Overview

This briefing contains an overview of the corporate lobbying detected by InfluenceMap related to fossil fuels for the month of August 2023.

- **In the US:** Many of the largest investor-owned utilities and their trade groups strongly opposed the Environmental Protection Agency’s proposed standards to address power plant GHG emissions, echoing previous utility pushback to the Clean Power Plan.

- **In Australia:** Oil and gas executives testified at the Senate Committee on the Cost of Living in favor of investments in fossil fuels, claiming that the measure would help alleviate the crisis.

- **In the EU:** A new InfluenceMap report finds that the oil and gas industry is spearheading a multipronged strategy to lock in fossil gas across Europe and Africa.

Contents

United States..................................................................................................................2
Australia..........................................................................................................................4
EU......................................................................................................................................5
United States

Utility sector leads opposition to Environmental Protection Agency’s proposed power plant rules

InfluenceMap analysis indicates strong opposition to the Environmental Protection Agency (EPA)’s proposed power plant rules by utilities and their industry groups. The rules, which were open for public comment from early May until August 8th, propose staggered GHG emissions standards for coal and gas plants that would begin to take effect in the 2030s. As cautioned by InfluenceMap’s April 2023 briefing on the EPA’s pre-proposal in advance of these rules, many of the same utilities that opposed the Obama administration’s Clean Power Plan are now pushing back on the Biden administration’s attempt to regulate power plant GHG emissions. A more comprehensive analysis of the spectrum of lobbying on the rules is available on this page within InfluenceMap’s US policy platform.

One of the central elements of the standards is the EPA’s proposal to select hydrogen blending and CCS as the best system of emission reduction (BSER). InfluenceMap has recorded frequent support for these technologies from the utility sector as a means of decarbonizing fossil fuels and fossil fuel infrastructure. Therefore, the utility industry’s opposition to the standard highlights contradictions within the sector’s messaging and positioning.

- **Negative position from main utility industry group:** The Edison Electric Institute (EEI) submitted highly oppositional comments, suggesting that the EPA was acting beyond its legal boundary in proposing that the BSER be the use of CCS for existing coal plants and either CCS or hydrogen blending for new and existing fossil gas plants. EEI emphasized that the stringency of the proposed standards were not achievable and would hamper the buildout of new fossil gas infrastructure. Several utilities – including Alliant, Berkshire Hathaway Energy, CMS Energy, Dominion Energy, DTE Energy, Entergy, and FirstEnergy – stated support for EEI’s comments in their individual submissions to the docket. Trade groups that include utilities in their membership also opposed the ambition of the proposed rules, including American Petroleum Institute, Business Roundtable, National Association of Manufacturers, and US Chamber of Commerce.

- **Alignment between EEI and Edison International:** Edison International and its subsidiary Southern California Edison, which previously supported the Clean Power Plan and has taken legal action to advocate for GHG emissions standards, have remained silent on both the pre-proposal and the formally proposed rules. However, the utility’s CEO, Pedro Pizarro, who currently serves as the Chair for EEI, stated in an August 2023 interview with the Los Angeles Times that “there’s no daylight between Southern California Edison and Edison Electric Institute on this particular topic. I have my Edison hat
and my EEI hat on at the same time, because they have the same view.” This statement marks a departure from Edison International’s typically more positive engagements on climate policy.

- **Significant opposition from utilities:** Many utilities – including Ameren, Duke, PPL Corp, Southern Company, and Xcel, in addition to the utilities listed above that supported EEI’s negative comments – emphasized the same narrative, namely that the use of CCS and hydrogen is not feasible at the proposed timeline and scale. The comments of the Class of ’85 Regulatory Response Group – whose submission was signed by AES, Alliant, Ameren, Dominion, Duke, Entergy, Evergy, PPL subsidiaries LG&E/KU, NRG, and Xcel – as well as the Power Generators Air Coalition – whose members include AEP, CMS, DTE, LG&E/KU, Southern Company, and Vistra – similarly pushed back on the rules and suggested that the EPA was acting beyond its legal boundary.

- **Constellation disagrees with EEI’s negative position:** In contrast with this heavy utility opposition, Constellation Energy has demonstrated more positive language in its engagements on the proposed rules. In an August 2023 press release, CEO Joseph Dominguez stated that he was “disappointed to see many of my peers represented by the Edison Electric Institute and others working to block these very practical measures.” However, although the company did support the proposed standards and urged the EPA to include small gas plants in the rules, it also strongly advocated against a clear definition of “low-GHG hydrogen” as well as the inclusion of any additionality criteria around the use of hydrogen.
Australia

Fossil gas executives advocate for fossil fuel investment in testimony to the Senate Committee on the Cost of Living

On August 4th, a hearing took place in Canberra before the Select Committee on the Cost of Living. Representatives from the oil and gas industry testified, stressing the need for the development of new fossil gas supplies to alleviate the prevailing cost of living crisis. Notably, individuals from Woodside, Shell, Santos, ExxonMobil, and ConocoPhillips provided evidence during the hearing. Samantha McCulloch, the CEO of the Australian Petroleum Production and Exploration Association (APPEA), was also present.

