

# Rhetoric Vs. Reality: Keeping Big Oil Honest

**As The Biden Administration Enacts Policies Not Wholly Focused On Catering To Big Oil, The Oil Industry Will Try To Distort The Record. Here Are The Facts.**

**SUMMARY:** As policies at the Department of the Interior shift, Big Oil is poised to fight reasonable regulation at every turn. This document tracks and rebuts the likely arguments that Big Oil may make possible policy changes at Interior.

**Big Oil's Bailouts:** Oil and gas is one of the most bailed-out industries in the US. It has been propped up with taxpayer dollars for years, and that only increased during the Trump administration.

**A Pause On Oil And Gas Leasing:** Pausing new oil and gas leases won't hurt big oil. They've been planning for this.

**Hitting The Brakes On Arctic Drilling:** Big Oil says drilling in ANWR is a priority, but a lease sale late in 2020 was a complete bust.

**Climate Change:** Joe Biden plans to treat climate change as an "existential threat." Big Oil says it opposes Biden's plans, but oil corporations have been planning for climate change, too.

**30 By 30:** Is a mainstream, commonsense approach with broad support to mitigate climate impacts and protect lands, coastal oceans, and habitat.

**Methane Regulations:** Big Oil has spent years fighting reasonable regulations of methane pollution. But now, the industry is changing its tune.

## Big Oil's Bailouts

**Oil And Gas Is One Of The Most Bailed-Out Industries In The US—It Has Been Propped Up With Taxpayer Dollars For Years, And That Only Increased During The Trump Administration**

**RHETORIC: The Oil Industry Says They "Don't Know What President-Elect Biden Is Talking About" Regarding Oil Bailouts**

**The American Petroleum Institute Says It Doesn't Know What Joe Biden Is Talking About When He Brings Up The Industry's Favorable Treatment From The Government.** "The American Petroleum Institute, the industry's lobbying arm in Washington, thinks it can work with the incoming administration in areas such as bolstering support for technology that captures carbon emissions. But API argues that it already pays higher tax rates than most American businesses. 'We as an industry don't exactly know what President-elect Biden is talking about,' Mike Sommers, the group's president, said in an interview last month. 'We don't receive any tax treatment. We take advantage of deductions that other businesses in the world take advantage of.' He said API had already circulated a fact sheet on Capitol Hill." [Washington Post, [12/22/20](#)]

### **REALITY: The Federal Government Has Spent Four Years Bailing Out The Failing Oil And Gas Industry, Prioritizing Profits Over Public Lands**

**While Bernhardt Was Deputy Secretary, The Interior Department Completed or Moved Forward With 25 Policy Actions Requested or Supported By At Least 16 Of His Former Clients.** "An analysis by the Center for Western Priorities finds that during Bernhardt's tenure as Deputy Interior Secretary, the agency has completed or moved forward with at least 25 policy actions that have been requested or supported by at least 16 of his former clients." [Westwise, [12/17/18](#)]

**Trump Issued An Executive Order Requiring Agencies To Expedite "Infrastructure, Energy, Environmental, Or Natural Resources-Related Projects."** "Section 9(b) of E.O. 13927 additionally requires agencies to utilize their statutory and regulatory authorities that provide for emergency or expedited treatment of infrastructure, energy, environmental, or natural resource-related projects and project reviews "to the fullest extent permitted to facilitate the Nation's economic recovery.'" [USDA Report On EO 13927, [07/07/20](#)]

- **In Response To Trump's Executive Order, The Interior Department Reduced "Time Required For Environmental Reviews On All Projects."** "I am responding on behalf of the Department of the Interior (Department) to the initial reporting requirement in Executive Order (E.O.) 13927 "On Accelerating the Nation's Economic Recovery from the COVID-19 Emergency by Expediting Infrastructure Investments and Other Activities." I am pleased to report that the Department has developed multiple mechanisms for reducing the time required for environmental reviews on all projects where we are either the lead or a cooperating agency, including activities that will promote economic recovery during the COVID-19 pandemic." [Letter From Katherine MacGregor To Larry Kudlow, [07/15/20](#)]

**Numerous Requests For Regulatory Relief The American Petroleum Institute Requested Were Implemented By The Interior Department.** "API also requested regulatory relief in a March 20 letter to President Donald Trump and a March 23 letter to the Environmental Protection Agency, as Reuters and The Hill previously reported. [...] News reports and other publicly available information indicate the Interior Department implemented some of API's requests, postponing certain onsite inspections and approving applications for lease suspensions, which stops the clock on set lease terms if circumstances affect a company's production. It's unclear whether other wish list items have been fulfilled." [HuffPost, [10/22/20](#)]

### **...Despite The Industry's Years Of Financial Trouble...**

**American Oil Companies Were Facing Financial Trouble Prior To The Pandemic.** “American oil and gas companies were often in financial trouble well before the coronavirus economic crisis, and now many are asking for taxpayer assistance to cushion their fall. [...] Many independent drillers were already mired in debt from chasing the fracking boom, according to analysts. They were finding it harder to secure investment and even facing bankruptcy.” [*The Guardian*, [05/14/20](#)]

### **REALITY: During The Global Pandemic, The Trump Administration Has Given Billions In Bailouts To Extractive Industries...**

**Oil, Gas, Mining, And Related Companies Took In Over \$4.5 Billion Through The Paycheck Protection Program (PPP).** “In total, 22,382 oil, gas, mining and related extractive resource corporations received a staggering \$4,530,469,847 in taxpayer-funded monies through the PPP. In contrast, the wind and solar sector received a total of \$164,987,228, going to some 1,133 businesses. The average loan amount was nearly 40% higher for extractive resource corporations as well.” [Accountable.US, [12/11/20](#)]

- **About 70% Of The Entire Oil And Gas Sector Received Bailouts Through PPP.** “Data from the Bureau of Labor and Statistics shows that 31,992 private oil, gas, and mining establishments are currently operating in the United States, meaning 70% of all the entire sector received a PPP bailout, up 8% from a previous analysis by Accountable.US. In total, a new report by Bailout Watch finds that the fossil fuel sector may have received upwards of \$15.2 billion from the Trump administration during the pandemic.” [Accountable.US, [12/11/20](#)]
- **And At Least 38 Publicly-Traded Oil And Gas Companies Have Received PPP Funding Totaling \$134,521,552.** [Western Values Project PPP Bailout Tracker, [06/03/20](#)]
- **\$3,894,793,207 In Bailouts From The Paycheck Protection Program Went To Mining Companies, Bailing Out A Third Of The Entire Industry.** [SBA, [04/16/20](#)]

### **...\$1.6B In CARES Act Tax Breaks...**

**Oil And Gas Companies Got \$1,587,000,000 In Tax Breaks From The CARES Act During The Pandemic.** [Trump Extractive Corps Bailout Tracker, accessed [01/15/21](#)]

**EOG Also Got \$150 Million In Tax Credits As A Result Of The Pandemic.** “In response to the economic impacts of the COVID-19 pandemic, the President of the United States signed the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) into law on March 27, 2020. The CARES Act provides economic support to individuals and businesses through enhanced loan programs, expanded unemployment benefits, and certain payroll and income tax relief, among other provisions. The primary tax benefit of the CARES Act for EOG was the acceleration of approximately \$150 million of additional refundable alternative minimum tax

(AMT) credits into tax year 2019. These credits originated from AMT paid by EOG in years prior to 2018 and were reflected as a deferred tax asset and a non-current receivable as of December 31, 2019 since they had been expected to either offset future current tax liabilities or be refunded on a declining balance schedule through 2021. As a result of the CARES Act, EOG has reclassified these credits from a non-current receivable in Other Assets to a current receivable in Income Taxes Receivable on the Condensed Consolidated Balance Sheet at March 31, 2020." [EOG SEC Form 10-Q, [03/31/20](#)]

