

Message

From: Stout, Robert [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN= [REDACTED]]
Sent: 21/01/2020 19:41:26
To: Streett, Mary [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn= [REDACTED]]
Subject: FW: FURTHER REVISED DRAFT EMAIL WITH ATTACHMENTS
Attachments: 20200121124046391.pdf; 2018-08-20 CEQ NEPA ANPRM.pdf

From: Stout, Robert
Sent: Tuesday, January 21, 2020 2:34 PM
To: Fielder, JP <[REDACTED]@bp.com>; Ellis, Joe <[REDACTED]@bp.com>; Ryan, Jason <[REDACTED]@bp.com>; Nolan, James <[REDACTED]@bp.com>; Clanton, Brett <[REDACTED]@bp.com>
Subject: FURTHER REVISED DRAFT EMAIL WITH ATTACHMENTS

We have reviewed the relevant documents and background information regarding the Greenpeace inquiry and propose the following statement:

Draft Statement for Greenpeace's Unearthed

[Insert]

Background

Greenpeace is focused on which GHG emissions federal government agencies should take into account when reviewing projects under the National Environmental Policy Act (NEPA) statute, a 40-year old statute which ENGOs as well as businesses agree needs substantial reform. The issue is whether in considering "indirect" emissions the agency should (1) try to analyze and account for all upstream and downstream (i.e. Scope 3) emissions -- including from the production and consumption of fossil fuels; or (2) focus on emissions from the project itself and from ancillary but closely- related activities such as construction or road-building.

US businesses and most if not all industry groups (including API) have advocated for the latter on the ground that project review is not the right place to account for or consider upstream or downstream GHG emissions, and that to do so causes undue delay and confusion in the mandated environmental review of pipelines and other projects. Greenpeace and some other ENGOs favor the former to create the broadest possible review and (to be frank) opportunity to delay the required review of projects based on far-flung and difficult-to-quantify GHG effects.

BP met regarding NEPA with the White House Commission on Environmental Quality (CEQ) twice, once on our own with The Nature Conservancy (TNC) in September 2017, and once with API and other member companies in June 2018. TNC, concerned about lack of access to the Administration, had approached BP about collaborating on NEPA reforms and we had agreed to do so.

On August 3, 2018, BP submitted written comments (attached) on a draft NEPA CEQ proposal. BP did not speak to the GHG issue noted above in either of the meetings or in our written comments. Instead, we focused our advocacy on a set of reforms that we had agreed with TNC made sense from a procedural, business and environmental perspective. We met and advocated jointly with TNC to the CEQ at their request, and filed our own comments to emphasize these points.

Although we did *not* advocate directly on the GHG issues, BP's written comments did generally reference and endorse API's comments as a whole (as is common when we agree with their comments). And API's comments advocated for a narrower definition of indirect GHG emissions as identified above (see pages 7-9 of the attached API comments). While it does not seem productive to debate this issue publicly now with Greenpeace or the Guardian, we believe this position on the NEPA review process is both reasonable and not inconsistent with our advocacy for policies addressing GHG emissions through well-designed tools such as carbon pricing or even direct regulation of emissions.

Bob Stout

Robert L. Stout, Jr.

Vice President & Head of U.S. Policy

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From: Stout, Robert

Sent: Tuesday, January 21, 2020 1:23 PM

To: Streett, Mary <[REDACTED]@bp.com>

Cc: Fielder, JP <[REDACTED]@bp.com>; Ellis, Joe <[REDACTED]@bp.com>; Ryan, Jason <[REDACTED]@bp.com>; Nolan, James <[REDACTED]@bp.com>; Clanton, Brett <[REDACTED]@bp.com>

Subject: RE: DRAFT EMAIL (Rough but wanted to get to you)

All:

Just talked to Mary and I am editing the email background info while Jason revises the draft statement.

Bob Stout

Robert L. Stout, Jr.

Vice President & Head of U.S. Policy

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From: Stout, Robert

Sent: Tuesday, January 21, 2020 1:04 PM

To: Streett, Mary <[REDACTED]@bp.com>

Cc: Fielder, JP <[REDACTED]@bp.com>; Ellis, Joe <[REDACTED]@bp.com>; Ryan, Jason <[REDACTED]@bp.com>; Nolan, James <[REDACTED]@bp.com>; Clanton, Brett <[REDACTED]@bp.com>

Subject: RE: DRAFT EMAIL (Rough but wanted to get to you)

Copying Brett too

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From: Stout, Robert

Sent: Tuesday, January 21, 2020 1:02 PM

To: Streett, Mary <[REDACTED]@bp.com>

Cc: Fielder, JP <[REDACTED]@bp.com>; Ellis, Joe <[REDACTED]@bp.com>; Ryan, Jason <[REDACTED]@bp.com>; Nolan, James <[REDACTED]@bp.com>

Subject: DRAFT EMAIL (Rough but wanted to get to you)

Importance: High

We have reviewed the relevant documents and background information regarding the Greenpeace inquiry and propose the following statement:

Draft Statement for Greenpeace's Unearthed

[Insert]

Further Background

Following the inauguration of President Trump, the Administration issued dozens of Executive Orders (EOs) and expressly sought the explicit support of the business community as it implemented the EOs. BP America assessed these EOs with the idea of supporting “common-sense reforms that are good for all seasons.” Several of the EOs addressed the NEPA that had gone over 40 years without any significant updates.

The Nature Conservancy (concerned about lack of access to the Administration) approached BP about collaborating on NEPA reforms. We agreed and prepared a White Paper that we jointly presented to CEQ in a meeting that Bob Stout and Jim Nolan attended in September 2017. The White Paper did not address GHG issues. Following the meeting, we continued working with TNC as the NEPA reform process slowly proceeded.

In the Spring of 2018, CEQ sent an Advanced Notice of Proposed Rulemaking (ANPRM) to OMB for review. In June of 2018, API met with OMB to discuss its NEPA reform priorities (Jim Nolan attended for BP). Greenpeace seems to incorrectly think this meeting occurred in August 2018. BP, Shell, Exxon and Chevron all attended the meeting. API staff addressed the GHG issue – BP and Shell addressed other reforms (including some of those in the BP/TNC Whitepaper).

On June 20, 2018, CEQ issued a draft rulemaking proposal and BP submitted written comments on August 3. BP’s letter again focused on the common-sense reforms that TNC and others also supported. BP’s comments did not address the GHG issue, but it did state (as was standard at the time) that it “supports” the comments submitted by API (API comments attached). As best we can determine, no other IOCs submitted comments (though Hess did).

The API letter addressed many issues including the need for clear guidance on how to address GHGs in the NEPA process. In particular, API’s letter stated (at pages 7-9) that NEPA review of the GHG effects of a project should focus on the project and other indirect effects (e.g. construction or road building) but *not* the upstream or downstream emissions from production or use of the products, i.e. *not* Scope 3 emissions. BP agrees with this position, because otherwise any fossil-fuel related projects can be delayed or denied simply because of GHG emission from production or use. Not surprisingly, BP and Greenpeace disagree on this point.

On June 26, 2020, CEQ issued a draft guidance specifically dealing with the GHG issue. API submitted a comment, but BP did not, reflecting our focus on other reforms. On January 10, 2020, CEQ issued its Notice of Proposed Rulemaking (NPRM) with comments required by March 10, 2020. We understand that CEQ intends to finalize the rulemaking by

EOY. API is preparing a comment letter. BPA had not decided whether to submit its own letter.

Bob Stout

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