Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM 2157 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-6143

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December 4, 2022

The Honorable Antony J. Blinken Secretary U.S. Department of State 2201 C St., NW Washington, DC 20520

Dear Secretary Blinken:

The Committee is investigating reports of a "secret deal to boost oil production" between the Biden Administration and the Kingdom of Saudi Arabia. The *New York Times* reported that Biden Administration officials believed President Biden's trip to Saudi Arabia in August 2022 "could shore up a Saudi commitment to convince OPEC to increase oil production." Instead, on October 5, 2022, Saudi Arabia and the Organization of the Petroleum Exporting Countries and its affiliates (OPEC+) slashed production by two million barrels a day. According to press reports, this decision infuriated the Biden Administration officials who sought the deal to provide temporary fuel price reductions before the November midterm elections. If the Administration is brokering secret agreements to the detriment of American energy producers and for campaign purposes, the American people deserve to know. To understand what transpired, we are requesting documents and communications as well as a transcribed interview.

According to the *New York Times*, in May 2022, Amos Hochstein, the Administration's Special Envoy and Coordinator for International Affairs at the State Department and Brett McGurk, a senior National Security Council official, sought a clandestine, two-part arrangement with Saudi Arabia to increase foreign fossil fuel output.⁶ Under the proposal, OPEC+ would first expedite oil production hikes by several months, and then the organization would announce additional production boosts beginning in September with the purpose of temporarily reducing fuel prices worldwide—all conveniently before the November elections.⁷ On June 2, 2022, OPEC+ reported accelerated output timetables in compliance with the initial part of the "secret

¹ Mark Mazzetti, et al., *U.S. Officials Had a Secret Oil Deal With the Saudis. Or So They Thought.*, N.Y. TIMES (Oct. 25, 2022).

² *Id*.

³ Jeff Stein, et al., *OPEC*, allies move to slash oil production, eliciting blistering White House response, WASH. POST (Oct. 5, 2022).

⁴ *Supra*, n. 1.

⁵ See David Blackmon, Biden Says The Quiet Part About The Energy Transition Out Loud, FORBES (May 24, 2022).

[°] *Supra*, n. 1.

⁷ *Id*.

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deal." On the same day OPEC+ publicly released the timetables, President Biden announced his plans to travel to Saudi Arabia. Ignoring domestic energy production alternatives, President Biden completed the trip—a visit widely viewed as a symbolic "international rehabilitation" of the Crown Prince implicated in the murder of a U.S.-based journalist—abandoning his campaign promise to make Saudi Arabia a "pariah." 10

Against the backdrop of skyrocketing gas prices, ¹¹ President Biden's visit to Saudi Arabia drew opposition from within the President's own party, prompting a joint letter signed by Democrat Chairs of five House committees, urging political distancing from the Saudi Arabia. ¹² The Administration then provided details regarding its secret production deal and the significance regarding the midterm elections to Congressional Democrats in classified briefings. ¹³

Despite President Biden's visit, in August 2022, OPEC+ failed to meet the production metrics outlined in the secret deal by promising to increase output by only half the agreed-upon levels. ¹⁴ Top Administration officials continued to make efforts to lobby OPEC+ leading up to October's ministerial meeting. ¹⁵ OPEC+ announced it would be cutting production beginning in November 2022. ¹⁶ The Administration viewed this announcement as a "betrayal" leading up to the midterm elections. ¹⁷ The American people deserve transparency. This Committee has a responsibility to uncover the facts surrounding any backdoor deals cut by President Biden or his emissaries. The President is choosing foreign sources over domestic source—all for political purposes. If his Administration is engaging in backdoor market manipulations with adversarial nations while jeopardizing our national security for the sake of securing more favorable election conditions for Democrats, the American people have a right to know.

Since President Biden took office, Committee Republicans have repeatedly requested information surrounding the Administration's fossil fuel supply agenda, including multiple inquiries into Strategic Petroleum Reserve releases done for political gain. ¹⁸ The *New York*

⁸ Organization of the Petroleum Exporting Countries, Press Release, *29th OPEC and non-OPEC Ministerial Meeting* (Oct. 5, 2022).

⁹ See Tyler Page and John Hudson, Biden reportedly to visit Saudi Arabia, which he once vowed to make a 'pariah', WASH. POST (June 3, 2022).

¹⁰ Peter Baker and David Sanger, *Biden's Fraught Saudi Visit Garners Scathing Criticism and Modest Accords*, N.Y. TIMES (July 15, 2022).

¹¹ See Omar Abdel-Baqui and Hardika Singh, Gasoline Prices Reach \$5 a Gallon Nationwide for the First Time, WALL ST. J. (June 11, 2022).

¹² Letter from Adam Schiff, Chairman, H. Permanent Select Comm. on Intelligence, et al., to Joseph R. Biden, Jr., President of the United States (June 7, 2022).

¹³ *Supra*, n.1.

¹⁴ Organization of the Petroleum Exporting Countries, Press Release, *31st OPEC and non-OPEC Ministerial Meeting* (Aug. 3, 2022); *Supra*, n.1.

¹⁵ *Supra*, n. 1.

¹⁶ Organization of the Petroleum Exporting Countries, Press Release, *33rd OPEC and non-OPEC Ministerial Meeting* (Oct. 5, 2022).

¹⁷ Supra, n. 1.

¹⁸ Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Jennifer Granholm, Sec'y, Dep't of Energy (May 26, 2022); Letter from James Comer, Ranking Member, H. Comm. on Oversight and

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Times article raises further questions regarding the Administration's motives related to domestic energy suppression, covert market manipulation disguised as diplomacy, and lack of transparency leading up to the November elections.

In order to learn more about the "secret deal to boost oil production" between Administration officials and the Kingdom of Saudi Arabia, please provide the following documents and information, from January 20, 2021 to the present unless otherwise noted, by December 19, 2022:

- 1. All documents and communications between or among Amos Hochstein, Brett McGurk, and the Kingdom of Saudi Arabia or any representative thereof referring or relating to increasing oil production in the fall of 2022;
- 2. All documents and communications between employees or officials of the State Department and any representative(s) of a member country of OPEC+ regarding expected fossil-fuel production output;
- 3. All documents and communications between the State Department and the White House regarding a President Biden's visit to Saudi Arabia.

Additionally, please contact Committee staff by December 19, 2022, to make arrangements for Mr. Hochstein to schedule a transcribed interview on this matter. To make arrangements to deliver documents or to ask any related follow-up questions, please contact Committee on Oversight and Reform Republican staff at (202) 225-5074. The Committee on Oversight and Reform is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. Thank you in advance for your cooperation with this inquiry.

Sincerely,

Ranking Member

Committee on Oversight & Reform

cc: The Honorable Carolyn B. Maloney, Chairwoman Committee on Oversight and Reform

Reform, et al., to Jennifer Granholm, Sec'y, Dep't of Energy (July 20, 2022); Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Jennifer Granholm, Sec'y, Dep't of Energy (July 20, 2022); Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Jennifer Granholm, Sec'y, Dep't of Energy (Sept. 1, 2022); Letter from James Comer, Ranking Member, H. Comm. on Oversight and Reform, et al., to Jennifer Granholm, Sec'y, Dep't of Energy (Oct. 26, 2022).