

U.S. Lawmakers Urge DOJ to Investigate Oil and Gas Companies September 19, 2023



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On July 25, 2023, Representative Ted Lieu and 19 other Democratic lawmakers from the U.S. House of Representatives and Senate sent a letter to U.S. Attorney General Merrick Garland, requesting that the Department of Justice open an investigation into certain oil and gas companies. As alleged in the letter, one of these companies "had a deep, structural understanding of climate change as early as the 1970s and yet proceeded to sow doubt about the science and the need for action." Its knowledge was purportedly based on research performed by in-house scientists who warned that increases in carbon emissions could "induce major climatic changes" that could in turn lead to "drastic economic consequences" and "severe stresses on human societies." Yet the company "continued to publicly promote the use of fossil fuels and participate in trade associations and other groups that pushed climate denial and opposed solutions."

Although these companies no longer deny climate change, the lawmakers accuse them of widespread greenwashing through "efforts to convince the public they are part of the solution." Specifically, lawmakers allege that oil company pledges to "move away from fossil fuels were not supported by 'concrete actions'" and that these companies have "slash[ed] investments in low-carbon projects" even while earning record profits.

Based on these allegations, the group of lawmakers urge the DOJ to take action. Drawing parallels to the tobacco industry's efforts to mislead the public about the health effects of smoking—which efforts the DOJ successfully prosecuted under the RICO Act—the letter urges the DOJ to investigate "members of the fossil fuel industry to determine whether they violated RICO, consumer protection, truth in advertising, public health, or other laws."

Taking the Temperature: It remains to be seen what influence, if any, this letter will have on the DOJ. On one hand, there is little new about these allegations. The letter is similar to a request that Representative Lieu sent to the DOJ in 2016. That letter also alleged a scheme by certain oil companies to deceive the public and urged the DOJ to prosecute oil companies using theories similar to those that were applied against tobacco manufacturers. On the other hand, this letter may be received differently because there is greater momentum now regarding climate-related enforcement than there was in 2016. Representative Lieu's 2016 letter had only three signatories; his 2023 letter has 20.

The DOJ has recently expressed a greater willingness to take action on sustainability issues, as evidenced by the formation of the TIMBER Enforcement Working Group to combat illegal timber trafficking. It would also be consistent with the DOJ's stated goal in its 2022-2026 strategic plan "to prioritize enforcement actions that will reduce greenhouse emissions, achieve emission reductions and relief that mitigate the impact of past violations, and hold violators accountable for committing environmental crimes."

Outside of the U.S., the allegations in the letter are similar to an action filed in the Italian courts earlier this year by Greenpeace Italy, ReCommon and 12 Italian citizens against the oil major ENI S.p.A., accusing the company of having known that fossil fuels would harm the climate.