Message

From: Wirth, Mike [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP

(FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN

Sent: 6/30/2021 10:45:09 PM

To: Williams, Albert [/o=ExchangeLabs/ou=Exchange Administrative Group

(FYDIBOHF23SPDLT)/cn=Recipients/cn= ; Knutson, Karen

[/o=ExchangeLabs/ou=Exchange Administrative Group

(FYDIBOHF23SPDLT)/cn=Recipients/cr

Subject: Re: Of Interest: Guardian / ExxonMobil lobbyists filmed saying oil giant's support for carbon tax a PR ploy

Ok, I just got deeper into my Inbox and saw earlier notes on this...

From: Wirth, Mike @chevron.com> Sent: Wednesday, June 30, 2021 4:42:53 PM

To: Williams, Albert < @chevron.com>; Knutson, Karen @chevron.com>

Subject: Fwd: Of Interest: Guardian / ExxonMobil lobbyists filmed saying oil giant's support for carbon tax a PR ploy

Not sure if you've seen this yet.

ExxonMobil lobbyists filmed saying oil giant's support for carbon tax a PR ploy

Undercover reporter hears company worked to undermine Biden efforts and funded shadow groups to deny global heating
The Guardian

By Chris McGreal 30 June 2021

Link: https://www.theguardian.com/us-news/2021/jun/30/exxonmobil-lobbyists-oil-giant-carbon-tax-pr-ploy

Lobbyists for ExxonMobil have described the oil giant's backing for a carbon tax as a public relations ploy intended to stall more serious measures to combat the climate crisis.

Two senior lobbyists based in Washington told an undercover reporter for Unearthed, the investigative journalism branch of Greenpeace, that they worked to undermine Joe Biden's plans to limit greenhouse emissions and other environmental measures in his infrastructure bill.

They also admitted that Exxon funded shadow groups to deny global heating.

Keith McCoy, a senior director in Exxon's Washington government affairs team, was recorded on video in May saying that the company backs a carbon tax "as an easy talking point" and an "advocacy tool" because "there is not an appetite for a carbon tax" and that Republican legislators who oppose taxes in principle will never let it happen.

"Nobody is going to propose a tax on all Americans, and the cynical side of me says, yeah, we kind of know that – but it gives us a talking point that we can say, well, what is ExxonMobil for? Well, we're for a carbon tax," he said.

Later, McCoy reiterates the point: "Carbon tax is not going to happen."

The oil conglomerates and closely allied trade organizations, such as the American Petroleum Institute, finally declared their support for a carbon tax after years of resisting what many environmentalists regard as a key measure to reduce damaging fossil fuel emissions. But the lack of specifics over a cost and a timeframe immediately raised questions about the seriousness of the commitment.

Greenpeace said that Unearthed reporters posed as recruitment consultants looking to hire a Washington lobbyist for a major client and approached McCoy and Exxon's former White House lobbyist, Dan Easley, who left the company at the end of the Trump administration.

In a meeting over Zoom, McCoy admitted that Exxon funded "shadow groups" that worked to misrepresent and deny climate science in order to sow doubt and stall regulation.

"Did we join some of these shadow groups to work against some of the early efforts? Yes that's true. But there's nothing illegal about that. We were looking out for our investments, we were looking out for shareholders," he said.

But McCory denied that Exxon covered up evidence from its own scientists about global heating caused by burning fossil fuels even though the company's role in misrepresenting the dangers is well documented.

"Did we hide science? Did we at some point figure out climate change and then decide to bury the evidence? No."

Although Exxon is not so overtly denying climate science any more, McCoy acknowledged that it continues to work to undermine environmental regulations and policies to combat global heating. He called measures in Biden's American Jobs Plan to cut greenhouse gas emissions "insane" and described how the company lobbies Congress against them and on other issues.

McCoy said the oil giant was particularly concerned that Biden's infrastructure and environmental plans would be paid for by undoing Trump's corporate tax cuts which Easley described as "probably worth billions to Exxon".

McCoy said that Exxon sought to restrict the infrastructure bill to spending on "roads and bridges" because it would help limit tax increases but also remove environmental measures the company opposed.

"If you lower that threshold, you stick to highways and bridges, then a lot of the negative stuff starts to come out," he said. "Why would you put in something on emissions reductions on climate change to oil refineries in a highway bill? So people say, yeah, that doesn't make any sense ... that shouldn't be in this bill."

Easley said that the oil and gas industry was also lobbying against other environmental measures such as "requirements for the federal government to purchase green energy and renewable technologies and retrofitting federal buildings" that a future Republican administration would not be able to reverse.

"It's gonna accelerate the transition to the extent that I think four years from now it's going to be difficult to unwind that," he said.

McCoy acknowledged that at the same time that Exxon was pushing to maintain tax cuts, it was also seeking government funding to get a carbon capture programme off the ground.

"So it's a delicate balance. We're asking for help with taxes over here and we're saying don't increase our taxes over here," he said.

The lobbyist said that among the politicians he targeted was the Democratic senator Joe Manchin whose support is central to Biden getting the infrastructure bill and climate legislation through congress.

"Joe Manchin ... I talk to his office every week. He is the kingmaker on this, because he's a Democrat from West Virginia, which is a very conservative state, and he's not shy about sort of staking his claim early and completely changing the debate," he said.

McCoy ticked off the names of other Democratic senators he was working on, including Chris Coons from Delaware, the president's home state, because he "has a very close relationship with Senator [sic] Biden".

"As a matter of fact, our CEO is talking to him next Tuesday and having those conversations and just teeing it up and then that way I can start working with his staff to let them know where we are on some of these issues."

The lobbyist described some Republican senators as "a captive audience" because they are reliant on industry backing.

"The Republicans, we have the great relationship with the senators, where we have assets," he said.

McCoy said that meetings with senators might ostensibly be about a global issue, such as Russia or the Middle East, but the conversations are used to ensure backing on issues of concern to Exxon such as taxes and environmental legislation.

"There are all these opportunities that you use, and to use the fishing analogy just to kind of reel them in," he said.

Exxon has been contacted for comment.

###

This communication is confidential and may contain privileged information, or may otherwise be protected from disclosure. Any unauthorized disclosure, copying, distribution, or use of the information contained herein (including any reliance thereon) is strictly prohibited. If you are not the intended recipient, please notify the sender that you have received this communication in error and delete and destroy all copies in your possession. Nothing contained in this disclaimer shall be construed in any way to grant permission to transmit confidential information via this firm's e-mail system or as a waiver of confidentiality or privilege. No responsibility or liability is accepted by Teneo for any loss or damage arising in any way from the use of this communication. No representation is being made that the information presented is accurate, current or complete, and such information is at all times subject to change without notice. E-mail messages are not guaranteed to be secure.

Teneo does not provide tax, accounting or legal advice. This e-mail and any attachments are not intended or written to be used, and cannot be used or relied upon, by any taxpayer for the purpose of (i) avoiding U.S. tax related penalties or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein. Each person should seek advice based on its particular circumstances from independent legal, accounting and tax advisors regarding the matters discussed in this communication.

This communication is for informational purposes only. Nothing herein should be construed as an attempt to effect any transaction in, or induce or attempt to induce the sale of, any security. Any such offer or solicitation may only be made by means of delivery of an offering memorandum and would be subject to applicable disclosure, documentation, registration and investor qualification requirements. Investment banking services are conducted by Teneo Capital LLC, including transactions by its subsidiary Teneo Securities LLC, a member of FINRA and SIPC. To view our privacy policy, click here.