

# **EXHIBIT 11**

# Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5051  
MINORITY (202) 225-5074  
<https://oversight.house.gov>

May 4, 2022

The Honorable Gary Gensler  
Chair  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

Dear Chair Gensler:

Committee on Oversight and Reform Republicans are conducting oversight of the U.S. Securities and Exchange Commission's (SEC) recently proposed rule entitled "The Enhancement and Standardization of Climate-Related Disclosures for Investors" (Climate Disclosure Rule or the Rule). The Rule would require publicly traded companies to disclose climate information in registration statements and annual reports.<sup>1</sup> Even more concerning, this Rule could impact companies that are not publicly traded or subject to SEC regulation by requiring them to disclose climate information simply because they conduct business with publicly traded companies. To understand the breadth, impact, and intent of the Rule, we request that the SEC provide information and a briefing. The American people have a right to know what, if any, effect the Rule will have on their ability to access affordable goods and services.

On March 21, 2022, the SEC released its proposed Climate Disclosure Rule, a rule almost 500 pages long that would require publicly traded companies to answer over 700 different inquiries about their greenhouse gas emissions, energy consumption, and the risk to the company from the potential impacts of climate change.<sup>2</sup> According to media reports, SEC officials also indicate the rule would force most companies in the S&P 500 to disclose greenhouse gas emissions from both the supply chain *and consumers* of a company's products.<sup>3</sup> This disclosure requirement would implicate private companies and individuals who generally do not fall within the purview of the authorities granted to the SEC by Congress, including private businesses that are not publicly traded. This is another example of the Biden Administration's attempt to extend the reach of the federal government to promote its radical climate agenda without any consideration of the burden(s) on small businesses.

The Climate Disclosure Rule would represent the largest expansion of SEC authority without a clear legislative mandate from Congress. This extensive and complicated Rule would be an overly broad expansion of the SEC's authority and contravenes the mission of the agency,

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<sup>1</sup> The Enhancement and Standardization of Climate-Related Disclosures for Investors, 87 Fed. Reg. 21334 (proposed Mar. 21, 2022) (to be codified at 17 C.F.R. pt. 210, 229, 232, 239, & 249).

<sup>2</sup> Paul Kiernan, *SEC Floats Mandatory Disclosure of Climate-Change Risks, Emissions*, WALL ST. J. (Mar. 21, 2022).

<sup>3</sup> *Id.*

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which is “to protect investors; maintain fair, orderly, and efficient markets; and facilitate capital formation.”<sup>4</sup> Further, this Rule appears to be a key part of the Biden Administration’s goal, as laid out in Executive Order 14008, of using federal authority to disincentivize investment in traditional energy sources to bolster the green economy despite soaring gas prices—over \$4 per gallon.<sup>5</sup>

The Biden Administration has signaled its intent to utilize every single federal agency to attack traditional energy sources and the related companies in their effort to establish a new market for green technology. From banning federal oil and gas leases to offering loan guarantees on speculative green technologies, this Administration is committed to total war on traditional energy industries, which results in killing American jobs. Moreover, with the out-of-control Biden inflation skyrocketing, the compliance costs for these companies will ultimately result in even higher costs of goods and services for all Americans.

In order to better understand the intent of the SEC in promulgating the Rule as well as the role that outside groups have played in shaping the policy of the Climate Disclosure Rule, we request the following information no later than May 18, 2022:

1. All documents and communications, from January 20, 2021, to present, between or among SEC staff referring or relating to the Rule, Enhancement and Standardization of Climate-Related Disclosures for Investors.
2. All documents and communications, from January 20, 2021, to present, between or among SEC staff and Brian Deese or any other member of the National Economic Counsel, referring or relating to the Rule, Enhancement and Standardization of Climate-Related Disclosures for Investors.
3. All documents and communications, from January 20, 2021, to present, between SEC staff and asset managers, investors, and non-governmental organizations, referring or relating to the Rule, Enhancement and Standardization of Climate-Related Disclosures for Investors.