- **EOG Resources, Formerly Enron, Is One of The Largest Oil Companies In The US.** "EOG Resources, Inc. (NYSE:EOG) is one of the largest crude oil and natural gas exploration and production companies in the United States with proved reserves in the United States, Trinidad and China." [EOG Resources, accessed [06/10/20](#)]
- **EOG Is Formerly A Subsidiary Of Enron.** "Enron Oil & Gas Co. and Enron Corp. split up for good this week. The exploration and production arm of the giant energy and energy services company is now an independent company after the two completed a share exchange. Enron exchanged 62.27 million shares of EOG stock for EOG's China and India operations. And EOG contributed \$600 million in cash to one of its subsidiaries that will remain with Enron." [*Houston Business Journal*, [08/22/19](#)]

**Samson Resources Got A \$780,000 Tax Benefit From The CARES Act.** "A valuation allowance is provided if it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company's ability to realize the benefits of its deferred tax assets will depend on the generation of future taxable income through profitable operations. Due to the Company's history of losses and the uncertainty of future profitable operations, the Company has recorded a full valuation allowance against its deferred tax assets, except for a tax asset for certain refundable alternative minimum tax ('AMT') credit carryforwards. In March 2020, the Coronavirus Aid, Relief, and Economic Security ('CARES') Act contains a significant number of provisions that impacted business related to income taxes. One of the changes was to the AMT credit refunds. The CARES Act changed the rules to allow a full refund of any excess credits immediately in 2019. The Company filed its fiscal year end June 30, 2019, tax return and has requested a full refund of its \$780,000 AMT credit. This amount has been classified as a tax receivable in the balance sheet." [Samson Resources 10-Q, [05/31/20](#)]

- **Samson Resources Is An Oil And Gas Company.** "Samson Resources Corp operates as an oil and gas company. The Company explores, develops, and produces oil and natural gas. Samson Resources serves customers in the State of Oklahoma." [*Bloomberg*, accessed [07/13/20](#)]

**SM Energy Got A Tax Benefit From The CARES Act Of \$7,600,000.** "The Coronavirus Aid, Relief, and Economic Security Act ('CARES Act') was enacted on March 27, 2020. The primary feature of the CARES Act that the Company will benefit from is the acceleration of its refundable Alternative Minimum Tax ('AMT') credits. On April 1, 2020, the Company filed an election to accelerate its remaining refundable AMT credits of \$7.6 million that are expected to be received during the second quarter of 2020." [SM Energy 10-Q, [05/31/20](#)]

- **SM Energy Is An Oil And Gas Company.** “SM Energy Company is an independent energy company that explores for and produces natural gas and crude oil. The Company's operations are focused on The **ArkLaTex**, Gulf Coast, Mid-Continent, Rocky Mountains, and Permian Basin regions.” [Bloomberg, accessed [07/15/20](#)]

**QEP Resources Got A \$165,600,000 Tax Benefit From The CARES Act.** “The tax legislation enacted in December 2017 reduced our federal corporate tax rate from 35% to 21%. In addition, the tax legislation eliminated the corporate Alternative Minimum Tax (AMT), allowing the Company to claim AMT refunds for AMT credits carried forward from prior tax years. The Company received \$73.9 million of AMT credit refunds in 2019. The Coronavirus Aid Relief, and Economic Security Act (CARES Act) enacted in March 2020 permitted the Company to carry back its net operating loss (NOL) generated in 2018, creating additional AMT credits, and accelerate all of its AMT refunds into 2020. The Company now anticipates it will receive \$165.6 million of AMT credit refunds, after carrybacks, in the next 12 months. The AMT credit refunds are included in "Income tax receivable" on the balance sheets as of March 31, 2020.” [QEP Resources, [05/31/20](#)]

- **QEP Energy Is The “Wholly Owned Subsidiary” Of QEP Resources.** [QEP Resources Press Release, [08/23/12](#)]
- **QEP Resources Is An Oil And Gas Company.** “QEP Resources, Inc. is an independent crude oil and natural gas exploration and production company. The Company focuses on two regions of the United States: the Northern Region (primarily in North Dakota, Wyoming and Utah) and the Southern Region (primarily in Texas and Louisiana). The Company conducts exploration and production activities in North America's hydrocarbon resource plays.” [Reuters, accessed [07/15/20](#)]

### **...And Over \$671M In Bailouts From The Main Street Lending Program...**

The Main Street Lending Program Gave \$671,303,488 In Bailouts To Oil And Gas Companies During COVID-19. [Trump Extractive Corps Bailout Tracker, accessed [01/15/21](#)]

### **In Addition, The Trump Administration Tapped A \$500B “Slush Fund” To Help The Oil And Gas Industry...**

**The Trump Administration Is Pushing For A \$500 Billion “Slush Fund” Which Would Hide Recipients Of Taxpayer Dollars For Six Months.** “As Senate Democrats went to the floor Sunday night to vote — the first time they’d been there in days — they had one thing on their minds: a secret ‘slush fund’ for Corporate America. That’s what Democrats are calling a \$500 billion ‘Exchange Stabilization Fund’ included in the massive Senate GOP proposal to rescue the U.S. economy from the coronavirus crisis. The fund, which would come under the control of Treasury Secretary Steven Mnuchin, is designed to aid distressed industries. It includes \$58 billion for U.S. airline and air cargo companies, a source of significant controversy during the last three days of closed-door talks between senators of both parties and the White House. But the language drafted by Senate Republicans also allows Mnuchin to withhold the names of the companies that receive federal money and how much they get for up to six months if he so decides.” [Politico, [03/23/20](#)]

**The Trump Administration Is Still “Interested In Providing Federal Assistance” To Bail Out The “Oil And Gas Industries” With Their Proposed \$500 Billion Slush Fund.** “The Trump administration and Senate Republicans have called for giving the Treasury Department the authority to disburse hundreds of billions of dollars in emergency federal loans to firms hurt by the economic impact of the coronavirus. Their initial proposals called for the fund to be worth \$208 billion. But after a flurry of lobbying over the weekend, Senate Republicans’ legislation now calls for a \$500 billion program that would award loans to states and cities as well as businesses, according to a copy of the most recent GOP proposal [...] The bill also would require disclosure of the loan recipients within only six months of enactment. Trump administration officials have said they are interested in providing federal assistance to help the cruise, hospitality and oil and gas industries, among others severely hurt by the downturn since the beginning of the outbreak.” [*Washington Post*, [03/22/20](#)]

### **...And Bought Up Over \$355M In Oil And Gas Industry Debt.**

**The Federal Reserve Has Used Pandemic Aid To Buy Over \$355M In Bonds Issued By Oil And Gas Companies.** “The U.S. government has used emergency pandemic aid to purchase more than \$355 million in bonds issued by companies in the battered oil and gas industry, according to a report being released Wednesday by critics who say the investments amount to a bailout.” [*Bloomberg*, [09/30/20](#)]

### **REALITY: Trump’s Interior Department Slashed Benefits To Taxpayers From Oil And Gas Extraction On Public Lands During The Pandemic And Beyond**

**Interior Finalized A Rule Changing How Royalty Payment For Oil And Gas Extraction On Public Lands Are Calculated With The New Rule Anticipated To Reduce Payments By \$28.9M That Would Normally Benefit Taxpayers.** “The Interior Department has finalized a rule changing how companies calculate royalty payments for oil, natural gas and coal extracted from federal lands, a move the Trump administration says will save the industry \$28.9 million a year.” [*Politico Pro*, [01/14/21](#)]

**The Trump Administration Has Long Sought To Undo An Obama-Era Rule On Valuation That Stopped Coal Companies From Using Subsidiaries To Reduce Royalty Payments.** “The Trump administration spent years trying to undo an Obama-era rule that updated the so-called valuation rule and closed a loophole that allowed coal companies to sell coal to their subsidiaries at below-market rates to sharply reduce the royalties they paid.” [*Politico Pro*, [01/14/21](#)]

- **A Federal Judge Previously Blocked Outright Repeal Of The Rule, Citing Interior Overreach.** “The Trump administration’s effort to outright repeal the Obama rule was struck down, but in 2019 a federal judge in Wyoming blocked the coal part of the rule, concluding that it overstepped the authority of Interior’s Office of Natural Resources Revenue.” [*Politico Pro*, [01/14/21](#)]

### **...After Giving Lease Suspensions And Royalty Relief To Oil And Gas Operators On Public Land Throughout The Pandemic...**



