

## United States Senate

WASHINGTON, DC 20510

April 5, 2022

President Joseph R. Biden  
The White House  
1600 Pennsylvania Avenue NW  
Washington, D.C. 20500

Dear President Biden,

As we work to strengthen our economy, alleviate supply chain disruptions, and build a more resilient nation following the COVID-19 pandemic, I am concerned that gas prices in Georgia remain stubbornly high. While I appreciate actions to investigate oil and gas companies for potentially illegal business practices, I urge you to immediately increase scrutiny of these companies given recent market volatility and swiftly target any corporate greed and profiteering. We cannot stand by as companies take advantage of ongoing events to pad their bottom line and enrich investors. In addition, as I work in Congress to address corporate greed and lower costs for hardworking Georgians, I request a briefing on the status of this work from your administration, including input from the Federal Trade Commission.

Prior to Russian President Vladimir Putin's unjust and barbaric invasion of Ukraine, the West Texas Intermediate (WTI) crude oil price was approximately \$92 per barrel.<sup>1</sup> Following the initial attacks by Russia, oil prices quickly rose to over \$123 per barrel by March 8, 2022. Despite this swift surge, the price for a barrel of oil has already decreased from its peak. The WTI crude oil price was near \$104 per barrel as of April 4, 2022 and under \$100 per barrel as recently as April 1, 2022.

While the initial increase in oil prices resulted in a near instantaneous increase in gas prices for consumers, the subsequent decrease in crude oil prices has failed to meaningfully provide relief for Georgians' families at the pump. According to the American Automobile Association (AAA), the average price for a regular gallon of gasoline in Georgia in late February was \$3.40.<sup>2</sup> One week ago, the average price per gallon was \$3.95 in my state. Despite a noted decrease in the price for a barrel of oil from its previous peak, the current average price for a gallon of gas in Georgia is \$3.86, a reduction of only \$0.09 per gallon in a week.

In a statement on March 16, 2022, you highlighted the emerging disparity between the WTI crude oil price and the price Americans are paying at the pump.<sup>3</sup> This case of possible corporate exploitation is underscored by recent actions from oil and gas companies reporting record profits and massive stock buybacks. ExxonMobil previously reported \$8.9 billion in profits during the

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<sup>1</sup> <https://www.eia.gov/dnav/pet/hist/rwtcD.htm>

<sup>2</sup> <https://gasprices.aaa.com/?state=GA>

<sup>3</sup> <https://twitter.com/POTUS/status/1504073842871963653>

last quarter of 2021, with up to \$10 billion in planned stock buybacks.<sup>4</sup> Similarly, Chevron reported a \$5.1 billion profit during the last quarter of 2021.<sup>5</sup> The company also recently increased their stock buyback guidance range to \$5 billion to \$10 billion, previously projected to be \$3 billion to \$5 billion.<sup>6</sup> These corporations are reaping excessive profits, while consumers in Georgia continue to stretch their budgets—directly transferring money from middle-class communities and struggling families in Georgia to the pockets of wealthy investors.

I proudly joined my colleagues to introduce the *Gas Prices Relief Act of 2022*, which would provide relief to Georgians by temporarily suspending collection of the federal gas tax. While I work with my colleagues in Congress to provide solutions to lower gas prices, your administration must take additional steps to promote market competition and ensure that corporate interests in the oil and gas sector are not working against families during this time of great uncertainty. It is my goal that the Federal Trade Commission, under your direction, will increase scrutiny and urgently complete its thorough investigation of the oil and gas sector for anti-consumer behavior.

Failing to address this surge in gas prices, as well as the underlying corporate greed driving the increase, harms families in Georgia and across the nation. I will continue to work with my colleagues in the U.S. Senate to lower costs for families, tackle high energy prices, and reign in price gouging. Thank you for your work to ensure our economy is working for all Georgians, and I look forward to supporting additional actions by your administration to lower gas prices and hold corporations accountable if illegal conduct is uncovered.

Sincerely,



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Reverend Raphael Warnock  
United States Senator

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<sup>4</sup> [https://corporate.exxonmobil.com/News/Newsroom/News-releases/2022/0201\\_ExxonMobil-earns-23-billion-in-2021\\_initiates-10-billion-share-repurchase-program](https://corporate.exxonmobil.com/News/Newsroom/News-releases/2022/0201_ExxonMobil-earns-23-billion-in-2021_initiates-10-billion-share-repurchase-program)

<sup>5</sup> [https://www.chevron.com/stories/chevron-announces-fourth-quarter-2021-results#:~:text=San%20Ramon%2C%20Calif.%2C%20January,diluted\)%20in%20fourth%20quarter%202020](https://www.chevron.com/stories/chevron-announces-fourth-quarter-2021-results#:~:text=San%20Ramon%2C%20Calif.%2C%20January,diluted)%20in%20fourth%20quarter%202020)

<sup>6</sup> <https://chevroncorp.gcs-web.com/news-releases/news-release-details/chevron-executing-plans-deliver-higher-returns-and-lower-carbon>