

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5051
MINORITY (202) 225-5074
<https://oversight.house.gov>

MEMORANDUM

September 12, 2022

To: Members of the Committee on Oversight and Reform

Fr: Committee Staff

Re: Hearing on “Fueling the Climate Crisis: Examining Big Oil’s Prices, Profits, and Pledges”

On **Thursday, September 15, 2022, at 9:00 a.m. ET, in room 2154 of the Rayburn House Office Building and over Zoom**, the Committee will hold a hybrid hearing to examine the devastating harm of severe weather events induced by climate change, the adequacy of the fossil fuel industry’s pledges to address the climate crisis, and the industry’s profits.

I. BACKGROUND

The United States is already experiencing the devastating impact of climate change brought on by the burning of fossil fuels—including increased frequency and severity of extreme weather events, droughts and floods, and land and biodiversity loss.¹ In 2021 alone, there were 20 climate-related events in the United States that caused more than \$152 billion in damage and killed over 700 people. As global warming approaches or exceeds 1.5 degrees Celsius, these events are expected to worsen.²

As fossil fuel companies enjoyed record-breaking profits in recent years, they have spent billions of dollars in stock buybacks and dividends. In 2021, Exxon, Chevron, BP, and Shell spent more than \$44 billion in stock buybacks and dividends.³ This year, the four companies

¹ National Centers for Environmental Information, National Oceanic and Atmospheric Administration, *Billion-Dollar Weather and Climate Disasters* (July 22, 2022) (online at www.ncei.noaa.gov/access/billions/); United Nations Intergovernmental Panel on Climate Change, *Special Report: Global Warming of 1.5°C* (2018) (online at www.ipcc.ch/sr15/).

² United Nations Intergovernmental Panel on Climate Change, *Special Report: Global Warming of 1.5°C* (2018) (online at www.ipcc.ch/sr15/).

³ Letter from Chairwoman Carolyn B. Maloney, Committee on Oversight and Reform, and Chairman Ro Khanna, Subcommittee on Environment, to Mr. Darren Woods, Chief Executive Officer, ExxonMobil Corporation; Mr. David Lawler, Chief Executive Officer, BP America Inc.; Mr. Michael K. Wirth, Chief Executive Officer,

collectively have spent roughly \$19.9 billion on stock buybacks and announced plans to buy more by the end of the year.⁴

In recent years, fossil fuel companies have announced climate pledges and ambitions, promising to transition to net-zero carbon emissions consistent with the Paris Agreement.⁵ These companies have highlighted their support for policies that would curb harmful greenhouse gas emissions and their investments in renewable energy sources and technologies for offsetting emissions. However, fossil fuel company investments in clean energy is only a small fraction of their overall capital expenditures.⁶ Scientists have also raised questions about the viability of promised technologies.⁷

The Committee has been investigating the fossil fuel industry's decades-long climate disinformation and their recent pledges to meet climate goals in order to inform legislative efforts to address climate change.⁸

Chevron Corporation; and Ms. Gretchen Watkins, President, Shell Oil Company (Apr. 4, 2022) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2022-04-04.CBM%20Khanna%20to%20Woods-Exxon%20et%20al.%20re%20Stock%20Buybacks.pdf>).

⁴ *Oil Giants Are Pumping Billions of Dollars into Buying Their Own Shares*, New York Times (July 29, 2022) (online at www.nytimes.com/2022/07/29/business/oil-company-buybacks.html); *BP Is the Latest Oil Giant to Report a Huge Quarterly Profit*, New York Times (Aug. 2, 2022) (online at www.nytimes.com/2022/08/02/business/bp-profit-oil.html).

