

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

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January 20, 2022

Mr. Enrique Hernandez
c/o Inter-Con Security Systems
210 South De Lacey Avenue
Pasadena, CA 91105

Dear Mr. Hernandez:

The Committee on Oversight and Reform requests your testimony at a hearing on Tuesday, February 8, 2022, at 10:00 a.m. ET in room 2154 of the Rayburn House Office Building and remotely on the Zoom video platform.

The hearing is part of the Committee's ongoing investigation into the role of the fossil fuel industry in preventing meaningful action on global warming, including through misrepresenting the scale of industry efforts to address the crisis. The hearing will evaluate fossil fuel companies' pledges to cut emissions and invest in cleaner sources of energy.

Thousands of the world's top climate scientists agree that the United States and the rest of the world must achieve net zero greenhouse gas emissions across all sectors of the economy by 2050 to stay under 1.5 degrees Celsius of warming—the goal of the Paris Agreement on climate change.¹ This can only be accomplished with an immediate mobilization to deploy renewable energy, zero-emission transportation, clean industry, and efficient, electrified buildings.

Just 20 fossil fuel companies, including BP, Shell, Chevron, and ExxonMobil, have generated more than one-third of all the greenhouse gases emitted worldwide since 1965.² In recent years, ExxonMobil, Chevron, BP, and Shell have each adopted climate pledges and plans that they claim are aligned with the Paris Agreement goal of net zero emissions by 2050.³

¹ Intergovernmental Panel on Climate Change, *Special Report on Global Warming of 1.5°C: Summary for Policymakers* (Oct. 8, 2018) (online at www.ipcc.ch/sr15/chapter/spm/).

² *Revealed: The 20 Firms Behind a Third of All Carbon Emissions*, *The Guardian* (Oct. 9, 2019) (online at www.theguardian.com/environment/2019/oct/09/revealed-20-firms-third-carbon-emissions).

³ ExxonMobil, *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); Chevron, *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); BP, *From International Oil Company to Integrated Energy Company: BP*

However, numerous independent reviews have found that these climate pledges are inadequate and will prevent the world from reaching net zero emissions by 2050.⁴ These pledges focus on emissions from companies' own operations, omitting massive downstream emissions that occur when consumers burn the fossil fuels companies produce.⁵ Using this narrow metric allows companies to claim their emissions are decreasing even as they extract and sell more oil and gas, increasing their total emissions.⁶

As worsening natural disasters linked to global warming devastate communities in the United States and globally, one of Congress's top legislative priorities is combating the increasingly urgent crisis of a changing climate. To do this, Congress must address pollution caused by the fossil fuel industry and curb business practices that lead to delay and disinformation on these issues. The Committee's investigation will inform these efforts.

Boards of directors of fossil fuel companies have a key governance role to play in addressing the climate crisis by overseeing and guiding companies' climate strategies, promoting transparency, and holding management accountable to meaningful emissions reductions. Duties related to protecting the environment are included in board committee charters at Exxon, Chevron, BP, and Shell.⁷ Similarly, Exxon's website states that the company's board oversees

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); Shell, *Shell Energy Transition Strategy* (online at www.shell.com/promos/energy-and-innovation/shell-energy-transition-strategy/_jcr_content.stream/1618407326759/7c3d5b317351891d2383b3e9fle511997e516639/shell-energy-transition-strategy-2021.pdf) (accessed Dec. 16, 2021).

⁴ Carbon Tracker, *Oil Majors' Net Zero Plans Still Far from Paris Targets* (May 27, 2021) (online at <https://carbontracker.org/oil-majors-net-zero-plans-still-far-from-paris-targets/>); World Benchmarking Alliance, *New Global Analysis: At Current Rates, Oil and Gas Companies Will Prevent World from Hitting 1.5°C Warming Goal* (July 22, 2021) (online at <https://assets.worldbenchmarkingalliance.org/app/uploads/2021/07/WBA-Oil-and-Gas-Benchmark-press-release-22-JULY-2021.pdf>); Climate Action 100+, *Companies: Oil and Gas* (online at www.climateaction100.org/whos-involved/companies/?search_companies&company_sector=oil-and-gas) (accessed Dec. 16, 2021); Net Zero Tracker, *Companies* (online at <https://zerotracker.net/#companies-table>) (accessed Dec. 16, 2021).

⁵ *The Dark Secrets Behind Big Oil's Climate Pledges*, The Guardian (Nov. 4, 2021) (online at www.theguardian.com/environment/2021/nov/04/dark-secrets-big-oil-climate-pledges-greenwashing).

⁶ *Id.*

⁷ See, e.g., Exxon Board of Directors, *Public Issues and Contributions Committee Charter* (noting that the board committee's "primary purposes" include reviewing and providing advice on Exxon's "policies, programs and practices on public issues of significance including their effects on safety, security, health and the environment") (Apr. 24, 2019) (online at corporate.exxonmobil.com/About-us/Who-we-are/Corporate-governance/ExxonMobil-board-of-directors/Public-issues-and-contributions-committee-charter); Chevron Board of Directors, *Public Policy and Sustainability Committee Charter* (noting that the purpose of this board committee includes to "assist the Board of Directors in overseeing environmental, social, human rights, political, and public policy matters, including those related to sustainability and climate change, that are relevant to the Corporation's activities and performance") (Jan. 27, 2021) (online at www.chevron.com/-/media/chevron/investors/documents/publicpolicycommitteecharter.pdf); BP Board of Directors, *Safety and Sustainability Committee Terms of Reference* (noting that the Committee's purposes include, "the effectiveness of implementation of bp's sustainability frame, including the implementation of bp's net zero ambition and associated aims and targets") (Dec. 3, 2021) (online at www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/investors/safety-and-sustainability-committee).

