

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Chairman Frank Pallone, Jr.

Hearing on “Gouged at the Gas Station: Big Oil and America’s Pain at the Pump”

April 6, 2022

We are here today to get answers from the Big Oil companies about why they are ripping off the American people. At a time of record profits, Big Oil is refusing to increase production to provide the American people some much needed relief at the gas pump. Instead, they are buying back their stock at an estimated cost of about \$40 billion this year. Big Oil is lining their pockets with one hand and taking billions in taxpayer subsidies with the other. Meanwhile, the American people are getting ripped off as these companies choose to keep production low so that their own profits stay high.

The American people are understandably fed up with these prices, and we are here today to demand answers from Big Oil about when they will finally start providing the American people some relief.

As oil prices rise and Americans are hurting, the six oil companies testifying today made more than \$75 billion in profits between them last year. It’s also likely these companies will make even more this year. In fact, on Monday Exxon announced that its first quarter profits may be more than \$9 billion – that’s higher than last year’s first quarter profits of \$8.8 billion. All these profits while Americans are getting taken for a ride at the gas pump.

Even in the face of a devastating war in Ukraine and a bipartisan agreement to ban the import of Russian oil, several of the companies testifying today told their shareholders that they would rather make money off high prices in the market than invest in additional oil production.

If these companies really wanted to do something about high gas prices, they would put their profits to work by increasing supply. Right now, the oil and gas industry has more than 9,000 approved but unused drilling permits, and they should focus on using them. The problem is not a shortage of permits or land – Big Oil is choosing to keep supply low, prices high and their pockets lined with the hard-earned dollars of struggling American consumers.

The game Big Oil is playing is unfortunately nothing new. For decades American consumers have been subject to the whims of global petro-dictators and the oil companies that have benefitted from doing business with them. Foreign adversaries like Russia’s Putin can make prices unpredictable and unstable, and Big Oil is profiteering from our continued reliance on this volatile global commodity.

Republicans continue to push the same old oil-above-all policies, ignoring that those policies have led us to greater dependence on this volatile commodity.

April 6, 2022

Page 2

And where has all this gotten us? The United States now produces more oil and gas than any country in the world, but Americans are still subject to the actions of the Big Oil companies along with the whims of foreign adversaries like Putin and OPEC.

Democrats have a different plan – we are focused on actually reducing costs for American consumers at the pump today, while enacting 21st century all-of-the-above policies that will give consumers real options, not just a 1970s choice between oil, diesel and gas. The best way to protect Americans from oil price spikes is to curb our dependence on oil and transition to renewable energy, which is more stable, affordable, and generated right here at home.

Democrats have worked hard to bring real energy security to the American people. We have devoted billions of dollars to the Weatherization Assistance Program to reduce energy costs for homeowners and the Low-Income Home Energy Assistance Program to offset rising energy costs. We have invested in electric vehicles to give consumers a choice and make high gas prices a thing of the past. And, just last week, President Biden announced an unprecedented release of oil from the Strategic Petroleum Reserve to help drive down prices for American consumers.

It's now time for Big Oil to take some action to reduce the pain at the gas pump. I look forward to hearing from each of the witnesses today about how their companies can help the American people instead of lining their own pockets.