Energy Infrastructure Businesses and Workers Urge Action to Halt Destructive Saudi and Russian Dumping of Crude Oil on Global Markets

April 6, 2020

President Donald J. Trump
The White House
Washington, DC 20500

Dear Mr. President,

The undersigned organizations represent workers and companies who build and provide equipment, materials, supplies and services to energy infrastructure projects and to energy production, transportation and operations. We comprise the vast supply chain that underpins the American energy revolution.

We applaud your leadership in the COVID-19 crisis, and your highest prioritization of getting the country back to work as soon the pandemic abates to the point where our nation’s workers and businesses can return to their jobs and resume the American economic miracle.

However, once the rest of our economy is humming again, the energy sector, which led America to its recent heights of prosperity, is threatened to be left behind and permanently damaged. This stark picture will become reality unless concerted efforts are made to end the aggressive and predatory Russian and Saudi Arabian dumping of crude oil on global markets, at prices well below the cost of production, and far in excess of what the world needs even if all economies were operating normally.

Just as the enormity of COVID-19 energy demand destruction became apparent, these two countries announced they will flood the global market with crude oil in another deliberate and undisguised attempt to drive American shale energy producers and their supply chains out of business and their workers out of jobs.

We know you appreciate this, and we applaud what you have already done to communicate your concerns to both countries’ leaders. We want to add our message of urgency and emphasize the great scope of American businesses and workers whose jobs and futures are threatened. The supply chains we represent depend as much on an orderly global energy marketplace as do the energy producers we serve.

Studies show that for every worker directly engaged in energy production such as petroleum engineers and rig workers, three more supply chain workers are engaged in jobs such as manufacturing, maintaining and operating construction equipment; providing construction labor, producing materials, supplying technical and engineering services, and so on endlessly. In fact, sixty different Commerce Department-defined industries make up the energy supply chain.
Their workers and businesses contribute importantly to the economy and to their communities throughout all fifty states.

Along with producers, these businesses and workers are the casualties – the collateral damage – of the price war that threatens the viability of one of America’s greatest assets. That is the total integrated energy economy that has delivered what we have enjoyed but is now threatened: American energy dominance.

We urge you to take aggressive measures in both the diplomatic and legal arenas to protect American workers and businesses from the predatory actions of our competitors in the global crude oil marketplace.

Respectfully,

Energy Equipment and Infrastructure Alliance
Toby Mack, President & CEO

American Iron and Steel Institute
Tom Gibson, President & CEO

Associated Equipment Distributors
Brian P. McGuire, President & CEO

Association of Equipment Manufacturers
Dennis Slater, President & CEO
American Rental Association
Tony Conant, Chief Executive Officer

Distribution Contractors Association
Robert Darden, President & CEO

GPA Midstream Association
Mark Sutton, President & CEO

Independent Petroleum Association of America
Barry Russell, President & CEO

Industrial Minerals Association – North America
Mark Ellis, President

International Association of Drilling Contractors
Jason McFarland, President

M. Robert Weidner, III
President & CEO

National Stone, Sand & Gravel Association
Michael W. Johnson, President & CEO
National Tank Truck Carriers
Dan Furth, President & CEO

Steel Manufacturers Association
Phillip Bell, President & CEO

National Utility Contractors Association
Doug Carlson, Chief Executive Officer

United Association of Plumbers and Pipefitters
Mark McManus, General President