**BLM Has Offered A Pandemic Bailout To Public Lands Oil Producers Through Lease Suspensions And Royalty Relief.** “In all, more than 1,000 applications for royalty relief or lease suspensions have flooded Western BLM state offices following Interior guidance last month that promised rapid processing during the COVID-19 pandemic, according to the documents. Interior officials have not released full information about those requests amid scrutiny of what critics have deemed a bailout to industry, prompting frustrated House Democrats to push for hard numbers.” [E&E, [05/20/20](#)]

**BLM Advised Public Lands Oil And Gas Drillers On How To Apply For Reduced Royalty Rates Or Lease Suspensions During The COVID-19 Pandemic.** “The BLM has authority to grant royalty relief when it is in the interest of conservation to do so or would encourage the greatest ultimate recovery of oil and gas. Without royalty relief, the abandonment of oil and gas wells would reduce the ultimate recovery of petroleum resources from Federal leases and result in the loss of the associated future royalty revenue to the U.S. Treasury. To avoid these well abandonments, operators may show that it would be in the interest of conservation and encourage the greatest ultimate recovery of oil and gas to reduce royalties for leases that would otherwise be prematurely abandoned due to the COVID-19 pandemic.” [BLM Royalty Relief Guidance, [04/21/20](#)]

- **BLM Didn’t Say How Much It Is Willing To Reduce Companies’ Royalties By, But Suggested It Would Be A Substantial Amount That Will Last One Year.** “The MLA allows BLM, for the purpose of encouraging the greatest ultimate recovery of oil and gas and in the conservation of natural resources, to “waive, suspend, or reduce” the royalty rate on a federal oil and gas lease when “necessary . . . to promote development” or when the lease “cannot be successfully operated” under its current terms. 30 U.S.C. § 209. BLM’s regulations specify the requirements of an application for royalty relief. 43 C.F.R. § 3103.4-1. [...] The Interim Royalty Relief Guidance does not specify a particular rate; however, it uses the example of a reduction from 12.5 percent to 0.5 percent. This example suggests that BLM will consider requests to significantly reduce royalty rates. [...] Approved temporary royalty rate reductions will terminate one year from BLM’s approval of the application.” [Davis Graham & Stubbs, [04/23/20](#)]
- **BLM’s Offer To Suspend Leases Will Postpone Any “Operational Obligation” The Company Has With That Lease.** “BLM’s Interim Guidance for Lease Suspension Requests During the COVID-19 National Emergency (“Interim Suspension Guidance”) outlines how federal lessees may obtain suspensions of operations or production under section 17 of the Mineral Leasing Act (MLA) because of the COVID-19 pandemic. [...] A suspension of operations postpones the operational obligation of a lease and temporarily tolls the running of the lease term to prevent the lease from expiring during the suspension. A suspension of production postpones the production obligation of the lease to prevent it from expiring during the suspension.” [Davis Graham & Stubbs, [04/23/20](#)]
- **“A suspension of operations and production tolls the running of the lease term, prevents the lease from expiring during the suspension, and tolls payment of rentals, but it also bars both operations and production.”** [BLM, accessed [05/18/20](#)]

**BLM Laxed Its Requirements For Royalty Relief Applications In June.** “The BLM quietly changed its application guidance in June, by which time US Realm’s leases had already received reductions. The new criteria offered even looser restrictions on eligibility, no longer requiring that applicants prove that a lease could be profitable with a reduction.” [Buffalo Bulletin, [09/30/20](#)]

### **... As States Are Left To Deal With The Loss Of Vital Revenue**

**Energy Royalties Are “An Integral Component Of Many Western States’ Budgets.”** “While a small portion of federal government revenue, energy royalties are important to resource-rich states in the mountain west that receive about half of what Washington collects inside their borders. ‘These oil and gas royalties are an integral component of many western states’ budgets, and suspending their collection would have a direct negative effect on states,’ the Western Governors’ Association wrote in early April to David Bernhardt, a former oil lobbyist who serves as interior secretary.” [Financial Times, [06/28/20](#)]

## **A Pause On Oil And Gas Leasing**

### **Pausing New Oil And Gas Leases Won’t Hurt Big Oil—They’ve Been Planning For This**

#### **RHETORIC: Big Oil Says A Pause On Leasing Could “Eliminate” The Industry**

**The American Petroleum Institute Says Joe Biden’s Policies Will “Undermine Or Eliminate An Industry”** “The oil lobby group is also skeptical of proposals by Biden and Democrats to help affected fossil fuel workers transition to jobs in cleaner energy or to compensate state and counties for the hit on revenues from a leasing ban. ‘The idea that you are going to seek to undermine or eliminate an industry and then provide them with government jobs in a New Deal-type of fashion is pretty insulting to U.S. oil and gas workers.’” [Washington Examiner, [01/13/21](#)]

**The “Main Exception” To The American Petroleum Institute’s “Openness” To Biden’s Agenda Was On Targeting Fossil Fuel Production On Public Lands And Offshore Waters, A Position API Planned To Make Clear To The Administration.** “The main exception to the API’s openness to Biden’s agenda is his promise to target fossil fuel production on public lands and offshore waters, an area responsible for nearly a quarter of U.S. greenhouse gas emissions from energy production. The API argues the policy, which Biden’s nominee for Interior secretary, Rep. Deb Haaland, could pursue without Congress, would lead to increased energy imports and higher prices for oil and also harm the budgets of states such as New Mexico that rely on royalty payments from federal drilling. ‘The consequences would be absolutely devastating to American communities and the American public,’ [API CEO Mike] Sommers said. ‘We will be making that position clear to the Biden administration.’” [Washington Examiner, [01/13/21](#)]



**In Early November 2020, Continental Resources Founder And Chair Harold Hamm Said The Energy Industry Would Be Relying On Congressional Allies To Hold Tougher Environmental Policies “At Bay.”** “Harold Hamm, the founder and executive chairman of Continental Resources Inc., said in an earnings call Friday that the energy industry will be counting on allies in Congress to help hold off environmental policies that are even tougher than what President Obama approved. ‘That’s the game we’ll be playing again – to hold them at bay,’ Mr. Hamm said.” [Wall Street Journal, [11/10/20](#)]

- **Hamm Is A “Longtime Ally,” “Former Advisor” And Big Donor To Donald Trump.** “Harold Hamm, a longtime ally and former adviser to Trump, has also given big to the president's reelection efforts, with at least \$500,000 to Trump's campaign and supporting PACs.” [E&E News, [10/16/20](#)]

**The Independent Petroleum Association Of New Mexico Said It Had “Serious Concerns” About Picking Rep. Debra Haaland For Interior Secretary Because She Had “Demonstrated Contempt” Towards The Industry.** “The Independent Petroleum Association of New Mexico said Thursday it had ‘serious concerns about the selection of Congresswoman Haaland for the job of interior secretary. Ms. Haaland has repeatedly demonstrated contempt towards our industry, especially regarding the need for a balanced approach to public land management,’ the group said. ‘We urge congressional leaders to closely examine her anti-oil & gas record as they consider this selection.’” [Bloomberg, [12/18/20](#)]

### **RHETORIC: Big Oil Says The EO Will Kill Jobs**

**The American Petroleum Institute Claimed it Was A “Step Backwards” For The Country And Environmental Progress.** “‘Today’s executive action to halt leasing is a step backwards both for our nation’s economic recovery and environmental progress, threatening to cost thousands of jobs and much-needed revenue while increasing emissions by slowing the transition to cleaner fuels,’ Mike Sommers, API president and CEO, said in a statement. ‘Limiting domestic energy production is nothing more than an ‘import more oil’ policy that runs counter to our shared goal of emissions reductions and will make it harder for local communities to recover from the pandemic,’ Sommers said.” [The Hill, [01/27/21](#)]

**The American Exploration And Production Council Called The EO A Penalty For The Oil And Gas Industry.** “Penalizing the oil and gas industry kills good-paying American jobs, hurts our already struggling economy, makes our country more reliant on foreign energy sources, and impacts those who rely on affordable and reliable energy,” Anne Bradbury, president of the American Exploration and Production Council, said in a statement. [CNBC, [01/27/21](#)]

