

Congress of the United States

Washington, DC 20515

October 30, 2024

Michael K. Wirth
Chairman and Chief Executive Officer
Chevron Corporation
6001 Bollinger Canyon Road
San Ramon, CA 94583

Dear Mr. Wirth:

We write to renew our May 21, 2024, and June 26, 2024, requests for documents relating to communications between Chevron Corporation (Chevron) and officials from the Organization of the Petroleum Exporting Countries (OPEC), OPEC+ member nations, competing U.S. oil and gas producers, and other related entities regarding oil and gas production, prices of crude oil and natural gas, and related matters. Despite some superficial engagement with our respective staffs, Chevron has neither provided the requested documents nor confirmed that it has undertaken reasonable due diligence to identify and rule out the existence of responsive materials.

Chevron transmitted letters on July 12 and August 2 explaining basic information about its domestic oil and gas production and opposition to measures to limit production before the Texas Railroad Commission. In nearly identical responses to our requests, Chevron asserted that it “does not engage in – and firmly opposes – any attempts to collude or coordinate oil and gas production...”^{1, 2} Despite Chevron’s official position, none of Chevron’s responses address whether Chevron has done anything to conduct due diligence in response to the committees’ inquiries. Additionally, Chevron does not deny possessing communications with officials from OPEC or OPEC+ member nations relevant to the committees’ inquiries.

Chevron’s position also stands in contrast to the responses of many of its peer companies that received Chairman Whitehouse’s June 26, 2024, letter. Indeed, over half of the companies that received Chairman Whitehouse’s June letter have confirmed that they have undertaken reasonable due diligence to identify responsive materials or rule out their existence.

Chevron’s continuing failure to substantively respond to our requests is particularly concerning in light of the recent complaint by the Federal Trade Commission (FTC) alleging that the terms of Chevron’s acquisition of Hess Corporation (Hess) would violate the FTC Act and the Clayton Act. The FTC’s complaint details numerous communications and interactions between Hess CEO John Hess and multiple OPEC Secretaries General along with a senior Saudi Arabian oil official.³ In response, the FTC, Chevron, and Hess entered into a consent agreement prohibiting Mr. Hess from serving on Chevron’s board.⁴

¹ Letter from Chevron Corporation to Rep. Frank Pallone, Jr., Ranking Member, House Committee on Energy and Commerce (July 12, 2024).

² Letter from Chevron Corporation to Sen. Sheldon Whitehouse, Chairman, Senate Committee on the Budget (August 2, 2024).

³ Complaint, In the Matter of Chevron Corporation and Hess Corporation, Docket No. C-_____ (September 30, 2024) (online at https://www.ftc.gov/system/files/ftc_gov/pdf/Chevron-Hess-Complaint.pdf).

⁴ Agreement Containing Consent Order, In the Matter of Chevron Corporation and Hess Corporation, File No. 241-0008 (September 30, 2024) (online at https://www.ftc.gov/system/files/ftc_gov/pdf/Chevron-Hess-AgreementContainingConsentOrder.pdf).

Even more concerning is your statement in response to the FTC’s complaint, which indicates that you have no reservations about continuing a relationship with John Hess even after the FTC’s serious allegations:

I have the utmost respect for John, the company he has built, and the contributions he has made to our industry. It is unfortunate that our Board of Directors will not get the benefit of his decades of global experience, but we look forward to drawing upon his knowledge, relationships and experience in Guyana through his service as an advisor to Chevron[.]⁵

It is difficult to reconcile this praise for Mr. Hess with Chevron’s assertion that it “firmly opposes” attempts to collude or coordinate with regards to crude oil or gas production levels.⁶

This complaint follows the FTC’s Decision and Order barring Pioneer CEO Scott Sheffield from sitting on Exxon’s Board of Directors or serving in an advisory capacity at Exxon after the FTC discovered evidence that Mr. Sheffield had discussed anticompetitive business practices with OPEC officials—findings that prompted this investigation.⁷ In its May 2 action approving Exxon’s \$64.5 billion acquisition of Pioneer, the FTC described Sheffield’s “public statements and private communications,” including “hundreds of text messages” demonstrating that he “attempted to collude with the representatives of the Organization of Petroleum Exporting Countries (OPEC) and a related cartel of other oil-producing countries known as OPEC+ to reduce output of oil and gas . . . to inflate profits for his company.”⁸

Given that multiple American oil and gas executives have been implicated by the FTC’s discoveries, it is more important than ever that Congress and the American people learn if additional U.S. oil companies are colluding with each other and foreign cartels to manipulate global oil markets and harm American consumers who then pay more at the pump.

