



Congress of the United States
House of Representatives
Washington, DC 20515-3605

November 19, 2024

Mr. Andrew Katsaros
Inspector General
Federal Trade Commission
600 Pennsylvania Ave NW
Washington, DC 20580

Dear Mr. Katsaros,

We write to respectfully request the Federal Trade Commission (FTC) Office of Inspector General (OIG) take action to investigate recent disclosures made to the press regarding a criminal referral of Mr. Scott Sheffield to the U.S. Department of Justice.

On May 2, 2024, the FTC, on a 3-2 party-line vote, blocked Mr. Sheffield of Pioneer Natural Resources from joining the Board of Directors for ExxonMobil following the acquisition. On the same day, a Wall Street Journal article detailing the consent order was published which stated, “Officials at the Federal Trade Commission have decided to refer the allegations against Scott Sheffield to the Justice Department for a potential criminal investigation, according to people familiar with the matter.”¹ Several other media outlets reported receiving similar statements from an undisclosed source at FTC.^{2 3}

Following a July 9, 2024, hearing before the House Energy & Commerce Committee, questions for the record were submitted to each Commissioner regarding these inappropriate leaks. In their responses, all Commissioners indicated a lack of knowledge regarding the identity of the leaker and affirmed that such leaks are contrary to FTC policy.⁴ In fact, Chair Khan indicated the leak

¹ Morenne, Benoît. “Former Pioneer CEO Is Accused of Trying to Collude With OPEC” Wall Street Journal , May 2, 2024. <https://www.wsj.com/business/energy-oil/ftc-says-ex-pioneer-ceo-tried-to-collude-with-opec-on-oil-prices-27edf5bd>

² Kimball, Spencer. “FTC Accuses Ex-Pioneer CEO of Colluding with OPEC, Blocks Him from Exxon Board Seat.” CNBC, May 2, 2024. <https://www.cnbc.com/2024/05/02/ftc-accuses-ex-pioneer-ceo-of-colluding-with-opec-blocks-him-from-exxon-board.html>

³ Egan, Matt. “American Oil Tycoon Accused of Trying to Conspire with OPEC to Inflate Prices | CNN Business.” CNN, May 3, 2024. [American oil tycoon accused of trying to conspire with OPEC to inflate prices](https://www.cnn.com/2024/05/03/business/american-oil-tycoon-accused-of-trying-to-conspire-with-opec-to-inflate-prices/index.html)

⁴ Office of the Clerk, U.S. House of Representatives. “Hearing: The Fiscal Year 2025 Consumer Product Safety Commission Budget Subcommittee on Innovation, Data, and Commerce (Committee on Energy and Commerce).” The Fiscal Year 2025 Consumer Product Safety Commission Budget | Committee Repository | U.S. House of Representatives, July 23, 2024. <https://docs.house.gov/Committee/Calendar/ByEvent.aspx?EventID=117537>

was not appropriate and explained that “[u]nlawful disclosure of FTC nonpublic and confidential information is contrary to Commission policy and undermines the agency’s enforcement mission.”

These matters must remain confidential to protect the subjects of such investigations, as subjects can be innocent, never prosecuted, and would be harmed by similar leaks. If FTC officials or their staff are willing to leak information regarding highly sensitive matters, like criminal investigations, it calls into question if they can be trusted with the vast amounts of business-sensitive information they obtain through compulsory means every day.

Additionally, in comments filed by Mr. Sheffield’s counsel in response to the Proposed Consent Order, the documents state that “during a 4-hour investigational hearing of Mr. Sheffield on April 9, 2024, the FTC did not inquire about [his] prior statements” that were the subject of the FTC’s complaint and that the “quotes and text messages cited in the Complaint were [not] even marked as exhibits, despite the fact that counsel for Pioneer had invited the FTC to ask Mr. Sheffield questions about these documents.”⁵ This allegation raises serious concerns regarding the evidence used by FTC to substantiate its unusual consent order and the subsequent criminal referral to the DOJ.

The FTC OIG’s mission is to prevent and detect fraud, waste, and abuse, as well as promote efficiency and effectiveness in FTC programs and operations.⁶ Leaks of sensitive information, as well as inadequate investigations, are abuses of power by FTC, an institution in which the American people have placed a significant amount of trust. As the Inspector General, you must ensure and uphold the integrity of the FTC.

We urge the OIG to take action and conduct an investigation regarding this matter. We appreciate your attention to this request and look forward to your response.

Sincerely,



August Pfluger
Member of Congress



H. Morgan Griffith
Member of Congress



Jeff Duncan
Member of Congress

⁵ Sheffield, Scott. Regulations.gov, May 28, 2024. <https://www.regulations.gov/comment/FTC-2024-0027-0003>

⁶ Office of Inspector General. Federal Trade Commission OIG. <https://oig.ftc.gov/>

