

Message

From: Currie, Duncan [/O=MSXBP/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=DUNCAN.CURRIE]
Sent: 04/05/2017 14:51:18
To: Stout, Robert [/O=MSXBP/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Robert.Stout]
CC: Morrell, Geoff [/O=MSXBP/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Geoff.Morrell]
Subject: RE: Proposed RWD WashPost OpEd on Paris Agreement

Thanks, Bob. I was trying to add a sentence at the end of the previous paragraph, but I think your way is better. Just a few minor edits suggested below. I felt the line about BP's having "the largest operated renewables business" covered biofuels, and cutting the later reference to biofuels would help prevent the sentence from getting too long. Let me know what you think.

This progress is greatly encouraging, but it's not enough. To speed up America's shift toward lower-carbon energy sources, policymakers need to create the right incentives for producers and consumers to unleash the potential of technology, efficiency and renewables. Time and again experience has shown that well-designed, flexible, market-based mechanisms such as carbon pricing are a more effective tool — both environmentally and economically — than top-down regulations that pick winners and losers.

At BP, we've been doing our part to hasten the energy transition by building the largest operated renewables business of any major oil and gas company in the world (including more than a dozen wind farms here in the U.S.); by growing our production and marketing of natural gas, a lower-carbon fuel that also can provide necessary back-up generation for intermittent wind and solar power; by improving the energy efficiency of our operations and products; ~~by developing and marketing lower-carbon biofuels;~~ and by teaming up with other companies to develop and deploy cutting-edge technologies that can help us reduce methane emissions and capture, use and store carbon.

From: Stout, Robert
Sent: Wednesday, May 03, 2017 6:19 PM
To: Currie, Duncan
Cc: Morrell, Geoff
Subject: Re: Proposed RWD WashPost OpEd on Paris Agreement

Just got to airport and saw this. Agree on using non BP data.

As to the other point, I think Dev is talking about natural gas as backing up and providing baseload power for renewables because they are intermittent. Until we have grid level battery storage - probably a good ways off - gas is the best option for this. As a shorthand for this, some say that in addition to being low carbon in its own right, gas "plays well with others." Steve Pacala at Princeton is a big advocate of this as part of our case for gas.

I've suggested a couple of minor changes below if we want to make this point - and the overall role of gas - more prominent in our narrative. A good idea in my view though not critical.

Bob

Sent from my iPhone

On May 3, 2017, at 2:51 PM, Currie, Duncan <[REDACTED]@bp.com> wrote:

On the carbon intensity of the power sector: I think it's more compelling to cite official U.S. government data rather than a BP report, especially since the EIA provides the essential historical context, noting that 2015 and 2016 represent the first time since 1973 that America has had two consecutive years with a 5% decline. I don't believe our Energy Outlook provides that level of detail.

Not sure exactly what Dev means in the other bullet, but I think we make the case for maximizing the potential of gas and renewables with a market-driven framework. (See two paragraphs below.)

- Combined gas and renewables within a markets framework might be worth making

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From: Morrell, Geoff
Sent: Wednesday, May 03, 2017 3:14 PM
To: Currie, Duncan; Stout, Robert
Subject: FW: Proposed RWD WashPost OpEd on Paris Agreement

See what you think of highlighted points below...

From: Sanyal, Dev
Sent: Wednesday, May 03, 2017 3:12 PM
To: Morrell, Geoff
Subject: RE: Proposed RWD WashPost OpEd on Paris Agreement

Geoff

Many thanks for sharing this. I realise the timing is an important matter but I thought I would share some views on the content:

- There is a good flow about BP's longstanding commitment with facts that show we continue to be a "part of the solution".
- Do we want to start with Bob's meetings with the POTUS and VPOTUS? It feels a bit self-serving and not the modest style of Bob? An alternative could be to start with the gas narrative and how markets have achieved some remarkable things in America. In other words, the "above ground" conditions that has unleashed American entrepreneurship and ingenuity.
- Solar was not competitive not necessarily because of policy but because we had an uncompetitive manufacturing base that could not compete with the Chinese. Perhaps a more positive approach to highlighting policy might be to refer to Wind Energy in the US, the biggest in the world.

- Combined gas and renewables within a markets framework might be worth making
- There are pros and cons but carbon pricing is a longstanding area of BP policy and is not mentioned – perhaps we can refer to the pricing of externalities to get market forces moving (and we are agnostic about tax or trading mechanism).
- The point about the President’s negotiating skills might read differently by global audiences, and I wonder if this personal element is worth making?
- We might want to use BP Energy Outlook, rather than EUA to make the point on carbon intensity (we referred to this in the Outlook)
- The OGCI points and conclusion are strongly made.

Hope this helps
Dev

From: Morrell, Geoff
Sent: 03 May 2017 00:29
To: Dudley, Robert; Lin, William W.; Henshaw, Peter; Sanyal, Dev; Mckay, Lamar; Minge, John C; Nitcher, Eric L
Subject: Proposed RWD WashPost OpEd on Paris Agreement
Importance: High

Bob,

Here is the latest copy of the OpEd that we have drafted in response to the invitation from the Washington Post to submit something from you about the White House Paris debate for this Sunday’s Outlook section.

It includes some minor, but helpful stylistic edits from the climate policy team.

I think the piece strikes the right balance between supporting the administration’s energy agenda and gently pushing it to stay in Paris.

John Minge has rightly asked what the political ramifications of this might be.

I have been calling around to White House and agencies to try to get a better sense of that.

The administration is clearly divided on this topic and it could go either way, but I think the pro-Paris crowd (Rex, Kushner, Ivanka, Cohn, NatSec team...and perhaps Zinke) is slightly ahead of those who want out (chiefly Bannon & Pruitt).

However, if they stay in then the administration will certainly throw out the Obama NDCs and chart their own course towards Paris goals.

Is it possible that some in administration will be displeased with our OpEd? Yes, but it will not come as a surprise.

They know we have a long history of being progressive on climate. They know we formed OGCI. They know we reaffirmed our commitment to Paris after Trump won. And they know we signed onto the C2ES letter last week.

What’s more we aren’t alone. Many iconic American companies are on the record with the administration on this point.

As are XOM and Shell! Only Chevron isn’t wild about Paris but they aren’t even calling for an exit.

I think for credibility sake we should weigh in.

Staying consistent on this point—if we truly believe it—is worth whatever eyebrows we will raise from a few in the administration.

We certainly don’t have to do this but I wanted to at least tee it up for consideration.

If the decision is to go for it and we want in this weekend’s paper then we need to submit by COB Wednesday so we can begin back-and-forth editing.

However, if we need more time to get comfortable that is ok.

I don’t think a Paris decision is imminent, but they are hoping to get it done by the G7 at the end of month.

Thanks, Geoff