**The New Mexico Oil & Gas Association Claimed That Halting Federal Leasing Was “Effectively A Blockade Around New Mexico’s Economy.”** “A federal leasing moratorium is effectively a blockade around New Mexico’s economy, impacting our state more than any other in the country. The message to thousands of New Mexico children, teachers, and first responders who rely on our oil and natural gas industry for basic support is absolutely clear: New Mexicans lose and foreign imports win. A moratorium all but guarantees that unemployment will rise, state revenue will fall, and our economy will come to halt. We share the new administration’s commitment to reducing emissions and combating climate change,

but we do not make progress by sacrificing New Mexico communities like Carlsbad, Farmington, or Hobbs. New Mexicans are eager to work, and our country and state is best served by keeping their jobs here at home, rather than outsourcing them abroad.” [New Mexico Oil & Gas Association Press Release, [01/27/21](#)]

### **REALITY: Joe Biden Will Not Get Rid Of The Fossil Fuel Industry. Some Oil Companies Even Say Biden Supports The Industry**

**Joe Biden Will Not Get Rid Of The Fossil Fuel Industry.** “‘Eventually we're going to have to go to oil, but we're not getting rid of fossil fuels. We're getting rid of the subsidies for fossil fuels, but we're not getting rid of fossil fuels for a long time,’ Biden told reporters on the ground in Tennessee after the debate. He then added that the transition away from fossil fuels would probably not happen until 2050.” [The Hill, [10/23/20](#)]

**Vicki Hollub, Occidental Petroleum CEO, Said The Transition From An Administration That’s Been “Very, Very Supportive Of The Industry” To Biden “Will Surprise Some People.”** “Vicki Hollub, CEO of Occidental Petroleum, said she’d tried to avoid the news over the last week or so. ‘It’s been something I really don’t want to hear much about. I can tell you that the transition from the current administration that’s been very, very supportive of the industry to Mr. Biden who will become president in January, I think is going to be one that will surprise some people,’ she said during the same CNBC-moderated panel.” [CNBC, [11/12/20](#)]

### **REALITY: A Pause On Leasing Won’t Hurt The Oil Industry Because It Has Stocked Up On Permits**

**Some Oil Companies Anticipate That Doing Business On BLM Lands Will Become More Difficult.** “‘We’re realistic that with a Biden win, doing business on BLM land will become more difficult,’ Marathon Oil’s president and CEO Lee Tillman said on the earnings call last week.” [Oil Price, [11/14/20](#)]

**So They Have Stocked Up A “War Chest” Of Permits To Drill On Public Lands.** “Meanwhile, if Biden becomes president that may lead to the ‘possible cessation of new drilling permits on federal land,’ said [CFRA Energy Equity Analyst Stewart] Glickman. Many firms, however, have already built up a ‘war chest of such permits,” so any such new law ‘probably only has real teeth to it by maybe 2024.’” [MarketWatch, [11/04/20](#)]

- **Companies Hope Stocking Up On Permits Will Undercut Biden’s Plans To Curb Drilling.** “In the closing months of the Trump administration, energy companies stockpiled enough drilling permits for western public lands to keep pumping oil for years and undercut President-elect Joe Biden’s plans to curb new drilling because of climate change, according to public records and industry analysts.” [Associated Press, [01/10/21](#)]

**In The Last Three Months, The Industry Secured More Drilling Permits Than Any Other Period During The Trump Administration.** “Companies submitted more than 3,000 drilling permit applications in a three-month period that included the election, according to data from the U.S. Bureau of Land Management. Officials approved almost 1,400 drilling applications

during that time amidst the pandemic. That's the highest number of approvals during Trump's four-year term, according to AP's analysis." [Associated Press, [01/10/21](#)]

**One Company, EOG Resources, Bragged To Investors That It Had Secured 2,500 Permits, Enough To Carry Them Through A Presidential Term.** "Houston-based EOG Resources amassed the most permits this year – 1,024 – including 549 since September, according to AP's analysis. In total, EOG has about 2,500 federal permits approved or in progress. 'If he (Biden) tries to impose some regulations on how new federal permits are issued, we certainly already have an inventory, a large inventory, of existing federal permits that will sustain activity for several years,' company CEO Lloyd Helms told a November investors conference. Oklahoma-based Devon Energy collected the second-highest number this year. As the presidential campaign wore on this summer, Devon executives assured investors that the company was amassing permits. By October, Vice President David Harris said the company had enough 'federal drilling permits in hand that essentially cover all of our desired activity over the next presidential term.'" [Associated Press, [01/10/21](#)]

### **REALITY: Oil Jobs And Production Were Facing A Decline Even Before The Global Pandemic...**

**Oil Jobs And Production Were On The Decline Before Coronavirus Hit.** "U.S. oil and gas employment has started to fall as the sector contracts in response to lower prices over the last year – and further job losses are likely in the next few months as the rate of well drilling declines further. [...] But the persistent slump in oil prices since the start of October 2018 has brought job creation to a halt and replaced it with a gradual but steady trickle of layoffs." [Reuters, [10/15/19](#)]

From Late 2018 To Late 2019, Oil And Gas Support Jobs Had Fallen 5% And The Number Of Drilling Rigs Dropped By 20%. "Employment in oil and gas support activities, subsector 213112 in the North American Industry Classification System, had fallen by 14,000 or 5% between its cyclical peak in October 2018 and August 2019. [...] Since November 2018, the number of rigs drilling for oil has fallen by 176 (20%) and for gas by 51 (26%), according to Baker Hughes." [Reuters, [10/15/19](#)]

70% Of The 107,000 Oil, Gas, And Chemical Industry Jobs Lost From March To August Of 2020 Are Not Expected To Return Anytime Soon. "A staggering 107,000 jobs vanished from the US oil, gas and chemicals industry between March and August 2020, according to an analysis published this week by Deloitte. That's the fastest rate of layoffs in the industry's history -- and it doesn't even include the untold number of people on furlough or taking pay cuts. The vast majority of those energy jobs are unlikely to return anytime soon. Even if US oil prices stay at \$45 a barrel until the end of 2021, 70% of the jobs lost during the pandemic in the oil, gas and chemicals industry may not come back by the end of next year, the Deloitte analysis found." [CNN, [10/08/20](#)]

### **REALITY: Most Oil And Gas Drilling Doesn't Even Happen On Federal Public Lands**

**Less Than 24 Percent Of US Crude Oil Production Happens On Federal Land.** “A key question addressed in this discussion is how much oil and gas is produced in the United States each year and how much of that comes from federal versus nonfederal areas. Oil production has risen in federal areas (onshore and offshore) over the past 10 years but has increased at a faster rate on nonfederal lands. Nonfederal crude oil production rapidly increased in the past few years, primarily due to improved extraction technology, favorable geology, and the ease of leasing, more than doubling daily production between FY2008 and FY2017. The federal share of total U.S. crude oil production fell from its peak at nearly 36% in 2009 to less than 24% in 2017 at the same time overall production increased.” [Congressional Research Service, [10/23/18](#)]

## **Retail Gasoline Prices**

**Big Oil Says A Pause On New Public Lands Oil & Gas Production Will Drive Up Retail Gasoline Prices. That’s Dishonest.**

**RHETORIC: API Says Oil Says A Pause On Public Lands Oil & Gas Leasing Will Drive Up Retail Gasoline Prices**

**On January 27<sup>th</sup>, 2021, President Joe Biden Signed An Executive Order To Pause New Oil And Gas Leasing On Public Lands.** “President Biden on Wednesday issued an executive order temporarily pausing federal oil and gas leases and setting in motion potentially longer-lasting restrictions on federal lands production of fossil fuels. The executive order issued Wednesday directed the Interior Department to pause the leases while it reviews the program and consider whether to adjust how much money companies pay to the government to extract coal, oil and gas offshore.” [The Hill, [01/27/21](#)]

