



## BUSH ADMINISTRATION APPOINTS LEE RAYMOND OF EXXONMOBIL TO LEAD A STUDY ON AMERICA'S ENERGY FUTURE

### Overview:

In an egregious display of the Bush administration's allegiance to ExxonMobil and the oil and gas industry, Energy Secretary Samuel Bodman has named Lee Raymond, former CEO of ExxonMobil, to head an influential study to develop policy solutions to America's energy crisis. The Expose Exxon coalition is calling on Sec. Bodman to remove the study from the purview of Lee Raymond and the National Petroleum Council and give it to a body with a proven record of producing fair and balanced policy recommendations, such as the National Academy of Sciences. America's energy crisis is defined by its severe dependence on oil. When many of our solutions hinge on buying and burning less oil, it seems obvious that the last people who should be charting that course are the people in oil industry itself.

### The Legacy of Lee Raymond

After eighteen years of presiding over ExxonMobil, Lee Raymond is responsible for ExxonMobil's corporate image of denial and greed. In the 1990s, ExxonMobil began a multi-million dollar subversive disinformation campaign to undermine the science on global warming and delay crucial action. Internal memos reveal that the Bush administration has had a tight relationship with ExxonMobil under Lee Raymond and has received advice that benefited ExxonMobil and the oil industry while pushing the nation backwards on energy and the environment. Taking a page from big tobacco's playbook, Mr. Raymond directed ExxonMobil to spend \$19 million to fund front groups to create an echo chamber of doubt around the science of global warming. As recently as June 14, 2005, Mr. Raymond told the *Wall Street Journal*, "it's yet to be shown how much of this [global warming] is really related to the activities of man."

Lee Raymond turned ExxonMobil into a rogue company even among its peers. The company vocally opposes U.S. energy independence and presses for deeper reliance on oil producing nations such as Saudi Arabia where the company has sunk heavy investments. Mr. Raymond's legacy is to deny that oil dependence is a problem. ExxonMobil is the only major oil giant calling renewable energy an "uneconomical" investment. Mr. Raymond has earned a reputation of an impatient, authoritarian leader who shows no qualms to publicly belittle those who disagree with him. Mr. Raymond's repeated criticism of U.S. energy independence, renewable energy, peak oil, and policies to help combat global warming have made it clear exactly where he stands. Although he claims his views will not dictate the study's results, there is overwhelming reason to believe the contrary. Given his legacy, Mr. Raymond is unquestionably the worst choice for leading a study on resolving America's energy crisis.

### Background

In October 2005, Sec. Bodman contacted ExxonMobil CEO Lee Raymond and asked the National Petroleum Council (NPC), which Mr. Raymond Chairs, to conduct a "Global Oil and Gas Study". The study is to provide policy recommendations on the long-term direction of energy policy, from now until 2025.

At first glance, the study appears to be an investigation into peak-oil claims and policy responses. But in fact the scope is much larger. According to DOE, the NPC study is to provide the administration with policy options that assess "the potential contribution of conservation, efficiency, alternative energy sources, and technology advances" and determine "the potential long term impact of alternative energies that are plentiful, affordable, reliable and transportable." The DOE argues that the NPC is "well qualified to provide a balanced and informed perspective on strategies and action affecting the energy future for both the U.S. and for every country on earth." Yet, precursory research shows that the NPC has little experience doing studies that go beyond the self-interested viewpoint of the oil and gas industry to the interests of the nation and its national security.

As chair of the study, Lee Raymond was granted the power to determine the study's layout and leadership. Mr. Raymond handpicked DOE Under Secretary David Garman and four vice-chairs to run the supply, demand, technology and geopolitics and policy task groups. With Lee Raymond at the helm and each task force and committee dominated by oil and gas interests, how likely is it that the recommendations will fairly and accurately assess non-carbon based policy solutions? The conflicts of interest are insurmountable.

### **Who is The National Petroleum Council?**

The NPC is a federal advisory council. Its purpose is to represent the views of the oil and natural gas industries in advising, informing, and making recommendations to the Energy Secretary with respect to any matter relating to oil and natural gas. NPC officers include Lee R. Raymond, Chair; Richard D. Kinder, Vice Chair; Marshall W. Nichols, Executive Director; and Samuel W. Bodman, Secretary, U.S. Department of Energy. NPC operations are privately funded through the voluntary contributions of its members. NPC members include BP, Chevron, ConocoPhillips, ExxonMobil, and a diverse range of companies in the oil and gas industry, including construction, operations, and oil field support. "Non-industry" members include Arctic Slope Regional Corporation and the Alliance to Save Energy.

### **What's good for ExxonMobil is good for the country?**

In the study documents, the DOE expresses the view that America's energy future rides on the ability of oil and gas to be brought online, on time, and at a reasonable price. As long as Exxon continues to stubbornly stick to oil as the only possible energy source, then that is also its energy future. No where in the discussion does the DOE acknowledge that the planet cannot withstand the continued burning of fossil fuels to meet the world's growing energy demand. ExxonMobil and the DOE appear to be practicing the same ignorance of reality. Not surprisingly, ExxonMobil spends more than any company in the industry on lobbying, and typically ranks among the top two in campaign contributions. In a telling quote, the DOE Under Secretary refers to the petroleum industry as "our" industry, and repeats almost verbatim the constant argument of Exxon's leadership that the public does not understand the industry. Likewise, Sec. Bodman begins his talk to the NPC by outlining not the challenges facing the nation, but "the challenges facing the oil and gas sectors." While the other oil giants have acknowledged the urgency of global warming and are attempting to redefine themselves as energy companies rather than just oil companies, the Bush administration seems to be identifying with the one company determined to keep America addicted to oil.

### **Recommendation**

A study of this magnitude and importance should be given to less biased body than the petroleum industry that is capable of balancing a wider set of interests. The National Academy of Sciences (NAS), Division of Engineering and Physical Sciences, is suggested because it has a respected track record of pulling together experts from a number of different fields to assess the policy options of complicated national issues. Indeed, this year the NAS already held a conference to investigate peak oil concerns. Any government agency can request a study from the NAS. The reliance of the DOE on the federal advisory councils of the coal and petroleum lobby is unacceptable and outdated. If the Bush administration takes seriously its commitment to reduce America's addiction to oil, then it should set up a new federal advisory council to provide the kind of vision and expertise necessary to move the U.S. beyond on oil.

#### *References:*

Undersecretary David Garman, Presentation with notes, NPC Review, 6/21/06, <http://www.npc.org>. Accessed 10/17/06.  
Remarks for Secretary of Energy Samuel Bodman, U.S. Department of Energy, 6/21/06. <http://www.energy.gov/print/3764.htm>.

*The Exxpose Exxon campaign is a collaborative effort of many of the nation's largest environmental and public interest advocacy organizations aimed at pressuring ExxonMobil by educating and activating Americans about ExxonMobil's efforts to block action on global warming, drill in the Arctic Refuge, and keep America addicted to oil.*