A diesel export ban wouldn't just affect fuel markets overseas, tighten domestic fuel supplies or hurt the economic engine of American energy manufacturing in the Gulf Coast. It would expose some of the United States' most energy-dependent regions to retaliation and even greater energy supply disruptions. The U.S. Northeast and West Coasts are the most vulnerable if this were to happen.

- **Even though the United States is the world's #1 producer of all liquid fuels and we make more gasoline, diesel and jet fuel than we consume, the U.S. Northeast and West Coast rely heavily on global energy markets and would be most vulnerable to energy trade retaliation.** Because the Northeast and West Coasts have limited local refining capacity compared to their populations, significant political opposition to pipelines and are effectively geographically isolated from the rest of U.S. energy system, these regions have, in a sense, opted to be more dependent on imported gasoline, jet fuel, diesel, heating oil and, at times, even natural gas to meet their energy needs. For them, importing fuel from Canada, Europe and Asia can be significantly more efficient and affordable than paying to have it shipped in from the U.S. Gulf Coast.

  Therefore, energy trade retaliation that might result from export restrictions on U.S. diesel would have the biggest impact on the Northeast and West Coasts, which are already the U.S. regions most sensitive to international supply disruptions and price spikes.

- **The Northeast is particularly vulnerable**. New England relies on imports of gasoline, home heating oil, jet fuel and liquefied natural gas to meet seasonal demand. Any reduction in global energy supplies or disruptions to trade flows would quickly translate into higher prices and potential supply shocks for the region's households, businesses, airports and manufacturers.
- **The West Coast is similarly exposed.** California and neighboring states operate in a relatively isolated fuel market with limited pipeline connections to the rest of the country. They are net importers of crude oil and gasoline, and when refinery outages or supply shortages occur, the region becomes even more dependent on international markets for replacement barrels. Retaliatory trade actions that restrict those flows could tighten supplies in region and drive prices higher.

When we lean into our role as global energy superpower and maximize U.S. fuel production and competitive trade, all of America benefits. But if the United States were to restrict diesel exports, all Americans would feel the impact because of less U.S. fuel production and tighter supplies around the country. But the U.S. Northeast and West Coasts could face the greatest consumer impacts of all, because those regions have the most day-to-day exposure to and dependence on energy imports from the global market.

Restricting exports invites other countries to rethink their own trade relationships with the United States and could make it far more expensive and uncertain to secure fuel when Americans need it most.

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About AFPM:

The American Fuel & Petrochemical Manufacturers (AFPM) is the leading trade association representing the makers of the fuels that keep us moving, the petrochemicals that are the essential building blocks for modern life, and the midstream companies that get our feedstocks and products where they need to go. We make the products that make life better, safer and more sustainable — we make progress.

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