



**The Secretary of Energy**  
Washington, D.C. 20585

October 1, 2008

The Honorable Sonny Perdue  
Governor of Georgia  
Atlanta, GA 30334-0900

Dear Governor Perdue:

Thank you for your September 29 letter to the President discussing the impact of Hurricanes Gustav and Ike on motor fuel supplies in the Southeastern United States. The President has asked me to respond to your letter.

The Department of Energy (DOE) has been working diligently with industry to ensure that adequate supplies of crude oil are available to U.S. refineries following the disruptions caused by Hurricanes Gustav and Ike. As you note, the release of crude oil from the Strategic Petroleum Reserve (SPR) has been an important tool to mitigate the effects of two natural disasters in the Gulf region that shut down important U.S. crude production and refinery operations. The releases from the SPR have provided the necessary supplies to enable certain refineries to resume operations and produce petroleum products such as gasoline and diesel fuel, despite the supply and transportation disruptions caused by Hurricanes Gustav and Ike.

To date, the Department has delivered 4.8 million barrels of crude oil, and today the Department approved an additional release of up to 900,000 barrels of crude oil from the SPR for two refiners that have not been able to obtain adequate supplies due to the ongoing disruptions. With this additional release, the total amount provided from the SPR to refineries will be approximately 5.7 million barrels since September 3, 2008. I share your view that timely releases from the reserve serve to lessen the severity of interruptions to crude supply caused by the hurricanes, and I assure you the Department will continue to act quickly in response to any additional refinery requests.

It is also important to note that as refineries ramp up production of motor fuel, they are making that new product available for shipment by the Colonial pipeline system to Georgia and the rest of the Southeast United States. Resumption of normal delivery rates by the Colonial pipeline as of Monday, September 29, and the restoration of three quarters of Gulf refining capacity, are significant steps toward a return to normal gasoline supply in the coming weeks.

The Department also appreciates the opportunity to work closely with your office and the U.S. Environmental Protection Agency (EPA) to secure motor fuel specification waivers to address short-term supply issues in the State of Georgia. Similar efforts with EPA, DOE and the Governors of other States in the Southeast have added to the fuel supply by

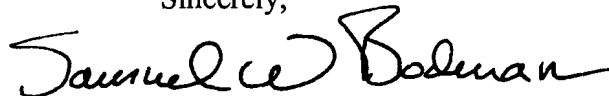


providing more fuel market flexibility. We will continue to work with you and the other Governors to make sure the waivers remain in place for an appropriate length of time.

Finally, I thank you for your leadership in urging a responsible approach to fuel consumption during this difficult period. We are seeing instances of consumers purchasing more gasoline than they normally would, which is contributing to the market imbalance and some shortages of available gasoline and diesel. As oil supplies and refinery operations begin to return to pre-hurricane levels, it is important that we continue to reinforce the message that supply will meet demand and the market will balance more quickly if consumers resume their normal purchasing habits.

Thank you again for your attention to these issues. In the coming weeks, as restoration efforts continue, the Gulf region will return to full production of oil and refined products such as gasoline and diesel. Should you have additional questions on this issue, please contact me or Lisa E. Epifani, Assistant Secretary for Congressional and Intergovernmental Affairs, at (202) 586-5450.

Sincerely,

A handwritten signature in black ink, reading "Samuel W. Bodman". The signature is written in a cursive style with a large, stylized initial "S".

Samuel W. Bodman