

UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

Office of the Chair

Statement of Chair Lina M. Khan
Joined by Commissioner Rebecca Kelly Slaughter and Commissioner Alvaro Bedoya
In the Matter of Chevron Corporation and Hess Corporation
Commission File No. 2410008

September 30, 2024

The Organization of the Petroleum Exporting Countries (OPEC) is a cartel that, for decades, has enjoyed outsized control over oil prices in the United States. When OPEC and its allies, collectively known as OPEC+, decide to limit or cut back oil production, American consumers pay more at the pump and American businesses face higher costs. In the early 2010s, technological advances led to a surge in U.S. production—an increase that has let the United States emerge as the world’s largest oil producer. This development has positioned U.S. crude oil producers to serve as a competitive check on OPEC+, protecting Americans from the whims of a foreign cartel.

Greater production at home should mean Americans enjoy lower prices when filling their tanks or heating their homes. But when U.S. oil executives communicate privately and publicly with high-level OPEC representatives to support them in their stated mission to “stabilize” or limit global production, it threatens to replace the churn and dynamism of a competitive market with the ossification of a cartel. While this may protect the companies’ bottom lines, it means Americans pay inflated prices.

Today’s complaint identifies statements by Hess Corporation CEO John Hess that signaled support for efforts by OPEC+ to stabilize production. The proposed order would prohibit Chevron Corporation from appointing Mr. Hess to its Board of Directors. This action builds on the Commission’s action in *Exxon Pioneer*, which surfaced troubling statements by Pioneer CEO Scott Sheffield that suggested efforts to coordinate with members of OPEC+.

¹ United States produces more crude oil than any country, <https://www.eia.gov/todayinenergy/detail.php?id=61545#:~:text=The%20United%20States%20produced%20more,six%20years%20in%20a%20row> (Mar. 11, 2024).

² See, e.g. Compl. ¶¶ 2549.

³ Press Release, Fed. Trade Comm’n, FTC Order Bans Former Pioneer CEO from Exxon Board Seat in Exxon-Pioneer Deal (May 2, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/05/ftc-order-bans-former-pioneer-ceo-exxon-board-seat-exxon-pioneer-deal>; see also Statement of Chair Lina M. Khan in the Matter of Exxon Mobil Corporation, No. 2410004 (May 2, 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/2410004exxonpioneerlmkstmt1.pdf; Concurring Statement of Commr

