

“Fueling the Climate Crisis: Examining Big Oil’s Prices, Profits, and Pledges”
Committee on Oversight and Reform
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Statement for the Record
Rep. Gerald E. Connolly (D-VA)

Chairwoman Maloney, thank you for holding this hearing. Across our country and around the globe, communities face myriad environmental crises from sea level rise, increased extreme weather incidents, and growing public health consequences. For instance, one third of Pakistan is underwater due to unprecedented flash flooding that has washed away homes, roads, and crops. In our own country, the Southwest has been subject to a megadrought – the driest 22-year period in the last 1,200 years, according to a study published in *Nature*. Big Oil is responsible for decades of deceit about the effects their products and services have on our world—and their deception continues to this day.

Disadvantaged communities experience the worst climate impacts because they are less likely to have the resources to prepare for climate disasters or rebuild after disasters occur. This inequity leaves them vulnerable to permanent displacement, homelessness, poverty, poor health, and even death. An Environmental Protection Agency study from September 2021 found that Black Americans, Latino Americans, American Indian and Alaskan Natives, and Asian Americans have a greater probability of experiencing negative consequences from climate change.

On August 9, 2021, the Intergovernmental Panel on Climate Change Working Group affirmed that greenhouse gas emissions from human activities have warmed the climate at a rate that is unprecedented in at least the last 2,000 years. Even with immediate action to reduce greenhouse gas emissions, we will continue to experience climate change’s worsening effects for the next 30 years. Last year, 20 climate-related weather events in our country caused more than \$152 billion in damage and killed over 700 people. Extreme weather will continue to intensify, and arctic ice will melt.

Oil and gas companies were well aware of the harm their products and services reaped on the environment going as far back as the 1970s. In 1977, Exxon’s scientists warned the company’s management team that burning fossil fuels exacerbates climate change. Eighty percent of research from Exxon’s own scientists from 1977 through 2014, aligns with the scientific consensus that climate change was real and driven by humans. In October 2021, this Committee exposed how Big Oil aggressively and intentionally sowed doubt about this scientific consensus through a strategy of skepticism, denialism, and misinformation—taking a page from the playbook of Big Tobacco.

After decades of muddying the waters on climate science, the oil and gas industry is finally under pressure for their years-long disinformation campaign. These companies now claim to be leaders in clean energy. But we know this volte face is a farce.

Exxon, Chevron, and BP all tout commitments to reduce emissions in alignment with the Paris Climate Agreement. Not surprisingly, however, these commitments are a sham designed to create the illusion of climate action while protecting Big Oil’s core business with a focus on squeezing out maximum short-term profits. In fact, Exxon, Chevron, BP, and Shell made record breaking profits this year. Yet they chose to spend this money on \$44 billion in stock buybacks

and dividends instead of renewable energy investments. Congress must act to stop these companies from profiting off of the destruction of our planet.

In January of this year, Exxon announced they aspire for net-zero emissions by 2050. This pledge, however, only accounts for the emissions from its own productions and operations. It ignores the toxic emissions released from burning Exxon's products, which accounts for 90 percent of Exxon's total emissions. The company has no plans to decrease oil and gas production. Instead, they will explore for new gas and oil fields that will hold its production steady at 3.7 million barrels of oil equivalent through 2025.

Like Exxon, Chevron aspires to net-zero emissions for its own operations by 2050 and excludes from their calculations the emissions released from the burning of its products. Once again, failing to incorporate the use of their products and services ignores 91 percent of its total emissions. Chevron plans to increase oil and gas production by 17.5 percent by 2025, which will almost certainly result in an increase of their total emissions. Chevron also plans to increase their low-carbon investments by 10 to 12 percent through 2028, but predominantly seeks to do so by increasing its reliance on natural gas and unproven technologies.

BP pledges to become net-zero by 2050 and to decrease its oil and gas production by 40 percent by 2030 – using 2019 as the baseline production level. They seek to increase their low-carbon investments in unproven technologies to as much as \$5 billion annually by 2030. Internal documents show that BP executives believe carbon capture and storage, an unproven technology, will “enable the full use of fossil fuels across the energy transition and beyond.”

Shell pledges to become net-zero by 2050 by cutting their operational emissions in half by 2030. Internal emails obtained by the Committee, however, indicate that this net-zero pledge is a “sky scenario” and has “nothing to do with our business plans.” Shell even developed guidelines for its employees to “insulate Shell” from lawsuits about “greenwashing” and “misleading investors” on climate change. Shell asks employees to explain net zero emissions as “a collective ambition for the world” and not a “Shell goal or target.” A Shell communications executive privately wrote that a Tweet by Shell asking others what they would do to reduce emissions could be viewed as “gaslighting” the public, explaining: “We are, after all, in a tweet like this implying others need to sacrifice without focusing on ourselves.”

Big Oil's rhetorical commitments are nothing more than the next chapter in their playbook of greenwashing. To be clear, if we are to meet our target of limiting global temperature increase to 1.5 degrees as the United States committed to in Paris, we must work to foster a steep decline in the use of new and existing fossil fuels. None of Big Oil's commitments puts us on that path.

The fossil fuel industry has contributed to the disastrous effects of climate change that plague this world. It is up to Congress and the Biden Administration to ensure meaningful climate action. We can start by correcting the record. These companies must comply with this committee's investigation to uncover the truth. This Committee has now twice invited five board members from Exxon, Chevron, Shell, and BP to testify before us. Both times they have refused to appear. These companies have failed to produce a complete set of documents in response to subpoenas from this Committee. The companies have produced a high volume of materials, attempting to overwhelm our staff, but have withheld the documents at the heart of this investigation, claiming those records are “sensitive” or “confidential” – an invalid assertion in

the midst of a congressional investigation. Our investigation, therefore, must take whatever next steps necessary to ensure their accountability. Only with the truth can Congress enact legislative solutions that effectively combat climate change, address environmental racism and the health effects of pollution, and establish American dominance in the clean energy technology industry.

As co-chair of the Sustainable Energy and Environment Coalition, I have led the call for stable, predictable, and long-term clean energy tax credits and for the elimination of fossil fuel subsidies. I have also called for a clean electricity standard and carbon pricing to help cut economy-wide greenhouse gas emissions and increase investments to electrify our economy and support zero emission transportation. I supported the Inflation Reeducation Act, which will make significant investments in renewable energy development and deployment – including in electric vehicles, utilities, and residential solar, wind, and geothermal energy. As President of the NATO Parliamentary Assembly, I welcomed the Alliance’s unprecedented commitment at the 2021 Leaders’ Summit to pursuing a Climate Change and Security Action Plan. Last year I helped secure nearly two million dollars in Community Project Funding for the Virginia Climate Center and nearly \$1 million dollars for a Community Climate Change Impact Analysis in my district. I am pushing for climate policy at the local, national, and international levels. It’s time for Big Oil to start doing the same.

It is long past time that we kick into a higher gear in combating climate change. I look forward to hearing the truth about Big Oil’s big lies at this hearing — and to working with this committee to hold Big Oil to account for its role in catalyzing the climate crisis in future hearings.