

“Fueling the Climate Crisis: Examining Big Oil’s Climate Pledges”
Committee on Oversight and Reform
10:00 AM, Tuesday, February 8, 2022
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. Big Oil is responsible for decades of deceit about the effects their products and services have on our environment—and their deception continues to this day.

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. Extreme weather will intensify and arctic ice will melt.

Oil and gas companies were well aware of the harm their products and services caused to 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. Big Oil would like the public to believe they have reversed course. 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 January of this year, Exxon announced they aspire for net-zero emissions by 2050. This pledge only accounts for the emissions from its own production and operations. This pledge 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. Exxon promises to increase their low-carbon investments by 10 to 12.5 percent over the next six years. These solutions include a wrong-headed reliance on unproven technologies like carbon capture and algae-based biofuels. Currently, Exxon spends about 0.22 percent on low-carbon solutions and spends more touting these efforts to the public than developing them.

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.

Shell also pledges to become net-zero by 2050 by cutting their operational emissions in half by 2030. They seemingly go further to reduce oil and gas production than some of their competitors, pledging to reduce the emissions intensity of their emissions from the burning of their products. But this commitment relies on offsets where the customer would need to pay more at the gas pump and Shell would use that additional revenue to purchase credits for reforestation. They're not solving the problem; they are simply overcharging consumers to pay an indulgence.

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 International Energy Agency in a report "Net Zero by 2050: A Roadmap for the Global Energy Sector" warns against the Big Oil-favored narrow path to reach net-zero by 2050. We must ensure Big Oil ceases new fossil fuel exploration and we must incentivize investment in renewable energies so they account for two-thirds of the U.S. energy supply.

These goals present an enormous challenge. But if we prioritize these goals, achieving them can also catalyze an economic boon. And Big Oil's shareholders have taken note. Last year, an activist investment firm was successful in placing three candidates focused on clean energy investment on Exxon's board during a shareholder meeting—dealing a major blow to Exxon CEO Darren Woods. And Chevron shareholders adopted a resolution encouraging the company to reduce emissions resulting from their own fossil fuel products, not just their operations. Whether one is solely concerned with future profitability or concerned about future generations, ultimately climate change is an existential threat to all. Companies that fail to evolve or adapt will become extinct.

The fossil fuel industry has contributed to the disastrous effects of climate change that continue to plague this world. It is up to Congress 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. Only with that 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. 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.

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.