁴ 86 FR 63110.

Environmental Policy Act (NEPA).¹⁵ This new regulation effectively exempted LNG export terminals, including the expansion of existing facilities, from any environmental review whatsoever. To curb Europe's dependence on natural gas, protect coastal communities, and maximize greenhouse gas reductions, DOE should immediately re-examine this legally dubious and problematic regulation.

Relevant Legislation

Since Russia's invasion of Ukraine began, there has been renewed interest in energy-related legislation in Congress. While some of these bills would speed up the transition to a 100 percent clean energy economy, others seek to use the Ukraine crisis as a vehicle to further entrench U.S. reliance on fossil fuels. Relevant legislation is summarized below.

- **Big Oil Windfall Profits Tax Act (H.R. 7061):** Introduced by Representative Khanna (CA-17) and Senator Whitehouse (D-RI), [H.R. 7061](#) would establish an excise tax on the windfall profits made by fossil fuel companies because of the war in Ukraine. The legislation would tax the excess profit from barrels of crude oil sold over the average Brent crude price between 2015 and 2019, roughly \$66 a barrel. The tax applies only to the largest companies producing or importing more than 300,000 barrels per day. The tax would discourage artificial price inflations and is estimated to bring in \$35-40 billion in revenue each year. Like the COVID relief checks, this money would be rebated back to consumers on a quarterly basis using the same eligibility criteria as the stimulus payments included as part of the American Rescue Plan (ARP).
- **Stop Price Gouging Tax and Rebate Act (H.R. 7099):** Introduced by Representative DeFazio (OR-04), [H.R. 7099](#) would create a windfall profit tax on excessive corporate profits and return the revenue to American consumers in the form of a monthly dividend. The tax applies only to the largest companies producing or importing more than 300,000 barrels per day. Unlike the legislation above, however, H.R. 7099 is more expansive. It not only targets oil and gas operations, but all profits from eligible U.S. multinationals. By virtue of being more expansive, H.R. 7099 is less targeted toward directly addressing war profiteering and price-gouging in the fossil fuel industry. Eligibility for the refundable tax credit is identical to the criteria used for the stimulus payments included as part of the American Rescue Plan (ARP).
- **Energy Security and Independence Act (S. 4013):** Introduced by Senator Sanders (I-VT) and Representatives Bush (MO-01) and Crow (CO-6), [S. 4013](#) would invest \$100 billion in reinvigorating the domestic clean energy industrial

¹⁵ 15 U.S.C. § 717b.

base using the Defense Product Act. The bill would also provide \$30 billion to weatherize and insulate 6.4 million homes over the next 10 years, saving working families \$2 billion each year on their utility bills. Finally, the legislation would invest \$10 billion to procure and install millions of heat pumps, significantly reducing consumption of imported fossil fuels.

- **Ending Corporate Greed Act (S. 3933):** Introduced by Senator Sanders (I-VT) and Representative Jamaal Bowman (NY-16), [S. 3933](#) would impose a 95 percent windfall tax on the excess profits of major companies. Unlike other windfall tax proposals, this temporary emergency measure would target not only the oil and gas industry but all other large corporations in the country, including Amazon, Blackstone, and Pfizer. The measure could raise \$400 billion in one year from 30 of the largest corporations alone. The legislation is modeled after the broad-based windfall profits tax implemented during World War II to ensure that companies did not profit off the war.
- **Future Generations Protection Act (H.R. 6168):** Introduced by Representatives Schakowsky (IL-09) and Barragán (CA-44), [H.R. 6168](#) would ban greenhouse gas emissions from all new power plants, stop hydraulic fracking, and ban crude oil and natural gas exports. It would also prohibit FERC from approving new LNG terminal siting or construction, unless doing so would reduce greenhouse gas emissions.
- **BAN Oil Exports Act (S. 1415):** Introduced by Senator Markey (D-MA), [S. 1415](#) would amend the Energy Policy and Conservation Act to reinstate the ban on exporting American crude oil and natural gas abroad.
- **COMPRESSOR Act (S. 1145):** Introduced by Senators Warren (D-MA) and Markey (D-MA), [S. 1145](#) would block the placement into service or operation of any natural gas compressor station that would be built as part of a pipeline project meant to export natural gas.
- **Sustainable International Financial Institutions Act (H.R. 5775):** Introduced by Representative Huffman (CA-02), [H.R. 5775](#) would prohibit U.S. foreign assistance in support of any fossil fuel activity or related infrastructure project. The bill would also require the U.S. to use its “voice and vote” at international financial institutions to reduce greenhouse gas emissions by opposing financial or technical assistance to a country that would create new capacity for fossil fuel activity.
- **End Polluter Welfare Act (H.R. 2102):** Introduced by Representative Omar (MN-05), [H.R. 2102](#) would close tax loopholes and eliminate federal subsidies

for the oil, gas, and coal industries, saving American taxpayers up to \$150 billion over the next ten years.