Considering the effect that anticompetitive behavior in the oil and gas sector can have on the U.S. economy and on the federal budget, the substantive responses of many of your peer companies, and continued public reporting about the oil and gas industry’s suspected coordination with OPEC and OPEC+, your lack of any substantive responses to our recent letters is very troubling. Additionally, given the allegations of anticompetitive behavior by Hess, we require additional information on what guardrails Chevron will put in place to ensure the culture that allowed Mr. Hess’ alleged behavior will not spread throughout Chevron once it completes its acquisition and integration of Hess. Accordingly, we request that you fully respond to our initial

⁴ Chevron, Press Release: Chevron-Hess Merger Clears FTC Antitrust Review (September 30, 2024) (online at <https://www.chevron.com/newsroom/2024/q3/chevron-hess-merger-clears-ftc-antitrust-review>).

⁶ Letter on behalf of Chevron Corporation to Rep. Frank Pallone, Jr., Ranking Member, House Committee on Energy and Commerce (July 12, 2024).

⁷ Decision and Order, In the Matter of Exxon Mobil Corporation, Docket No. C-____ (May 2, 2024) (online at https://www.ftc.gov/system/files/ftc_gov/pdf/2410004exxonpioneerorderredacted.pdf); Federal Trade Commission, Press Release: FTC Order Bans Former Pioneer CEO from Exxon Board Seat in Exxon-Pioneer Deal (May 2, 2024) (online at <https://www.ftc.gov/news-events/news/press-releases/2024/05/ftc-order-bans-former-pioneer-ceoexxon-board-seat-exxon-pioneer-deal>).

⁸ *Id.*

inquiries and provide the following additional information and documents by no later than November 13, 2024:

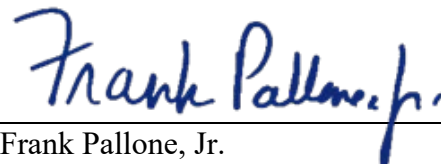
1. Was Chevron in possession or aware of the communications between Mr. Hess and former OPEC Secretary General Mohammad Barkindo, OPEC Secretary General Haitham al-Ghais, or the Saudi official described and cited in the FTC's complaint when Chevron responded to our letters?⁹
 - a. If Chevron has possession of the identified communications, produce the identified communications.
 - b. If Chevron was aware of the identified communications, produce any guidance provided by legal or compliance functions relating to the identified communications.
2. A detailed description of how employees of Hess will be incorporated into Chevron's corporate structure and their role in developing future production plans or in altering existing production plans for any of Chevron or Hess's production assets.
3. A detailed description of any guardrails Chevron plans on implementing in the wake of acquisition to ensure that the alleged behavior by Mr. Hess is not replicated within Chevron, and that the corporate culture within Hess that allowed Mr. Hess's alleged behavior and led the FTC to broadly prohibit Mr. Hess from advising Chevron is not allowed to infect Chevron.
4. A detailed description of how Chevron plans to consult with Mr. Hess on government affairs and other Chevron investments in Guyana while ensuring he does not use his position to inappropriately engage with officials from OPEC, OPEC or OPEC+ member nations, state-owned oil-and-gas-related enterprises from OPEC or OPEC+ member nations as he carries out his responsibilities.

If you have any questions regarding this request, please contact the Senate Committee on the Budget Majority Staff at (202) 224-0642 and House Committee on Energy and Commerce Democratic Staff at (202) 225-2927.

Sincerely,



Sheldon Whitehouse
Chairman
Senate Committee on the Budget



Frank Pallone, Jr.
Ranking Member
House Committee on Energy and Commerce

⁹ See note 2.

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cc: The Honorable Charles E. Grassley
Ranking Member
Senate Committee on the Budget

The Honorable Cathy McMorris Rodgers
Chair
House Committee on Energy and Commerce