



## Statements on Climate Change and a Carbon Tax from Oil Companies

*Collected by*  
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### **Most major oil companies express concern on their web pages about the risks of climate change which they link to greenhouse gas (GHG) emissions**

A. BP: "According to the Intergovernmental Panel on Climate Change (IPCC), warming of the climate system is happening, and it is in large part the result of an increase in greenhouse gas emissions and their concentrations in the atmosphere. The IPCC believes that warming of the climate is likely to lead to extreme weather events becoming more frequent and unpredictable. Results from models assessed by the IPCC suggest that to stand a reasonable chance of limiting warming to no more than 2°C, global carbon dioxide (CO<sub>2</sub>) emissions need to peak before 2020 and be cut by between 50-85% by 2050." [<http://www.bp.com/en/global/corporate/sustainability/the-energy-future/climate-change.html>] (Current, i.e. as of June 10, 2013 here and throughout this document)]

B. Chevron: "[W]e recognize and share the concerns of governments and the public about climate change. There is a widespread view that the increase in atmospheric greenhouse gases (GHGs) is a contributor to climate change, with adverse effects on the environment." [<http://www.chevron.com/globalissues/climatechange/>] (Current)]

C. ConocoPhillips: "We recognize that human activity, including the burning of fossil fuels, is contributing to increased concentrations of greenhouse gas (GHG) in the atmosphere that can lead to adverse changes in global climate." [<http://www.conocophillips.com/sustainable-development/environment/climate-change/Pages/default.aspx>] (Current)]

C1. ConocoPhillips CEO Ryan Lance said at a shareholder meeting: "As a company we recognize the impact that humans are having on the environment and that CO<sub>2</sub> is having an impact on what's happening in the climate." [<http://fuelfix.com/blog/2013/05/15/no-doubts-on-need-to-act-on-climate-change/>] (5-15-13)]

D. ExxonMobil: "Rising greenhouse gas emissions pose significant risks to society and ecosystems." [[http://www.exxonmobil.com/Corporate/safety\\_climate.aspx](http://www.exxonmobil.com/Corporate/safety_climate.aspx)] (Current)]

E. Shell: "CO<sub>2</sub> emissions must be reduced to avoid serious climate change." [<http://www.shell.com/global/environment-society/environment/climate-change.html>] (Current)]

F. Total says "The consensus in the scientific community, especially the Intergovernmental Panel on Climate Change (IPCC), is that greenhouse gas emissions have an impact on climate and that an international effort is necessary to keep the resultant temperature increase to 2°C to 2100. The oil and gas industry has a direct stake in the problem and possible solutions for curbing global emissions...". [<http://www.total.com/en/our-challenges/preserving-the-environment/combating->



[climate-change/energy-and-climate-201004.html](http://climate-change/energy-and-climate-201004.html) (Current)]

**Many of the major oil companies identify the type of policy they think Congress should enact**

A. BP favors a price on carbon that is economy-wide: "We believe that the most effective way to encourage companies to find, produce and distribute diverse forms of energy sustainably is to foster the use of markets that are open and competitive, and in which carbon has a price.

Our view is that putting a price on carbon – one that applies economy-wide and treats all carbon equally, whether it comes out of an industrial smokestack or a car exhaust – will make energy efficiency and conservation more attractive to businesses and individuals, and help lower-carbon energy sources become more cost competitive within the energy mix. While a global price would be most economically efficient, regional and national approaches are a necessary first step, provided temporary financial relief is given to domestic industrial sectors that are trade exposed."

[<http://www.bp.com/en/global/corporate/sustainability/the-energy-future/climate-change.html>]

B. Hess: "Hess supports U.S. climate change legislation that treats all affected parties equitably and cost effectively. Recent U.S. legislative action on energy efficiency and climate change mitigation have the potential to encourage innovation, enhance energy security, foster economic growth, improve the balance of trade and set an example for other countries."

[<http://hess.com/reports/sustainability/US/2008/Environmental%20Performance/ClimateChange.aspx>]  
(Current)]

C. Shell says "To manage CO<sub>2</sub>, governments and industry must work together. Government action is needed and we support an international framework that puts a price on CO<sub>2</sub>..."

[<http://www.shell.com/global/environment-society/environment/climate-change.html>] (Current)]

D. ExxonMobil promotes a focus on a carbon price that is predictable, market driven, and transparent.

1. "... we analyze and compare the various policy options by evaluating the degree to which they meet the following principles:

- Ensure that any cost of carbon is uniform and predictable across the economy
- Let market prices drive the selection of solutions
- Promote global participation
  - Consider priorities of the developing world
  - Recognize the impacts of imbalances among national policies
- Minimize complexity to reduce administrative costs
- Maximize transparency to companies and consumers
- Adjust in the future to developments in climate science and the economic impacts of climate policies"

2. ExxonMobil is concerned about regressive taxation: "And to ensure revenues raised from such a tax are indeed directed to investment, and to assist those on lower incomes who spend a higher proportion of their income on energy, a carbon tax should be offset by tax reductions in other



areas to become revenue neutral for government."

3. ExxonMobil speaks to the notion that business would support a new tax: "It is rare that a business lends its support to new taxes. But in this case, given the risk-management challenges we face and the policy alternatives under consideration, it is our judgment that a carbon tax is a preferred course of public policy action versus cap and trade approaches."

[[http://www.exxonmobil.com/Corporate/safety\\_climate\\_mgmt\\_principles.aspx](http://www.exxonmobil.com/Corporate/safety_climate_mgmt_principles.aspx) (Current)]

E. ConocoPhillips wants a market-based system to level the playing field, providing certainty for investors! "We believe that effective climate change policy must be aligned with the following principles:

- Utilize market-based mechanisms rather than technology mandates
- Create a level competitive playing field among energy sources and between countries
- Avoid overlapping or duplicating existing energy and climate change programs
- Provide long-term certainty for investment decisions
- Promote government and private sector investment in energy research and development
- Match the pace at which new technology can be developed and deployed
- Encourage efficient use of energy
- Foster resiliency to the impacts of a changing climate
- Avoid undue harm to the economy.

[See more at: <http://www.conocophillips.com/sustainable-development/our-approach/living-by-our-principles/positions/Pages/climate-change.aspx#sthash.tGBrGN9j.dp>]