“risks related to climate change” and “reviews the Corporation’s environmental approach and performance,” while Chevron’s website states that board oversight is among the “foundational elements” of the company’s “climate-related governance.”⁸

In light of your role as a director at a major fossil fuel company and your experience advocating for increased shareholder value and sustainability in the oil and gas industry, the Committee requests your testimony to evaluate the current state of fossil fuel industry climate pledges and any progress that still needs to be made to meet the goals of the Paris Agreement and avert a climate catastrophe. Please be prepared to address the industry’s current efforts to address climate change, and whether these and other corporate strategies are consistent with the goal of net zero emissions by 2050. Please confirm your participation in this hearing by January 26, 2022.

Please note that Chevron is required to produce board materials regarding climate change and related matters, as well as documents related to the company’s climate pledges, pursuant to the subpoena issued by the Committee on November 2, 2021.⁹ Unfortunately, the company has failed to fully produce certain subpoenaed documents, including board materials, that were originally requested by the Committee more than four months ago.¹⁰ The Committee is in communication with company counsel and expects all responsive board materials and other documents related to these topics to be produced to the Committee in full and without redactions by February 1, 2022, one week prior to the hearing.

The enclosed Witness Instruction Sheet provides information for witnesses appearing before the Committee. Please note the procedures for submitting written testimony at least two business days prior to the hearing.

For in-person participants, the enclosed COVID-19 guidelines describe the Committee’s coronavirus safety protocols. Consistent with these guidelines, all witnesses and their staff must confirm their vaccination status and complete a health assessment before entering the Committee’s hearing room and/or office spaces. Witnesses who are not fully vaccinated must

terms-of-reference-2021.pdf); Royal Dutch Shell Board of Directors, *Safety, Environment and Sustainability Committee Charter* (noting that the committee’s duties include reviewing “the practices and performance of the Group relating to Environment, including in particular regarding environmental protection and Greenhouse Gas (‘GHG’) emissions”) (online at https://www.shell.com/investors/environmental-social-and-governance/board-of-directors/_jcr_content/par/grid_copy/p0/expandablelist_copy/expandablesection_730789930.stream/1608049078922/c13de3b6ae4c61424ce64b6e87eebd1421dcff76/safety-environment-and-sustainability-committee-terms-of-reference.pdf) (accessed Jan, 20, 2022).

⁸ ExxonMobil, *Governance* (online at <https://corporate.exxonmobil.com/Sustainability/Energy-and-Carbon-Summary/Governance>) (accessed Jan. 19, 2022); Chevron, *Energy Transition: Advancing a Lower Carbon Future* (online at www.chevron.com/sustainability/environment/energy-transition) (accessed Jan. 19, 2022).

⁹ Committee on Oversight and Reform, *Chairwoman Maloney Subpoenas Top Fossil Fuel Entities for Key Documents* (Nov. 2, 2021) (online at <https://oversight.house.gov/news/press-releases/chairwoman-maloney-subpoenas-top-fossil-fuel-entities-for-key-documents>).

¹⁰ Committee on Oversight and Reform, *Oversight Committee Launches Investigation of Fossil Fuel Industry Disinformation on Climate Crisis* (Sept. 16, 2021) (online at <https://oversight.house.gov/news/press-releases/oversight-committee-launches-investigation-of-fossil-fuel-industry>).

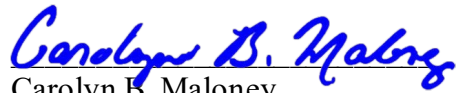
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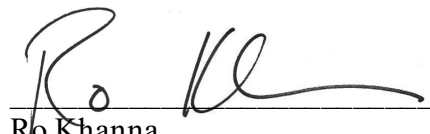
also provide proof of a negative COVID-19 test in advance of the hearing in order to enter the Committee's hearing room and/or office spaces. All witnesses are required to wear properly fitted, medical-grade, filtration face masks (KN95 or N95 masks) in the hearing room when not recognized to speak.

For witnesses participating remotely, the enclosed Zoom user guides demonstrate how to: (1) navigate Zoom features and (2) ensure the best user experience by employing general best practices (e.g., optimal lighting and sound conditions). Participants attending remotely are also asked to connect by 9:30 a.m. ET to ensure their participation and troubleshoot any connectivity issues.

Sincerely,



Carolyn B. Maloney
Chairwoman
Committee on Oversight and Reform



Ro Khanna
Chairman
Subcommittee on Environment

Enclosure

cc: The Honorable James Comer, Ranking Member
Committee on Oversight and Reform

The Honorable Ralph Norman, Ranking Member
Subcommittee on Environment