

BY

CHANGE THE CHAMBER

★
LOBBY FOR CLIMATE



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ABOUT THE U.S. CHAMBER

ORGANIZATION

The U.S. Chamber of Commerce is **not** your local chamber of commerce, and it is **not** government agency. The U.S. Chamber is a 501(c)(6) organization representing the business interests of its members. Neither its membership nor its donors are public information.

DARK MONEY

The U.S. Chamber allows its members to bypass laws intended to promote transparency in the U.S. legal system. Through the Chamber, members can anonymously fund legal action, political spending, lobbying, and electioneering.

CLIMATE

The U.S. Chamber of Commerce has advocated for the fossil fuel economy for decades, obstructing science-based climate action at state, federal and international levels.¹



INTRODUCTION



CHANGING LANGUAGE ON CLIMATE

After decades of obstructing climate action, the Chamber started to change its public stance on climate in 2019.²

In April, the Chamber released its *American Energy: Cleaner, Stronger* agenda. In May, it published a web page titled '*Addressing Climate Change*.' This ends with the rousing note: "Inaction is not an option." In September, it announced its "Task Force on Climate Actions."

So is the U.S. Chamber taking the immense risks associated with climate change seriously?

We analyzed the Chamber's lobbying of Congress and the Executive Branch, its litigation, and its campaign spending as they relate to energy and environmental policy in 2019-2020. All of the data we collected is available here.

We are disappointed to report that the evidence overwhelmingly shows that the Chamber continues to promote fossil fuel interests over science-based climate action. Its recent pivot on climate is, so far, cosmetic.

In the transition to clean energy, winning slowly is the same as losing: To limit global warming to 2°C, the 2018 IPCC report clearly shows that we must halve our emissions by 2030.⁴



The US has a critical role to play in global mitigation efforts. Our country is set to become the world's biggest producer of fossil fuels.⁵ The Chamber's Global Energy Institute, headed by Marty Durbin, former Chief Strategist for the American Petroleum Institute, has been a key advocate for this growth.⁶

The Chamber has huge influence over US policy. It is frequently described as Washington's "most powerful lobbyist." It should, and could, chart a safe and prosperous path for American business in the 21st century. That must include robust support for science-based climate policy, as climate change poses a multitude of serious economic risks.

...winning slowly is the same as losing...

LOBBYING CONGRESS & THE EXECUTIVE BRANCH

In compliance with the Lobbying Disclosure Act of 1995, as of the publication of this report, the Chamber has submitted two Lobbying Reports in 2020, for Q1 and for Q2.8 They list the Chamber's lobbying efforts from 2019 to summer 2020, with 57 items that directly relate to energy and environmental policy.



THE SAME OLD STORY

Of the 57 lobbying efforts, only 12 were successful. All 12 were pro-fossil fuel outcomes. Additionally, we infer one more successful lobbying effort to change the Waters of the United States (WOTUS) rule (see below):

- The Chamber successfully lobbied the Senate to vote down 3 moratoriums on offshore drilling.⁹
- The Chamber successfully lobbied the Senate to vote down H.R. 948/S. 370 No Oil Producing and Exporting Cartels (NOPEC) Act.¹⁰
- The Chamber successfully lobbied the Senate to vote down S.J. Res. 53, which was a joint resolution to nullify the EPA's repeal of the "Clean Power Plan," which had introduced emission guidelines for states to follow in limiting carbon dioxide emissions from existing power plants.¹¹
- The Chamber successfully lobbied the EPA to stop considering the co-benefits of PM2.5 pollution reductions in cost-benefit analyses for regulations. PM2.5 pollution is a leading cause of pollution-related illness. Combusting fossil fuels is a major source of PM2.5 pollution.
- The Chamber most likely successfully lobbied the EPA to change which bodies of water ("WOTUS") are governed by the Clean Water Act, making it easier for companies to pollute groundwater and surface run-off water. Although there are no publicly available documents to support our claim, the Chamber intervened in court to defend the rule-change shortly after it was promulgated.¹³
- The Chamber successfully lobbied the EPA to not raise



standards in the National Ambient Air Quality Standards for Particulate Matter. A coalition of 15 health and medical organizations protested the EPA's decision.¹⁴