**The American Petroleum Institute Said A Leasing Pause Would Lead To Higher Prices.** “The main exception to the API’s openness to Biden’s agenda is his promise to target fossil fuel production on public lands and offshore waters, an area responsible for nearly a quarter of U.S. greenhouse gas emissions from energy production. The API argues the policy, which Biden’s nominee for Interior secretary, Rep. Deb Haaland, could pursue without Congress, would lead to increased energy imports and higher prices for oil and also harm the budgets of states such as New Mexico that rely on royalty payments from federal drilling. ‘The consequences would be absolutely devastating to American communities and the American public,’ [API CEO Mike] Sommers said. ‘We will be making that position clear to the Biden administration.’” [Washington Examiner, [01/13/21](#)]

- **API Says Crude Oil Prices Mirror Retail Gasoline Prices.** “Changes in gasoline and diesel prices mirror those of crude oil prices, which are determined in the global crude oil market by the worldwide demand for and supply of crude oil. Per-barrel costs for crude oil – the No. 1 factor in the cost of producing gasoline and diesel – reflecting the global oil supply/demand balance and inventories, among other factors. Solid economic growth, driving U.S. petroleum demand (20.5 million barrels per day in Q2 2019) to its highest level since 2007 - up by 178 thousand barrels per day from Q1 2019.” [American Petroleum Institute, accessed [02/16/21](#)]

- **The American Petroleum Institute Claimed it Was A “Step Backwards” For The Country And Environmental Progress.** ““Today’s executive action to halt leasing is a step backwards both for our nation’s economic recovery and environmental progress, threatening to cost thousands of jobs and much-needed revenue while increasing emissions by slowing the transition to cleaner fuels,’ Mike Sommers, API president and CEO, said in a statement. ‘Limiting domestic energy production is nothing more than an ‘import more oil’ policy that runs counter to our shared goal of emissions reductions and will make it harder for local communities to recover from the pandemic,’ Sommers said.” [The Hill, [01/27/21](#)]

### **RHETORIC: Other Oil Industry Associations Go Further—Saying Biden Has An “Ulterior Motive” To Keep Gasoline Prices High**

**The Louisiana Oil And Gas Association Says Biden Has An “Ulterior Motive” To Keep The Price Of Gasoline High.** ““Biden, the things that he is going to do will push the price of oil up and if the price of oil is up then the refineries have to pay more for the oil and then the price of gasoline goes up,’ said [Louisiana Oil and Gas Association interim president Mike] Moncla. Moncla says the administration is attempting to push Americans away from oil and gas and towards green and electric energy. ‘Is there an ulterior motive for this administration that is going to keep the price of gasoline high and get people to move into other areas?’ asked Moncla.” [Louisiana Radio Network, [01/22/21](#)]

- **The Louisiana Oil And Gas Association Says Biden’s Policies “Will Push The Price Of Oil Up [...] And Then The Price Of Gasoline Goes Up.”** “Two days into office and the Biden Administration is following through on campaign promises to roll back American oil production and global warming inducing carbon output via executive action. Louisiana Oil and Gas Association interim president Mike Moncla said the industry is not happy about it. [...] Moncla said the industry has been anticipating these moves. November 2nd, the day before the Presidential election, oil was 37 dollars a barrel. It is now 55 dollars a barrel. He said that will end up hitting Louisianans in the pocketbook. ‘Biden, the things that he is going to do will push the price of oil up and if the price of oil is up then the refineries have to pay more for the oil and then the price of gasoline goes up,’ said Moncla.” [Louisiana Radio Network, [01/22/21](#)]

### **The Petroleum Alliance Of Oklahoma Said “Oil And Natural Gas Prices Are Going Up.”**

"This is just the start. It will get worse," said Brook Simmons, president of the Petroleum Alliance of Oklahoma. 'Meanwhile, the laws of physics, chemistry and supply and demand remain in effect. Oil and natural gas prices are going up, and so will home heating bills, consumer prices and fuel costs.'" [Associated Press, [01/26/21](#)]

### **The Louisiana Mid-Continental Oil And Gas Association Also Warned Of Higher Prices.”**

“As it gets harder and harder in order to produce oil, but the demand remains constant and potentially increasing, there is a potential likelihood of higher prices, because it is a direct effect of supply and demand,” said [president and general counsel to Louisiana Mid-Continent Oil and Gas Association Tyler] Gray.” [WAFB, [01/27/21](#)]



## **REALITY: The Small And Temporary Policy Change Will Not Raise The Price Of Gasoline**

**It Is “Extremely Unlikely” That Any One Political Decision Anywhere Could Materially Affect Oil Prices, “Marginal” Effects At Best.** “But this vastly overstates a president's power to control the cost of a commodity traded on a world market. Although a president's actions — including Biden's climate policies — can nudge the price of oil, the effect is marginal at best, experts say. ‘The scale of the global oil market,’ said Pavel Molchanov, an oil analyst at Raymond James, “is so massive that it would be extremely unlikely for any single political decision, anywhere in the world, to materially affect oil prices.” [Washington Post, [11/12/20](#)]

**In October 2020, Goldman Sacks Stated That They Did Not Expect Their “Bullish Forecasts For Oil And Gas” To Be Derailed Regardless Of The Presidential Election Outcome.** “Despite a grim demand outlook for energy as the coronavirus pandemic continues to weigh down the global economy, Goldman Sachs remains bullish on both oil and gas prices — regardless of the U.S. presidential election outcome in November. ‘We do not expect the upcoming U.S. elections to derail our bullish forecasts for oil and gas prices, with a Blue Wave likely to be in fact a positive catalyst,’ the bank’s commodities team wrote in a research note Sunday.” [CNBC, [10/12/20](#)]

**Downward Shift In Energy Costs Can Be Traced To Investors Exiting The Fracking Industry, Rather Than Biden’s Election As President.** “The downward trend in energy costs in the 2010s owed much to fracking; even if investors didn’t always reap the profits of that boom, consumers did (as long as we aren’t pricing in climate change, anyway). What’s different now is that even though fracking won’t get back to those glory days — which has more to do with investors’ exit than Biden’s entrance — its capacity to still grow will tend to capacity to still grow will tend to cap oil rallies. And so will shifts in demand patterns.” [Bloomberg Quint, [02/08/21](#)]

## **REALITY: There Is Not A Correlation Between Public Lands Oil Production And Retail Gasoline Prices**

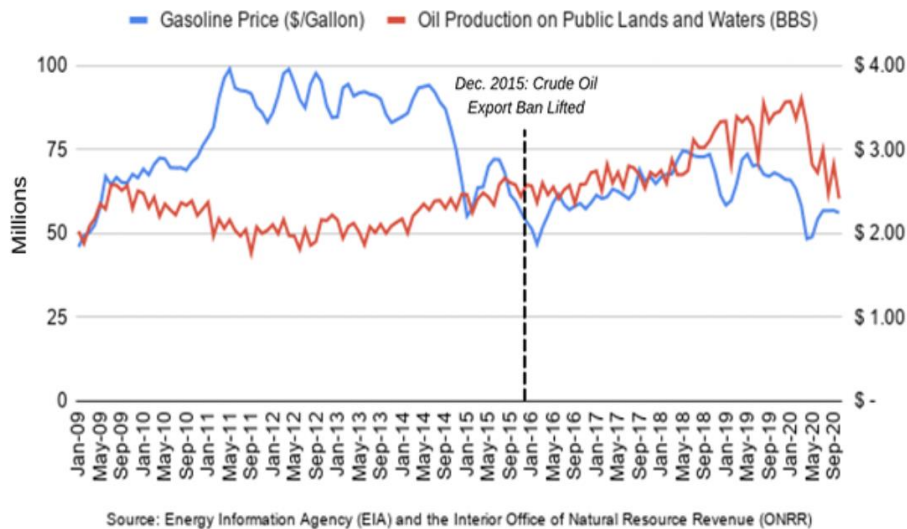
**A Side-By-Side Comparison Of Retail Gasoline Prices Oil Production On Public Lands Over Time Does Not Show A Strong Correlation.** The price of gasoline has fluctuated independently of changing trends in public lands oil and gas production. [ONRR, accessed [02/18/21](#)] and [EIA, accessed [02/18/21](#)]

- **For Example, Between January Of 2014 And February Of 2016, Oil Production Trended Upward While Gasoline Trended Downward With A Price Spike In The Winter Of 2015.** [ONRR, accessed [02/18/21](#)] and [EIA, accessed [02/18/21](#)]
- **Between September 2010 And June 2014, The Price Of Gasoline Spiked And Remained High While Oil Production Trended Downward.** [ONRR, accessed [02/18/21](#)] and [EIA, accessed [02/18/21](#)]



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## Retail Gasoline Prices And Oil Production from Public Lands And Waters



Sources: The Interior Office Of Natural Resource Revenue And The Energy Information Agency.

