

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Glencore Energy USA LLC

Docket No. ER26-1652

Comments of Public Citizen, Inc.

On March 6, an affiliate of Switzerland-based Glencore applied for market-based rate authority. The application omits reference to significant enforcement actions against the company for criminal violations of bribery and market manipulation statutes. Market based rates are an incentive, and should only be granted to applicants that do not engage in fraud, deception or misrepresentation.¹

On May 24, 2022, the U.S. Commodity Futures Trading Commission and U.S. Department of Justice issued a joint record-shattering \$1.186 billion enforcement action against Glencore, finding that it engaged in years-long manipulation and foreign corruption of U.S. and global oil markets, including manipulation of four U.S. based S&P Global Platts physical oil benchmarks and related futures and swaps.² Glencore pled guilty to criminal violations of federal law, including criminal violations of the Foreign Corrupt Practices Act, and criminal violations stemming from its manipulation of U.S. oil markets.³ Separately, on August 5, 2024 the Office of the Attorney General of Switzerland found Glencore guilty of criminal violations for bribery regarding a mining deal in the Democratic Republic of the Congo.⁴ And four Glencore oil traders face a criminal trial related to bribery schemes in West Africa, slated for trial in 2027.⁵

Section 201 of the Federal Power Act declares “that the business of transmitting and selling electric energy for ultimate distribution to the public is affected with a public

¹ See prior Public Citizen comments on MBR rates
https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20190318-5100

² www.cftc.gov/PressRoom/PressReleases/8534-22

³ www.justice.gov/archives/opa/pr/glencore-entered-guilty-pleas-foreign-bribery-and-market-manipulation-schemes

⁴ www.publiceye.ch/en/topics/commodities/after-criminal-complaint-by-public-eye-glencore-convicted-following-corrupt-mine-deals-in-the-drc

⁵ www.reuters.com/world/ex-glencore-employees-plead-not-guilty-uk-bribery-charges-ahead-2027-trial-2025-11-10/

interest.”⁶ Courts have consistently determined that the primary aim of the Federal Power Act is to uphold the public interest⁷ and protect consumers from harm.⁸

For decades, the Commission has stipulated that its market based rate authorities under Section 205 of the FPA are conditioned on an applicant’s conduct, determining that MBR applicants “will not engage in fraud, deception or misrepresentation. The provision of false, misleading or inaccurate information undermines the integrity of the FERC decision-making process, the smooth operation of markets and FERC’s ability to ensure just and reasonable rates for customers.”⁹ The Commission should consider not granting market-based rate authority to applicants who have been recently sanctioned by government authorities for criminal violations of market manipulation and bribery statutes.

Respectfully submitted,

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⁶ 16 USC § 824(a).

⁷ *NAACP v. FPC*, 425 U.S. 662.

⁸ *Pennsylvania Power Co. v. FPC*, 343 U.S. 414 (1952).

⁹ *FERC Votes to Suspend JP Morgan Ventures Energy Corp.’s Market-Based Rate Authority*, https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20121115-3000