- The Chamber successfully lobbied the EPA to change the National Environmental Protection Act (NEPA), so that the EPA will no longer measure how new fossil fuel infrastructure will contribute to global warming.¹⁵
- The Chamber successfully lobbied for the nomination of 4 individuals with strong ties to the fossil fuel industry to key positions in the Federal government:
 - The nomination of Katharine McGregor to Deputy Secretary of the Interior. McGregor has a history of profossil fuel policy making and one instance of quid pro quo with the Independent Petroleum Association of America.¹⁶
 - The nomination of James Danly to be a Member of the Federal Energy Regulatory Commission (FERC). Danly led the commission to stop considering the long-term effects of GHG emissions from fracking.¹⁷
 - The nomination of Dan Brouillette to be Secretary of Energy. Brouillette used to work as a lobbyist for the United Services Automobile Association and Ford. He has publicly questioned the scientific consensus on climate change and is a critic of the Paris Agreement. 18
 - The nomination of Mark Menezes as Deputy Secretary of Energy. Menezes has worked as a lobbyist for the biggest polluters in the country and previously said US LNG sales were "spreading freedom gas throughout the world" in an official DOE memo.¹⁹



THE CHAMBER'S RECENT PIVOT: 'ADDRESSING CLIMATE CHANGE'

In 2019-20, the Chamber backed a total of 25 bills that would have a positive effect in the transition to clean energy. However, a closer look shows that the Chamber is not earnestly lobbying for these policies.

What's more, the Chamber has yet to support a policy position that is commensurate with the challenge of climate change. Supporting and aggressively advocating for science-based policy that meets 1.5°C or 2°C emissions targets should be the test of whether the organization has truly pivoted to playing a constructive role on climate policy.

- The evidence suggests that the Chamber is not seriously lobbying for these bills:
 - Not one of these 25 lobbying efforts has been successful as of 9/21/20.
 - The Chamber endorsed these 25 bills using open letters to Congressmen. They tended to lump bills together in slates of proposals. See, for example, this letter dating from July 23, 2019. These letters do not require much time to write.
 - The Chamber did not use its more compelling "Key Vote Alert" in any of these letters. A "Key



Vote Alert" warns a member of Congress that s/he will be scored by the Chamber by how s/he votes on a particular matter. That score will help determine the Chamber's endorsements and elections spending decisions.

- Contrast this with, for example, the "Key Vote Alert" to vote against a bill to put a moratorium on offshore drilling in certain areas. ²⁰ The Chamber did not tell Congress members that their stance on these bills would impact their standing in the Chamber's ongoing ranking system, "How They Voted," Scorecard, which has been criticized for not considering climate. ²¹
- If the Chamber was serious about supporting these 25 bills, we would see more sophisticated, time- and resource-intensive campaigns. Compare the level of effort above (i.e. letter writing) with which the Chamber lobbied for these 25 bills, with its lobbying for fossil fuel interests. For example, in its campaign to roll back NEPA, the Chamber assembled a coalition, built a website, and executed an extended op-ed campaign.²²
- The positive bills which the Chamber has chosen to support are nowhere near commensurate to what is required to address climate change. We tallied the cost estimates by the Congressional Budget Office (CBO) for the bills which the Chamber supported. This paints a picture of the Chamber's dangerous lack of ambition:
 - It is worth remembering that the Wall Street Journal reported in July 2020, that unsubsidized renewables are already competitive with fossil fuels.²³ If the US is to reduce its GHG emissions by half by 2030, the



government *must invest in and implement clean energy sources on a massive scale as soon as possible.* The Chamber's policy priorities do not reflect this urgency:

- The Chamber supported 15 bills that would increase R&D into non-carbon energy. The available cost estimates from the CBO sum to \$30.782 billion.
- The Chamber supported nine bills that focused on *implementing* clean energy and energy efficiency measures. The available CBO cost estimates sum to \$4.3 billion.
- Meanwhile, the Chamber supported five bills to fund R&D into "greening" fossil fuels (e.g. scrubbing for hazardous pollution or CCUS technology). The available CBO estimates sum to \$16.2 billion.

The Chamber is more interested in protecting the interests of fossil fuel companies than achieving the science-based target of cutting GHG emissions by half by 2030.

ENERGY & ENVIRONMENT LITIGATION

The U.S. Chamber Litigation Center is highly active.