### **REALITY: Retail Gasoline Prices Track Crude Oil Prices, Which Are Set By A Global Market**

An Oil And Gas Economist Said Gas Prices Would Probably Not Change Much Due To Biden's Executive Order, As Prices Are Determined By Crude Oil Prices, Which Are Settled In The International Markets. "What effect could this order have on consumers? Could gas prices change? 'Probably not much,' according to [University Of Wyoming Oil And Gas Economist Chuck] Mason, the UW economist, said on Tuesday. 'Gasoline prices are determined by crude oil prices, and crude oil prices settle in the international markets. So having a five to 10% reduction in crude production, you will not be able to see the difference in international crude markets.'" [Casper Star-Tribune, [01/27/21](#)]

Even API Acknowledges That Global Crude Prices Are The "No. 1 Factor." "Changes in gasoline and diesel prices mirror those of crude oil prices, which are determined in the global crude oil market by the worldwide demand for and supply of crude oil. Per-barrel costs for crude oil – the No. 1 factor in the cost of producing gasoline and diesel – reflecting the global oil supply/demand balance and inventories, among other factors. Solid economic growth, driving U.S. petroleum demand (20.5 million barrels per day in Q2 2019) to its highest level since 2007 - up by 178 thousand barrels per day from Q1 2019." [American Petroleum Institute, accessed [02/16/21](#)]

### **REALITY: The Price Of Gasoline Fluctuates Depending On A Host Of Market-Based Factors Like Pandemic Recovery**

**Economists Say The Price Of Crude Will Rise As The Pandemic Recovery Continues And More People Feel Safe Returning To Normal Consumption Habits.** “The wide distribution of an effective vaccine would make people feel safe to return to their normal, energy-consuming routines commuting to work and flying cross-country again. ‘Forget the energy transition issues,’ [IHS Markit Crude Oil Research Head John] Burkhard said. “‘Containing covid in 2021, if the Biden administration is able to do that successfully — that would boost oil demand, and therefore that would boost oil prices.” [Washington Post, [11/12/20](#)]

- **Factors Such As Expectations Of An Economic Recovery And The Production Of COVID-19 Vaccines Are “Perhaps The Most Significant Demand-Side Factor In Crude Oil Prices Changes.** “Expectations of economic recovery associated with the approval and production of a number of COVID-19 vaccines is perhaps the most significant demand-side factor in crude oil price changes,” the federal administration said in a report earlier this month. “Vaccine efforts have contributed to a broad increase in prices across most asset classes and commodities, reflecting market expectations for economic growth.” [Kansas City Star, [01/19/21](#)]
- **According To The Energy Information Administration, Demand For Gasoline Is On The Decline Due To The Pandemic-Related Changes To Behavior, Improved Fuel Efficiency And An Increased Market Share For Electric Vehicles.** “The bigger issue is demand. The Energy Information Administration’s long-term outlook, released last week, projects U.S. drivers will never again burn as much gasoline as they did in 2019 — even under a high economic growth case. This represents a mix of pandemic-related changes to behavior, rising fuel efficiency and increasing market share for electric vehicles.” [Bloomberg Quint, [02/08/21](#)]
- **AAA Says Gas Demand Remains Fairly Low As Of January 2021.** “However, the demand for gas is still fairly low, AAA reported Tuesday.” [Kansas City Star, [01/19/21](#)]

## **Hitting The Brakes On Arctic Drilling**

**Big Oil Says Drilling In ANWR Is A Priority, But A Lease Sale Late In 2020 Was A Complete Bust**

### **RHETORIC: The Arctic National Wildlife Refuge Has A Valuable And Needed Oil Supply That Should Be Developed Quickly And Profitably**

**Some In Congress Have Been Pushing For Drilling In ANWR For Decades.** “For decades, proponents of oil and gas drilling have viewed Alaska’s Arctic National Wildlife Refuge as an area rich with natural resources that could help fuel the United States’ drive for energy independence. [...] Given that drilling in the refuge has been a Republican priority — and that the GOP now controls the Senate, the House and the presidency — drilling advocates appear to be the closest they’ve been in decades to achieving their goal.” [USA Today, [11/19/17](#)]

**Senator Murkowski Says That Drilling In ANWR Would Generate \$2 Billion In Benefit Through Royalties And Lease Sales.** “Murkowski contends royalties from the leases would

generate about \$2 billion over the next decade. Half would go to her state, and other half would go to the federal government, which could use them to help pay for Trump's promised tax cuts to corporations and individuals." [USA Today, [11/19/17](#)]

**Alaska's Governor Says Development In ANWR Is Necessary For The Economy.** "As governor of Alaska, I am compelled by our constitution to conserve, improve and protect Alaska's natural resources and environment in a way that enhances the health, economic and social well-being of Alaskans. The Last Frontier's economy depends on natural resource extraction, and I have seen firsthand that no one does it better. [...] Washingtonians will benefit significantly from the responsible development of the 1002 Area as they have since the genesis of North Slope drilling. Thousands of your residents work in jobs that support Alaska's oil industry, and many more will be created when the exploration and development of ANWR commences." [Seattle Times, [10/05/20](#)]

### **REALITY: The Industry Had A Chance To Buy Up Leases In ANWR. The Sale Was A Complete Bust That Drew Almost Zero Interest From Industry**

**The Trump Administration Auctioned Oil And Gas Leases In The Arctic National Wildlife Refuge On January 6, 2021.** "Trump administration officials auctioned off oil and gas leases in Alaska's Arctic National Wildlife Refuge Wednesday, capping Republicans' decades-long quest to drill in one of the nation's most vast unspoiled wild places. The move marks one of the most significant environmental rollbacks the president has accomplished in his term." [Washington Post, [01/06/21](#)]

**Major Oil Companies Did Not Bid At All Due To Unimpressive Oil Prices And Growing Numbers Of Banks Refusing To Finance Arctic Energy Projects.** "But with lackluster oil prices and an increasing number of banks saying they would not finance Arctic energy projects, major oil companies did not try to buy the leases." [Washington Post, [01/06/21](#)]

**The Sales Netted \$14M, A Fraction Of What Republican Lawmakers Anticipated.** "The sale of 11 tracts on 600,000 acres netted roughly \$14 million, a tiny fraction of what Republicans initially predicted it would yield. Only two of the bids were competitive." [Washington Post, [01/06/21](#)]

**The Alaska Industrial Development And Export Authority, A State Agency, Bought Had All But Two Of The Winning Bids.** "That left the state agency, Alaska Industrial Development and Export Authority, as the main bidder. The agency put up all but two of the winning bids, which went to a couple of small energy firms." [Washington Post, [01/06/21](#)]

## **Climate Change**

**Joe Biden Plans To Treat Climate Change As An "Existential Threat." Big Oil Corporations Says They Oppose Biden's Plans, But They've Been Planning For Climate Change, Too**

**RHETORIC: Big Oil Says Joe Biden's Climate Policies Are "Insulting"**

**The American Petroleum Institute Says Joe Biden's Policies Will "Undermine Or Eliminate An Industry"** "The oil lobby group is also skeptical of proposals by Biden and Democrats to help affected fossil fuel workers transition to jobs in cleaner energy or to compensate state and counties for the hit on revenues from a leasing ban. 'The idea that you are going to seek to undermine or eliminate an industry and then provide them with government jobs in a New Deal-type of fashion is pretty insulting to U.S. oil and gas workers.'" [Washington Examiner, [01/13/21](#)]

### **REALITY: Even Big Oil Recognizes That Climate Change Is A Threat. Many Companies Are Actively Transitioning To Mitigate Their Own Impact**

