

Congress of the United States

Washington, DC 20515

October 30, 2024

John B. Hess
Chief Executive Officer
Hess Corporation
1185 Avenue of the Americas
New York, NY 10036

Dear Mr. Hess:

We write to renew our May 21, 2024, and June 26, 2024, requests for documents relating to communications between Hess Corporation (Hess) 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. This follow-up letter from the two of us comes in the wake of the Federal Trade Commission's (FTC) allegations that you engaged in inappropriate communications and interactions with multiple OPEC Secretaries General and an official who held senior posts in the Saudi Arabian government and its state-owned oil company.¹

Furthermore, given the revelations and allegations contained in the FTC's complaint relating to Chevron's acquisition of Hess, we demand additional answers regarding your personal contacts and interactions with officials from OPEC or OPEC+ member nations.

On June 7, Hess submitted a non-responsive letter to Ranking Member Pallone providing basic information about the company and its operations. After Energy and Commerce Committee staff informed Hess that its letter was not at all responsive to the Ranking Member's questions, Hess provided a supplementary response in a June 11 email that once again provided general information about the company and a non-sequitur about the company's work in New Jersey after Superstorm Sandy while making no attempt to respond to the Ranking Member's questions.

On July 30, Hess transmitted a non-responsive letter to Chairman Whitehouse simply stating that "Hess's ability to respond to the questions you have posed is extremely limited" due to pending class action litigation against Hess for suspected collusion with OPEC, as well as the FTC's review of Hess's proposed merger with Chevron. Hess's position did not change despite further engagement by Senate Budget Committee staff, including discussion of the fact that the Supreme Court has held that ongoing legal proceedings do not preempt a congressional inquiry or obviate a company's need to respond to congressional inquiries.²

Hess did not deny possessing communications relevant to our inquiries in any of its responses to Ranking Member Pallone or Chairman Whitehouse, despite turning over responsive communications to the FTC that were cited in its complaint last month.³ Your responses to our questions so far have been entirely insufficient to address our concerns and, given the revelations

¹ 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).

² E.g. *McGrain v. Daugherty*, 273 U.S. 135 (1927).

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).

in the FTC’s complaint last month, it is clear that Hess has been acting in bad-faith in its responses to our inquiries.

In Hess’s response to Chairman Whitehouse, Hess noted that, “Hess is committed to operating with the highest levels of integrity and compliance with all applicable laws, including those related to antitrust and competition.”⁴ It is difficult—if not impossible—to square that statement with the allegations contained within the FTC’s complaint, which detail your frequent interactions with OPEC’s Secretaries General and Hess’s gold level sponsorship of an OPEC summit in 2023.⁵

As you are aware, OPEC and OPEC+ are cartels in which many of the major oil producing nations of the world collude to artificially limit crude oil production and manipulate crude oil prices. OPEC+ members include Iran, Russia, and Venezuela – designated adversaries that actively seek to undermine U.S. interests and our national security. As FTC Commissioner Ferguson stated, “OPEC is not a friend to the American people... I am not fond of the idea that American oil executives would share encouraging messages with an organization that includes America’s enemies, the goal of which is to keep our oil prices high.”⁶ We are not fond of that idea either.

Your position and unsatisfactory response stand in contrast to the responses of many of Hess’s peer companies that received Chairman Whitehouse’s June 26, 2024, letter. Indeed, over half of the companies that received Chairman Whitehouse’s June 26, 2024, letter have confirmed that they have undertaken reasonable due diligence to identify responsive materials or rule out their existence. Hess’s response contained no such confirmation.

The FTC’s September 30, 2024, 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

⁴ Letter from Hess Corporation to Sen. Sheldon Whitehouse, Chairman, Senate Committee on the Budget (July 30, 2024).

⁵ See note 1.

⁶ Dissenting Statement of Commissioner Andrew N. Ferguson, In the Matter of Chevron Corporation and Hess Corporation, Commission File No. 241-0008 (September 30, 2024) (online at https://www.ftc.gov/system/files/ftc_gov/pdf/chevron-hess-ferguson-statement_0930.pdf).

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.*

Given that multiple American oil and gas executives—including yourself—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 the FTC’s conclusion that your “history of communications with OPEC heightens the risk of harm to competition if Mr. Hess assumes a seat on Chevron’s Board of Directors,” your lack of any substantive responses to our recent letters is unacceptable. Accordingly, provide updated, substantive responses to our initial inquiries and the following additional information and documents by no later than November 13, 2024. In responding, please prioritize the following:

1. Produce all communications provided to the FTC between yourself and former OPEC Secretary General Mohammad Barkindo, OPEC Secretary General Haitham al-Ghais, and the Saudi official who is described in paragraphs 44-47 of the FTC’s complaint.
2. Provide a list of all meetings between yourself and former OPEC Secretary General Mohammad Barkindo, OPEC Secretary General Haitham al-Ghais, and the Saudi official who is described in paragraphs 44-47 of the FTC’s complaint, since January 1, 2014. The list should include:
 - a. The name and title of any other Hess employee or member of the Hess Board of Directors in attendance at each identified meeting and the current employment status of each identified employee or member of the Hess Board of Directors.
 - b. The date that each identified meeting occurred.
 - c. The names, titles, and affiliations of officials from OPEC or OPEC+ member states in attendance at each identified meeting.
 - d. The topic of discussion during each identified meeting.
 - e. Any formal or informal meetings at or in connection to industry conferences, OPEC conferences or seminars, or forum appearances to discuss the industry or market trends, such as the joint appearance by yourself and Mr. Barkindo at a forum organized by the Center for Strategic and International Studies (CSIS) in December 2016.
3. All records related to meetings identified in response to Request 2, including minutes, summaries, follow-up emails, extemporaneous notes, and any other documents related to each identified meeting.

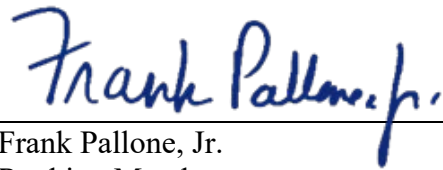
4. Any guidance you personally received pertaining to antitrust, competition, or sanctions issues provided by legal or compliance functions prior to your communications identified in response to Request 1 or meetings identified in response to Request 2.

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

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