Additionally, please make arrangements to schedule a staff level briefing no later than May 11, 2022, presented by the SEC staff tasked with writing the Rule, Enhancement and Standardization of Climate-Related Disclosures for Investors.

To schedule the briefing or ask any follow-up or related questions, please contact the 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.

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<sup>4</sup> *About the SEC*, U.S. SEC. & EXCH. COMM’N, <https://www.sec.gov/about.shtml>.

<sup>5</sup> Exec. Order No. 14008, 86 Fed. Reg. 7619 (Jan. 27, 2021); *National Average Gas Prices*, AAA GAS PRICES, <https://gasprices.aaa.com/>.

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Sincerely,



James Comer

Ranking Member

Committee on Oversight and Reform



Jody Hice

Ranking Member

Subcommittee on Government  
Operations



Glenn S. Grothman

Ranking Member

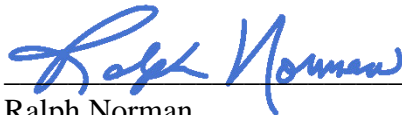
Subcommittee on National Security



Michael Cloud

Ranking Member

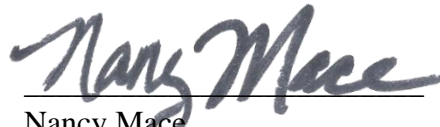
Subcommittee on Economic and  
Consumer Policy



Ralph Norman

Ranking Member

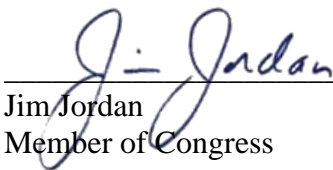
Subcommittee on Environment



Nancy Mace

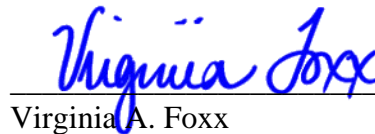
Ranking Member

Subcommittee on Civil Rights and  
Civil Liberties



Jim Jordan

Member of Congress



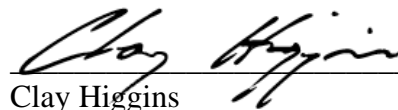
Virginia A. Foxx

Member of Congress



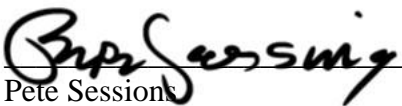
Bob Gibbs

Member of Congress



Clay Higgins

Member of Congress



Pete Sessions

Member of Congress



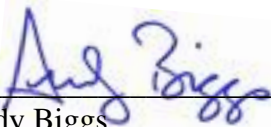
Fred Keller

Member of Congress

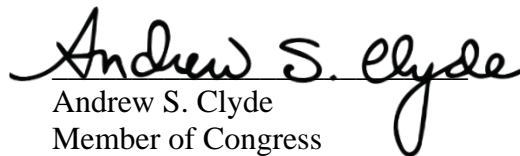
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Andy Biggs  
Member of Congress



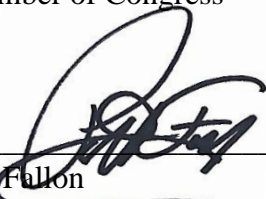
Andrew S. Clyde  
Member of Congress



Scott Franklin  
Member of Congress



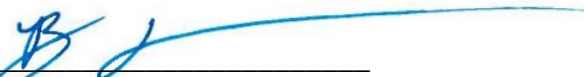
Jake LaTurner  
Member of Congress



Pat Fallon  
Member of Congress



Yvette Herrell  
Member of Congress



Byron Donalds  
Member of Congress

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

The Honorable Gerald E. Connolly, Chairman  
Subcommittee on Government Operations

The Honorable Stephen F. Lynch, Chairman  
Subcommittee on National Security

The Honorable Raja Krishnamoorthi, Chairman  
Subcommittee on Economic and Consumer Policy

The Honorable Ro Khanna, Chairman  
Subcommittee on Environment

The Honorable Jamie Raskin, Chairman  
Subcommittee on Civil Rights and Civil Liberties