Energy

Leaked: The Oil Lobby’s Conspiracy to Kill Off California’s Climate Law
By Brad Wieners | November 25, 2014

You remember Fillmore. He’s the resident hippie of Radiator Springs in the Pixar blockbuster Cars. Much to the chagrin of his neighbor, Sarge the Army Jeep, Fillmore greets each new day with Jimi Hendrix’s Woodstock rendition of A Star Spangled Banner—“respect the classics, man”—and is quick with a conspiracy theory about why biofuels never stood a chance at America’s gas pumps. Perfectly voiced by the late, great George Carlin, Fillmore has a slight paranoid edge, as if his intake of marijuana may exceed what’s medically indicated.

Well, as they say, it’s not paranoia if they really are out to delay, rewrite, or kill off a meaningful effort to reduce the build-up of carbon in the Earth’s atmosphere. A Powerpoint (MSFT) deck now being circulated by climate activists—a copy of which was sent to Bloomberg Businessweek—suggests that there is a conspiracy. Or, if you prefer, a highly coordinated, multistate coalition that does not want California to succeed at moving off fossil fuels because that might set a nasty precedent for everyone else.
Created by the Western States Petroleum Association (WSPA), one of the most powerful oil and gas lobbies in the U.S., the slides and talking points comes from a Nov. 11 presentation to the Washington Research Council. The Powerpoint deck details a plan to throttle AB 32 (also known as the California Global Warming Solutions Act of 2006) and steps to thwart low carbon fuel standards (known as LCFS) in California, Oregon, and Washington State. Northwest Public Radio appears to have been the first to confirm the authenticity of the deck, which Bloomberg Businessweek did as well, with WSPA spokesman Tupper Hull.

Specifically, the deck from a presentation by WSPA President Catherine Reheis-Boyd lays out the construction of what environmentalists contend is an elaborate “astroturf campaign.” Groups with names such as Oregon Climate Change Campaign, Washington Consumers for Sound Fuel Policy, and AB 32 Implementation Group are made to look and sound like grassroots citizen-activists while promoting oil industry priorities and actually working against the implementation of AB 32.
The deck also reveals how WSPA seized on a line from a California Air Resources Board memo that the cap-and-trade program for gas and diesel that goes into effect on Jan. 1, 2015, may affect gas prices in order to launch an ad campaign warning of a “hidden” gas tax that devious Sacramento pols are sneaking through.

“The environmental community is used to sky-is-falling analysis from fossil fuel interests in response to clean energy initiatives, so that part isn’t surprising,” says Tim O’Connor, a senior attorney at the Environmental Defense Fund, to whom I sent the deck for comment. “But it’s eye-opening to see the lengths [the WSPA] has gone to push back rather than move forward. I don’t think anybody knew how cross-jurisdictional, cross-border, and extensive their investment is in creating a false consumer backlash against [climate legislation].”

In California, O’Connor points out, “we have 70 percent voter approval on clean energy alternatives, so it’s offensive and atrocious they’re using these supposed everyday citizens—who are really paid advertisers—to change the public discourse.”

Reheis-Boyd’s Powerpoint deck, entitled “WSPA Priority Issues,” starts by announcing that these are the “the best of times.” Crude oil production in the U.S. is higher than it has been since 1997, with imports subsequently reduced to a 20-year low, according to the American Petroleum Institute. The next six slides describe why these are also “the worst of times” and include images of demonstrators protesting the Keystone XL oil pipeline, demanding government action on climate change, and pictures of professor-cum-activist Bill McKibben and billionaire Tom Steyer, with the latter quoted as saying he wants to “destroy these people”—i.e., people like the members of WSPA.

Then there’s a slide with all the different groups that WSPA has funded to make it seem as if there’s a broad group in three states opposing a series of initiatives to reduce carbon pollution from fossil fuels. The most clever of these is the “Stop the Hidden Gas Tax!” campaign. Who, after all, wants that?
“Let me be clear,” says Hull, the WSPA spokesman. “We did not oppose AB 32 when it passed. We believe it’s good to have the reduction of greenhouse gases as a goal. We support that goal.” In the years since, he says, “hundreds of pages of regulations have been added to what had been a page-and-a-half document, and we do object to many of the additions.” What’s more, Hull says, “we have a legitimate concern over what will happen when the cap-and-trade program goes into effect for gas and diesel.”

Hull describes AB 32 as “a stool with three legs”: cap and trade for stationary power sources (already in effect); low carbon fuel standards (which he characterizes as too aggressive); and the cap-and-trade program that goes live on Jan 1. “Lots of people—drivers, small business owners—don’t realize that they may be impacted by this.” Hull insists that WSPA has not created any opposition groups but has funded those that share its sincere concerns.

Like the rest of us, corporations determine from time to time that their concerns are being overlooked or misunderstood by lawmakers, and they may wish to improve things by correcting the record, getting their stories told. Hull is surely right that how cap and trade will affect everyday motorists deserves greater study. But the reason environmental activists are excitedly swapping the WSPA deck via e-mail is because it is not about correcting the record. The deck clearly describes a strategy to confuse people about an important law that has already passed and to prevent the enforcement of regulations that represent an effort—however imperfect—to reduce the risk of catastrophic effects from global warming.

Is it a coincidence that this strategy, backed by millions of dollars, promotes a consumer backlash against climate policy in three of the states nearest to having cleaner alternatives to liquid fossil fuels at most gas stations? Go ask Fillmore.