⁵ BP, *Press Release: From International Oil Company to Integrated Energy Company: BP Sets Out Strategy for Decade of Delivery Towards Net Zero Ambition* (Aug. 4, 2020) (online at www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/news-and-insights/press-releases/from-international-oil-company-to-integrated-energy-company.pdf); Chevron, *Press Release: Chevron Sets Net Zero Aspiration and New GHG Intensity Target* (Oct. 11, 2021) (online at www.chevron.com/stories/chevron-sets-net-zero-aspiration-and-new-ghg-intensity-target); ExxonMobil, *Press Release: ExxonMobil Announces Ambition for Net Zero Greenhouse Gas Emissions by 2050* (Jan. 18, 2022) (online at https://corporate.exxonmobil.com/News/Newsroom/News-releases/2022/0118_ExxonMobil-announces-ambition-for-net-zero-greenhouse-gas-emissions-by-2050); Royal Dutch Shell PLC, *Shell Energy Transition Strategy* (2021) (online at www.shell.com/promos/energy-and-innovation/shell-energy-transition-strategy/_jcr_content.stream/1618407326759/7c3d5b317351891d2383b3e9f1e511997e516639/shell-energy-transition-strategy-2021.pdf).

⁶ *Oil Firms' Climate Claims Are Greenwashing, Study Concludes*, The Guardian (Feb. 16, 2022) (online at www.theguardian.com/environment/2022/feb/16/oil-firms-climate-claims-are-greenwashing-study-concludes); *Facts Give Lie to Claim Record Oil Money Is Being Poured into Green Projects*, The Guardian (Feb. 11, 2022) (online at www.theguardian.com/business/2022/feb/11/more-cash-than-we-know-what-to-do-with-oil-and-gas-companies-report-bumper-profits).

⁷ *Id.*

⁸ Letter from Chairwoman Carolyn B. Maloney, Committee on Oversight and Reform, and Chairman Ro Khanna, Subcommittee on Environment, to Darren Woods, Chief Executive Officer, ExxonMobil (Sept. 16, 2021) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2021-09-16.CBM%20Khanna%20to%20Woods-ExxonMobil%20re%20Disinformation%20FINAL%20PDF%20v2.pdf>); Letter from Chairwoman Carolyn B. Maloney, Committee on Oversight and Reform, and Chairman Ro Khanna, Subcommittee on Environment, to Gretchen Watkins, President, Shell Oil Company (Sept. 16, 2021) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2021-09-16.CBM%20Khanna%20to%20Watkins-Shell%20re%20Disinformation%20FINAL%20PDF%20v2.pdf>); Letter

II. HEARING PURPOSE

The purpose of the hearing is to examine the devastating harm of climate change-induced severe weather events and the adequacy of the fossil fuel industry's climate pledges.

III. WITNESSES

Panel I

Kara Boyd
Bakersville, Virginia

Thomas Joseph
Hoopa Valley Tribe, California

Roishetta Ozane
Sulphur, Louisiana

Mary Cromer
Whitesburg, Kentucky

Panel II

Isabella M. Weber, Ph.D.
Assistant Professor of Economics
University of Massachusetts Amherst

Raya Salter, Esq.
Founder and Executive Director, Energy Justice Law and Policy Center
Member, New York State Climate Action Council

J. Mijin Cha, Ph.D., J.D.
Associate Professor of Urban and Environmental Policy, Occidental College
Fellow, Cornell University Worker Institute

Additional witnesses to be announced.

from Chairwoman Carolyn B. Maloney, Committee on Oversight and Reform, and Chairman Ro Khanna, Subcommittee on Environment, to Michael K. Wirth, Chief Executive Officer, Chevron (Sept. 16, 2021) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2021-09-16.CBM%20Khanna%20to%20Wirth-Chevron%20re%20Disinformation%20FINAL%20v2.pdf>); Letter from Chairwoman Carolyn B. Maloney, Committee on Oversight and Reform, and Chairman Ro Khanna, Subcommittee on Environment, to David Lawler, Chief Executive Officer, BP America Inc. (Sept. 16, 2021) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2021-09-16.CBM%20Khanna%20to%20Lawler-BP%20re%20Disinformation%20FINAL%20PDF%20v2.pdf>).

Staff contacts: Greta Gao, Katie Thomas, Max Whitcomb, and Taylor Edwards at (202) 225-5051.