- Woodside advocated for regulators to encourage investment, stressing how its customers in Asia have been concerned with energy security. ExxonMobil said government intervention in the energy market was a ‘concern’, claiming that it risked ‘less investment, less gas production and higher prices for consumers’, while ConocoPhillips stated that it supported regulation that encourages supply, stating ‘as reiterated by every one of the colleagues in front of you today, bringing down prices will rely on increased supply’. Santos appeared to advocate for reducing the length of the approval process for new projects, stating that they want ‘robust environmental approval processes’, but that current processes ‘impost’ on final investment decisions for new gas projects. It also stated that the company’s number one priority was to deliver cost-effective energy for all and to lift more people out of poverty.

- APPEA, which includes all the companies above in its membership, strongly encouraged policymakers to support investment in new fossil gas supply. McCulloch frequently promoted the long-term role for fossil gas in the energy mix. She also appeared to criticize the lack of a ‘stable investment environment’ to bring on new supply, adding that this would bring down prices. In its testimony, APPEA cited the IEA’s net-zero scenario in its testimony for justification, but did not mention that the report also stated that the fossil gas demand it projects could be met by current fossil fuel projects under a scenario in which the world reaches net-zero emissions by 2050.

At the hearing, the oil and gas industry stressed the importance of increasing its products to reduce the cost of living in Australia. However, there is evidence that calls these claims into question. The IEA’s 2022 World Energy Outlook report stated that a dramatic scaling up of energy efficiency and clean energy is key to lasting structural solutions to the energy crisis, while The Australian Competition and Consumer Commission’s (ACC) gas inquiry June 2023 interim report found that there is ample supply to meet demand for 2024, adding the surplus amount would depend on the levels of exports. Since 2012, the quantity of fossil gas being exported from Australia has increased by 172%, while domestic consumption has increased by just 25%.

Fossil Fuel Sector Climate Lobbying Update #12
## Europe

### Oil & Gas Industry’s Advocacy Puts Energy Transition in Europe and Africa at Risk

InfluenceMap’s new report, released 24th August, demonstrates how BP, Shell and TotalEnergies are spearheading a multipronged strategy to lock in fossil gas across Europe and Africa. The report, using LNG advocacy in Europe and Africa as a case study, demonstrates how industry’s attempts to influence policy risks locking in fossil fuels across the entire value chain, from upstream production to downstream demand for its products.

The report finds that the industry is pushing fossil gas as a development fuel in Africa and resisting gas phase outs in climate policy, despite clear European policy ambition to move away from gas. It also highlights the industry’s advocacy on the EU Methane Regulation as an example of its strategy to lock-in fossil gas. The research covered 15 European oil & gas and utilities companies, including BP, E.ON, Enagás, Enel, Engie, Eni, Equinor, Fluxys, GALP, Gasunie, PGNiG, RWE, Shell, Snam and TotalEnergies, and found:

- **The oil & gas industry is promoting fossil gas as a transition/development fuel to Africa** — InfluenceMap’s previous analysis has demonstrated how the oil and gas industry has developed a playbook of regionally specific narratives and strategies to lock in fossil gas globally. This report demonstrates how the playbook has been put into action in Africa for new fossil gas investments, totaling over $80bn in new LNG infrastructure in Mauritania, Mozambique, Nigeria, Republic of Congo, Senegal, Tanzania. This advocacy risks locking in polluting fossil fuels in Africa, as the world plans to transition away, putting at risk Africa’s energy transition and sustainable development opportunities.

- **Despite clear ambition from European policymakers to move away from fossil fuels post-Russian invasion of Ukraine, the oil & gas and utilities industries appear to have pushed against gas phase outs** — For example, 13 of the 15 companies have advocated for new investments in fossil gas since 2021 and/or lobbied to weaken European climate legislation aimed at reducing the EU’s fossil gas demand. This is despite all 13 companies publicly stating support for net zero by 2050 targets. Only E.ON and Enel were identified as having focused advocacy efforts on a scale-up of renewable energies and a phase-out of fossil fuels, also adopting positive positions on European climate legislation. This demonstrates the major imbalance of corporate voices that risks locking in fossil gas and highlights which industry actors are pushing back on clear scientific and policy direction to phase out gas.

- **The EU’s Methane Regulation provides a key example of pushback from the oil & gas and utilities** — The EU is a major importer of fossil fuels and imports over 80% of its fossil gas consumption. Several companies, including Eni, Engie and Snam, that are proposing or building new LNG assets, have lobbied for the exclusion of imported fossil fuels from the EU Methane Regulation. The same position has also
been voiced by several industry associations, including Eurogas and Gas Infrastructure Europe, which have memberships from several companies listed in the report. This has impacted the proposals for the policy, with the EU Commission and Council both choosing to exclude imported fossil fuels from in its proposal positions. This sets a dangerous precedent for climate action, notably as the EU is seen as a climate leader globally.