- **Russian Energy Imports Ban (H.R. 6968):** Introduced by Representative Doggett (TX-35), [H.R. 6968](#) would prohibit imports of crude oil, petroleum, petroleum products, LNG, and coal from Russia. The bill includes an exception for the continued import of products under existing contracts. The bill would also extend the Global Magnitsky Human Rights Accountability Act, which allows the president to impose sanctions on foreign individuals responsible for human rights violations or corruption. This legislation was passed by the House of Representatives on March 9, 2022, but omits provisions discussed by lawmakers that would have revoked Russia's permanent normal trade relations status and increased tariffs on Russian goods.
- **SPIGOT Act (S. 3754):** Introduced by Senator Markey (D-MA), [S. 3754](#) would prohibit all imports of Russian crude oil and petroleum products into the U.S. The bill goes significantly further than other legislation because it also requires preparation of a report identifying the entities involved in the import of Russian crude oil and petroleum products into the United States, their links to Russian President Vladimir Putin, and promulgation of a comprehensive strategy to prioritize carbon-free energy as an alternative to Russian fossil fuels.
- **Ban Russian Energy Imports Act (S. 3757):** Introduced by Senators Manchin (D-WV) and Murkowski (R-AK), this [S. 3757](#) would prohibit imports of crude oil, petroleum, petroleum products, LNG, and coal from Russia. The prohibition would not apply to petroleum and petroleum products already in transit.
- **Energy Security Cooperation with Allied Partners in Europe Act of 2021 (S.819):** Introduced by Senator Barrasso (R-WY), [S. 819](#) would expand automatic approval of LNG applications to all NATO countries as well as Japan. Under current law, completed applications to import or export LNG to countries with which the U.S. has a free trade agreement are automatically deemed in the public interest.¹⁶ The result of this bill would be to increase LNG exports to Asian countries where energy prices are higher.
- **Safeguarding Oil and Gas Leasing and Permitting Act of 2021 (H.R. 519):** Introduced by Representative Cheney (WY-AL), [H.R. 519](#) would prohibit any moratorium on federal oil and gas leasing unless a joint resolution of approval is enacted by Congress.

¹⁶ *Id.*

- **Keystone XL Pipeline Construction and Jobs Preservation Act (S. 171):** Introduced by Senators Cramer (R-ND) and Daines (R-MT), [S. 171](#) would authorize the continued construction of the Keystone XL Pipeline following President Biden's decision to revoke the cross-border operation permit.
- **Energy Freedom Act (S. 3762):** Introduced by Senator Cruz (R-TX), [S. 3762](#) would prohibit the president from enacting leasing bans on federal lands, approve all pending LNG export licenses, and eliminate presidential permit requirements from cross-border energy projects like the Keystone XL pipeline. The legislation would also reinstate the EPA's 2020 methane rule, CEQ's 2020 NEPA regulations, and the Army Corps of Engineers Nationwide Permit 12.
- **Federal Land Freedom Act (S. 2394):** Introduced by Senator Inhofe (R-OK), [S. 2394](#) gives states the authority to develop all energy resources located on federal lands within that state's borders. The proposed legislation also exempts state leasing and permitting activities from judicial review and federal laws including the Administrative Procedures Act, NEPA, the Endangered Species Act, and National Historic Preservation Act.

Conclusion

While short-term steps that the U.S. and its allies can take to blunt the energy crisis include drawdowns from strategic reserves, the only viable long-term solution is to drive down demand for fossil fuels. This can be accomplished by accelerating the clean energy revolution, reducing transportation sector emissions, and scaling up the production and installation of heat pumps and other energy efficiency technology. While these steps may not have an immediate or decisive impact on the current oil and gas supply shortages caused by Russia's invasion of Ukraine, over time they will reduce U.S. energy reliance on authoritarian regimes like Russia and Saudi Arabia while also addressing the climate crisis.

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