**Biden's Policies May Not Be As Big A Concern To The Industry, As It Has Already Been Transitioning To A "Low-Carbon Energy Future."** "However, the overall impact of the Biden presidency on the industry is likely to be less traumatic than feared if only because the world, including the U.S., has already been engaged in the transition to a low-carbon energy future. The U.S. Energy Information Administration reported that coal production slumped to a 41-year low in 2019 – down 8.8% since 2017, the first year of the Trump administration – at a time when the U.S. president was trying to restore miners' jobs. The power generation market long ago decided for economic reasons to shift from coal to natural gas." [Hart Energy, [11/07/20](#)]

### **Many Big Oil Companies Have Already Been Contemplating The Net-Zero Carbon Future The Biden Promises, In Part To Get A "Seat At The Table" In The Biden**

**Administration.** "The trick is to execute a transition that will reassure fossil-fuel workers that their jobs won't vanish overnight, and that's a tightrope Biden will continue to walk as he aims to eliminate contributions to global warming by the middle of the century. Well before Biden's White House win, some oil companies were already contemplating that scenario. Occidental Petroleum, Total, BP and Royal Dutch Shell have been thinking about what it would mean to go to a net-zero carbon future just 30 years from now. They want to make sure they have a seat at the table as the Biden administration develops its climate policies." [Washington Post, [12/22/20](#)]

- **Just Weeks After Biden's Election, ExxonMobil Said It Would Reduce Try To Reduce Emissions.** "Some major players are stepping out in front of the new administration. Perhaps it was not a coincidence that five weeks after Biden's election, ExxonMobil announced that it would clamp down on emissions from its natural gas operations and from flares from around the world." [Washington Post, [12/22/20](#)]
- **One Big Oil CEO Phrases Wants To "Work Toward A Cleaner Usage Of Fossil Fuels" Rather Than "Continually Be Criticized."** "In an op-ed critical of Joe Biden, Gulf Energy CEO John Royall called for the oil industry's critics to stop vilifying the oil industry and 'work toward a cleaner usage of fossil fuels as part of a broader energy mix in the future. Rather than to be continually criticized by Biden and others who use our products for their own lives and business, it would be a much more productive approach to recognize the importance of the products we produce in the oil and gas industry, and to work toward a cleaner usage of fossil fuels as part of a broader energy mix in the future.'" [World Oil, [10/26/20](#)]

- **Even Occidental, A Major Public Lands Driller, Came Up With A Plan To Reach Net-Zero The Week Of The Election.** “Occidental this week announced a strategy to reach net-zero emissions by 2050, including Scope 3 emissions, those associated with the use of its products. ‘In the end, as long as we have our long-term development plans in place, I think we will be okay as an industry,’ [Occidental Petroleum CEO Vicki] Hollub said at the ADIPEC panel.” [Oil Price, [11/14/20](#)]

## **REALITY: Joe Biden Plans To Address The Existential Threat Of Climate Change**

**Biden Called Climate Change “The Number One Issue Facing Humanity,” And That “We Have A Moral Obligation” To Address it.** “It's the number one issue facing humanity. And it's the number one issue for me. ...Look, climate change is the existential threat to humanity, the existential threat to humanity. Unchecked, it is going to actually bake this planet. This is not hyperbole. It's real. And we have a moral obligation. There's not many things. Dan and I worked together a long time. Don't hear me often invoke a moral obligation. We have a moral obligation, not just the young people. We have a moral obligation to everyone.” [Pod Save America podcast, [10/24/20](#)]

**Biden’s “Build Back Better Plan” Focuses On Delivering “An Equitable Clean Energy Future.”** “Joe Biden’s Build Back Better plan ensures that – coming out of this profound public health and economic crisis, and facing the persistent climate crisis – we are never caught flat-footed again. He will launch a national effort aimed at creating the jobs we need to build a modern, sustainable infrastructure now and deliver an equitable clean energy future.” [Biden-Harris: THE BIDEN PLAN TO BUILD A MODERN, SUSTAINABLE INFRASTRUCTURE AND AN EQUITABLE CLEAN ENERGY FUTURE, accessed [01/15/21](#)]

**Biden’s Clean Energy Revolution Plan Will Invest In Clean Energy And Environmental Justice** “Joe Biden knows there is no greater challenge facing our country and our world. That’s why he is outlining a bold plan – a Clean Energy Revolution – to address this grave threat and lead the world in addressing the climate emergency...The Biden plan will make a historic investment in our clean energy future and environmental justice, paid for by rolling back the Trump tax incentives that enrich corporations at the expense of American jobs and the environment.” [Biden-Harris: THE BIDEN PLAN FOR A CLEAN ENERGY REVOLUTION AND ENVIRONMENTAL JUSTICE, accessed [01/15/21](#)]

**Critics Say The Plan To Conserve 30 Percent Of US Land And Water By 2030 Is Arbitrary And Unnecessary, But The Plan Is A Mainstream, Commonsense Approach To Mitigating Climate Impacts and Protecting Public Lands**

## **RHETORIC: The Oil-Backed American Enterprise Institute Criticizes 30 X 30 As A “Rhyming Fiat”**

**The American Enterprise Institute Calls 30 By 30 A “Rhyming Fiat” And Wants Renewables To Be Developed Gradually.** “Densely populated and highly industrialized Europe in general, and Germany in particular, are too dependent on imported Russian natural gas and



Middle Eastern crude oil: they need more electricity generated domestically by new renewables such as wind and solar. They also should develop these resources in a gradual, organic manner, not by rhyming fiats (20 by 20, 30 by 30). And all people reporting on those achievements should take a while to check their technical terms and the real numbers.” [American Enterprise Institute, [09/30/14](#)]

- **The American Enterprise Institute Is Funded By Big Oil And Has A History Of Opposing Policies To Mitigate The Damage Of Climate Change.** “Letters sent by the American Enterprise Institute (AEI), an ExxonMobil-funded thinktank with close links to the Bush administration, offered the payments for articles that emphasize the shortcomings of a report from the UN's Intergovernmental Panel on Climate Change (IPCC). Travel expenses and additional payments were also offered.” [The Guardian, [02/02/07](#)]

### **REALITY: 30 X 30 Is A Mainstream Plan Supported By Americans, Dozens Of Countries, Even The UK's Conservative Boris Johnson**

**America Is Losing The Equivalent Of A Football Field Of Lands, Coastal Oceans, And Other Natural Areas To Development Every 30 Seconds.** “Despite these worrisome domestic and international trends, the United States can still curtail the decline of its natural systems and protect a substantial portion of its remaining natural areas. Sixty percent of lands in the continental United States are in a largely natural condition or could plausibly be restored to a natural condition. Protecting 30 percent of the world’s terrestrial and marine habitats not only would reduce extinctions and safeguard food supplies, drinking water, and clean air, but it also would help prevent global temperatures from rising more than 1.5 degrees Celsius above preindustrial levels, a threshold beyond which scientists say the costs and effects of climate change worsen significantly.” [Campaign for American Progress, [08/06/19](#)]

**73% Of Westerns Across The Political Spectrum Support Conserving 30 Percent Of Lands and Oceans By 2030.** “There is majority support across party lines for support for this

lofty conservation goal. Climate change is the first or second most important environmental problem for each of the Western states. More than three-quarters of voters consider the loss of habitat for fish and wildlife to be a serious problem.” [State of the Rockies, Colorado College Poll, [2020](#)]

**More Than 50 Countries Have Pledged To Conserve 30 Percent Of Their Land And Oceans By 2030.** “A coalition of more than 50 countries has committed to protect almost a third of the planet by 2030 to halt the destruction of the natural world and slow extinctions of wildlife. The High Ambition Coalition (HAC) for Nature and People, which includes the UK and countries from six continents, made the pledge to protect at least 30% of the planet’s land and oceans before the One Planet summit in Paris on



Monday, hosted by the French president, Emmanuel Macron.” [The Guardian, [01/11/21](#)]

- **Even Boris Johnson Of The UK Is Joining The Commitment, And Paying Billions To Get It Done.** “The UK government has also committed £3bn of UK international climate finance to supporting nature and biodiversity over the next five years. Johnson told the event: ‘We are destroying species and habitat at an absolutely unconscionable rate. Of all the mammals in the world, I think I am right in saying that 96% of mammals are now human being or livestock that human beings rely upon. That is, in my view, a disaster. That’s why the UK has pledged to protect 30% of our land surface and marine surface. Of the 11.6bn that we’ve consecrated to climate finance initiatives, we are putting £3bn to protecting nature.’” [The Guardian, [01/11/21](#)]

