

Justice Department Reviewing Anti-OPEC Legislation, Official Says



The Department of Justice is formally reviewing antitrust legislation aimed at reining in OPEC's power over oil markets, according to a department official.

While the study is ongoing, there is an understanding that the oil cartel's efforts to affect crude prices through production quotas has raised costs for American consumers, said the official, who spoke on condition of anonymity. That's traditionally the type of conduct the Justice Department would frown upon, the person said.

Bipartisan, anti-OPEC bills have been introduced in both the House and Senate, though neither chamber has voted on the measures yet.

The House Judiciary Committee in June approved the “No Oil Producing and Exporting Cartels Act,” or NOPEC bill, which would give the attorney general the authority to file a suit against OPEC for trying to control oil production or to affect crude prices. It would amend the Sherman Antitrust Act of 1890, the law used more than a century ago to break up the oil empire of John Rockefeller. A similar Senate bill hasn’t seen any action yet.

Although past presidents have threatened to use their veto power to prevent similar bills from becoming law, President Donald Trump has repeatedly attacked the cartel over high prices.

OPEC is scheduled to meet next month in Vienna amid a collapse in oil prices that’s spurred calls for the group to curb output in 2019. Saudi Arabia has already signaled it supports a deep cut and as a first step will reduce its shipments by 500,000 barrels a day in December.