The Chamber was involved in 14 energy & environment lawsuits in 2020 alone, either as a plaintiff or as an amicus curiae.

The Chamber supported the interests of the fossil fuel industry in nine cases, those of the petro-chemical industry in one, and industrial polluters in four.

Tellingly, an affiliate of the Chamber published research in 2015 about the increasing influence of litigation on Executive Branch policy outcomes.²⁴ For example, in 2016, the Chamber sued the EPA to obtain a court stay on the implementation of the Clean Power Plan. This stopped the EPA from taking action to reduce emissions from electricity generation in line with the goals of the Paris Agreement.

The Chamber invests considerable resources in its litigation activity, hiring help from the country's most expensive law firms. For the fourteen lawsuits, the Chamber hired eight different firms. Six of these were listed in the "The 2019 Global 200: Ranked by Revenue," and one is a prominent boutique law firm.²⁵

NOTEWORTHY LITIGATION

These five cases in which the Chamber is currently involved are especially noteworthy. The Chamber filed at least one amicus brief in favor of fossil fuel interests in each of these critical cases.

Portland Pipe Line Corporation v. City of Portland. A
pipeline company is suing the City of Portland, MA, for
its precedent-setting decision to ban loading crude oil
onto boats in their port.²⁶



- Sierra Club v. EPA (Ozone SIL Guidance). The Sierra Club is suing the EPA for extending a permit to a coal-fired power plant whose pollution was last measured (incompletely) in 2006.²⁷ The plant has not implemented the best available technology to reduce emissions. The EPA's decision to extend the permit dangerously stretches what pollution is permissible for electricity generation.
- PennEast Pipeline Co., LLC, v. New Jersey. The pipeline company sued the state of New Jersey under the Natural Gas Act to seize state property in order to build a pipeline. What is at stake is whether a LNG pipeline company can use eminent domain to seize state property for purely private interests.²⁸
- State of Rhode Island v. Shell Oil Products Co., LLC.
 Prosecutors from Rhode Island are suing oil & gas companies for damages for their contribution in causing climate change with GHG emissions. Perhaps more importantly, the companies are being sued for intentionally misleading the public about climate change for decades.²⁹
- Union of Concerned Scientists v. National Highway Traffic Safety Administration. This is the first litigation to challenge the Administration's 2019 decision to revoke California's Clean Air Act waiver. The waiver had raised auto emissions standards in CA. That was the first time an Administration had revoked a state's authority to regulate its own air quality.³⁰



CAMPAIGN SPENDING

This year, the Chamber has focused their election spending on five Republicans in very competitive Senate races:

- \$505,000 in contributions to and media advertisements for Thom Tillis (North Carolina).
- \$509,402 in contributions to and media advertisements for Cory Gardner (Colorado).
- \$619,678 in contributions to and media advertisements for Susan Collins (Maine).
- \$334,334 in contributions to and media advertisements for Roger Marshall (Kansas).
- Approximately \$460,000 in contributions to and media advertisements for Joni Ernst (lowa).

Their strategic goal is to keep the Senate in Republican control, and therefore maintain Senator Mitch McConnell as the Senate Majority Leader. From an energy and environment perspective, this would be a disaster.

McConnell has an atrocious climate voting record, and he is highly unlikely to allow science-based climate legislation pass through the Senate.³¹ <u>S.Res.97</u>, <u>S.J.Res.9</u>, <u>H.R.9</u>, <u>H.R.1331</u>, <u>H.R.2578</u>, are examples of key climate legislation that stalled in the Senate in the past year.



CONCLUSION

The Chamber's Congressional and Executive lobbying, litigation, and campaign spending record in 2019-2020 show that the Chamber continues to invest its considerable political capital in advocating for the fossil fuel industry.

Unfortunately, we also found that the Chamber's recent pivot on climate is not material. First, they do not vigorously pursue their stated climate policy agenda. Second, their stated agenda comes nowhere near to the science-based target of halving GHG emissions by 2030.

The Chamber's energy and environment advocacy will slow down the U.S.'s transition to clean energy. This dramatically increases the risk that humanity will miss our window of opportunity in this decade to avert runaway climate change of greater than 2°C.

The Chamber must change its disastrous climate stances and support science-based climate legislation.

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