## **Methane Regulations**

### **Big Oil Is Changing Its Tune On Methane Regulations After Years Of Fighting To Tear Them Down**

#### **President Biden Signed An Executive Order To Look Into The Effects Of The The Last Administration’s Methane Regulation Rollbacks**

In August 2020, The Trump Administration Issued A New Rule To Eliminate Federal Requirements For Oil And Gas Companies To Monitor And Repair Methane Leaks. “The Environmental Protection Agency’s new rule, which has been in progress for over a year, would eliminate federal requirements for oil and gas companies to monitor and repair methane leaks from pipelines, storage facilities and wells.” [CNBC, [08/13/20](#)]

- **The EPA’s Methane Rollbacks Came As Methane Levels Reached Record Highs Thanks To The Fossil Fuel Industry.** “However, numerous recent studies show the opposite: that methane emissions from drilling sites in the United States are far more extensive than the E.P.A.’s official numbers. Overall, methane levels are in fact climbing steadily nationwide, according to the research, and have reached record highs globally in part because of leaks from fossil fuel production.” [New York Times, [08/13/20](#)]
- **Methane Accounts For Around 10% Of Greenhouse Gas Emissions But Is Responsible For A Quarter Of All Man-Made Global Warming.** “Methane, which leaks from oil and gas wells, accounts for about 10 percent of greenhouse gas emissions from human activity in the United States, according to E.P.A. data. But it is about 30 times more potent over the course of a century than carbon dioxide in altering the Earth’s climate and is responsible for about a quarter of man-made global warming.” [New York Times, [07/21/20](#)]

**President Biden Signed An Executive Order Directing The EPA To Review Trump-Era Standards, Specifying The Need For Additional Standards For Controlling Methane.** “The

executive order President Biden signed Wednesday night directed the agency to review standards that EPA finalized last year. Those 2020 standards require leak detection and repair for new and modified oil and gas development. But Biden's order goes on to specify that EPA must propose additional standards — also by September — for controlling methane for existing oil and gas infrastructure, "including the exploration and production, transmission, processing, and storage segments." [E&E News, [01/22/21](#)]

### **RHETORIC: Big Oil Special Interests Say They Support Federal Regulation Of The Extremely Potent Greenhouse Gas.**

**The American Petroleum Institute Supports The “Federal Regulation Of Methane From New And Existing Sources.”** “In a blog post set to be published today, API President Mike Sommers announced the trade association's support for "the direct federal regulation of methane from new and existing sources, as well as its desire to work with the new Biden administration to develop durable regulation that follows the law." [E&E News, [01/21/21](#)]

**Shell, Exxon Mobil, And BP All Supported Methane Regulations.** “Shell, BP and the Exxon Mobil Corp. have big natural gas portfolios. They worry that if methane emissions aren't controlled that could undermine arguments that natural gas is a cleaner-burning fossil fuel than coal. "The negative impacts of leaks and fugitive emissions have been widely acknowledged for years, so it's frustrating and disappointing to see the administration go in a different direction," said Gretchen Watkins, Shell's president in the United States.” [NPR, [08/13/20](#)]

**The Western Energy Alliance Has Committed To “Engage Constructively” In The Biden Administration’s Rulemaking.** “When it comes to methane regulation, certainly the administration has the authority to move forward with regulation," Sgamma said in an email. "We expect it will, and we'll engage constructively in that rulemaking process. However, regulation needs to follow the Clean Air Act.” [S&P Global, [01/21/21](#)]

### **REALITY: Big Oil Industry Groups Supported The Trump Administration’s Efforts To Deregulate Methane Pollution**

**Western Energy Alliance Praised Trump’s Methane Rule.** “Western Energy Alliance welcomes the Environmental Protection Agency’s (EPA) release of a final methane rule, the New Source Performance Standards (NSPS) OOOOa rule. The following is a statement from Alliance President Kathleen Sgamma: “Western Energy Alliance is pleased that EPA has finalized the methane rule.” [Western Energy Alliance, Press Release, [08/13/20](#)]

**API Had Backed Trump Methane Regulation Rollbacks In August 2020.** “In August, API backed the Trump administration's rollback of Obama-era regulations targeting methane emissions from the oil and gas sector, saying at the time that the revisions were consistent with the Clean Air Act.” [E&E News, [01/21/21](#)]

### **REALITY: Big Oil Opposed Methane Regulations Before The Trump Administration**

**Western Energy Alliance Fights Against Regulation of Methane Emissions.** “Kathleen Sgamma, president of the trade group Western Energy Alliance, testified that the Methane Waste Protection Act and two other bills to more tightly regulate oil and gas companies would do more harm than good.” [Colorado Politics, [9/24/19](#)]

**WEA And The Independent Petroleum Association Of America Fought Against Methane Regulation In Court.** “Western Energy Alliance and the Independent Petroleum Association of America (IPAA) today achieved an important victory in the U.S. District Court for Wyoming, along with the states of Montana, North Dakota, Texas and Wyoming. Judge Scott Skavdahl’s decision vacated the 2016 waste prevention rule, an overreaching methane regulation finalized in the waning days of the Obama Administration that unlawfully granted air quality authority to the Bureau of Land Management (BLM).” [Western Energy Alliance, Press Release, [10/08/20](#)]

### **REALITY: The Trump-Era EPA Withdrew Methane Regulations After The Oil Industry Asked Them To**

**The EPA Withdrew Regulations To Control Methane Three Weeks After Receiving An Email From WEA’s President, Kathleen Sgamma, On The Subject.** “Not long after President Trump’s inauguration, the head of a fossil fuels industry group requested a call with the president’s transition team. The subject: Barack Obama’s requirement that oil and gas companies begin collecting data on their releases of methane. That outreach, by Kathleen Sgamma, president of the Western Energy Alliance, appeared to quickly yield the desired results. [...] Three weeks after that email, the E.P.A. officially withdrew the reporting requirement — and effectively blocked the compilation of data that would allow for new regulations to control methane, a powerful climate-warming gas.” [New York Times, [07/21/20](#)]

**IPAA Praised The Trump Administration’s Efforts To Rollback Methane Regulations.** “In response to the EPA’s announcement today of changes from the Obama-era methane regulations (the 2016 New Source Performance Standards [NSPS], Subpart OOOOa), including the change of the regulated emission from methane to volatile organic compounds (VOC), Independent Petroleum Association of America (IPAA) Executive Vice President Lee Fuller gave the following statement: “IPAA endorses the change because it would be far more cost effective with regard to the breadth of emissions sources. IPAA has consistently believed and recommended that a VOC-based program is the appropriate pathway for regulating natural gas and oil production emissions.” [IPAA, Press Release, [08/29/19](#)]

- **The IPAA Is A Former Client Of Interior Secretary David Bernhardt.** [Deputy Secretary Of The Interior Ethics Recusal, [08/15/17](#)]
- **Shell Is A Member Of The IPAA.** [FWS-2018-00528 Records, accessed [01/22/21](#)]

**Energy Company Equinor Opposed Methane Regulations While Claiming To Work On Lowering Their Own Emissions.** “And yesterday, Bjørn Otto Sverdrup, senior vice president for corporate sustainability at Norwegian energy company Equinor ASA, said on Twitter that the company does not support “the rollback of federal methane regulations in the US just announced.” “Reducing emissions remains an important part of @Equinor’s approach to provide

low carbon energy. We pledge to continue our work to lower our methane emissions," he said."  
[E&E News, [08/14/20](#)]

- **Equinor Was Previously Known As Statoil.** "We're Equinor, an international energy company with a proud history. Formerly Statoil, we are 20,000 committed colleagues developing oil, gas, wind and solar energy in more than 30 countries worldwide."  
[LinkedIn, Equinor, accessed [01/21/21](#)]
- **Interior Secretary David Bernhardt Was Recused From Working On Issues Involving Statoil.** [Deputy Secretary Of The Interior Ethics Recusal, [08/15/17](#)]