

ONE HUNDRED EIGHTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-3641  
Minority (202) 225-2927

May 28, 2024

The Honorable Cathy McMorris Rodgers  
Chair  
Committee on Energy and Commerce  
2125 Rayburn House Office Building  
Washington, DC 20515

Dear Chair Rodgers:

On May 2, the Federal Trade Commission (FTC) announced that it had entered into a consent order with the founder and former CEO of Pioneer Natural Resources (Pioneer), Scott Sheffield, following an investigation of a proposed merger between Exxon Mobil Corporation (Exxon) and Pioneer.<sup>1</sup> The consent order bars Mr. Sheffield from serving on or advising Exxon's board on the basis of allegations that he colluded with other American oil producers and OPEC to keep oil prices high.<sup>2,3</sup> These are shocking allegations that, if true, have had serious consequences for Americans and the prices they have paid at the pump. As the Committee with jurisdiction over exploration, production, storage, supply, marketing, pricing, and regulation of energy resources, the Committee must hold a hearing on these allegations and the effects that collusion between American oil companies and OPEC may have had on Americans.

The FTC complaint details a stunning list of actions allegedly taken by Mr. Sheffield, including an accusation that he "...campaign[ed] to organize anticompetitive coordinated output reductions between and among U.S. crude oil producers, and others..."<sup>4</sup> These allegations directly contradict Mr. Sheffield's assurances at a Committee hearing in 2022 that "we [Pioneer] do not set the sales price of our products. Prices are determined by international markets based

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<sup>1</sup> Federal Trade Commission, *FTC Order Bans Former Pioneer CEO from Exxon Board Seat in Exxon-Pioneer Deal*, (May 28, 2024) (press release).

<sup>2</sup> Federal Trade Commission, *In the Matter of Exxon Mobil Corporation, Decision and Order* ([https://www.ftc.gov/system/files/ftc\\_gov/pdf/2410004exxonpioneerorderredacted.pdf](https://www.ftc.gov/system/files/ftc_gov/pdf/2410004exxonpioneerorderredacted.pdf)) (accessed May 24, 2024).

<sup>3</sup> Federal Trade Commission, *In the Matter of Exxon Mobil Corporation, Complaint* ([https://www.ftc.gov/system/files/ftc\\_gov/pdf/2410004exxonpioneercomplaintredacted.pdf](https://www.ftc.gov/system/files/ftc_gov/pdf/2410004exxonpioneercomplaintredacted.pdf)) (accessed May 28, 2024).

<sup>4</sup> *Id.*

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on global supply or demand fundamentals.”<sup>5</sup> While collusion with any party to increase Americans’ gas prices would be harmful enough, membership of OPEC and OPEC+ contains a number of U.S. adversaries, including Russia, Iran, and Venezuela. It is unacceptable for any company to collude with our rivals to make obscene profits at the expense of Americans.

As detailed in my letter last week to seven different CEOs of American oil companies, collusion between oil companies to maintain high prices and gouge Americans at the pump is harmful and illegal.<sup>6</sup> The Energy and Commerce Committee has an obligation to the American people to ensure that oil companies are obeying the law.

This Committee must put its resources and weight behind a search for answers immediately. A hearing with Mr. Sheffield, the former CEO of Pioneer, would be a crucial first step, and Committee Democrats urge you to schedule that hearing promptly.

Sincerely,

A handwritten signature in blue ink that reads "Frank Pallone, Jr." in a cursive style.

Frank Pallone, Jr.  
Ranking Member

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<sup>5</sup> House Committee on Energy and Commerce, *Hearing on Gouged at the Gas Station: Big Oil and America’s Pain at the Pump*, 117th Cong. (Apr 6, 2022).

<sup>6</sup> House Committee on Energy and Commerce, *E&C Democrats Launch Investigation into Reports of Oil Companies Colluding to Drive up Gas Prices*, (May 22, 2024) (press release).