



The Truth Behind ExxonMobil's Investment in 'Green' Technology

ExxonMobil is the only major oil company that questions the link between the burning of fossil fuels and global warming. ExxonMobil has spent millions funding junk science to hide the urgent need to address global warming. ExxonMobil has invested next to nothing in renewable energy sources. Moreover, ExxonMobil has been the most ardent opponent of domestic and international efforts to cut global warming pollution. When confronted with these facts, ExxonMobil inevitably responds that it is funding the Global Climate and Energy Project (GCEP) at Stanford University. Read below for the truth behind ExxonMobil's investment in this project.

What is the Stanford Global Climate and Energy Project?

GCEP is a 10-year, \$225 million project to "conduct fundamental research leading to the development of new low greenhouse gas-emission energy technologies for the future." The project's four sponsors are ExxonMobil, General Electric, Schlumberger, and Toyota. GCEP's research is currently focused on hydrogen, advanced fossil fuel combustion, and carbon capture and storage with a secondary focus on solar energy and biomass.¹

Is the GCEP Project Enough?

GCEP's research is focused on making fossil fuels burn cleaner and dealing with carbon after it has been released, which are useful endeavors but do little to advance renewable energy technologies and significantly cut global warming pollution *before* it is released. In addition, the technology developed may not be available for commercial application for at least a decade. Moreover, GCEP has no quantifiable goals in terms of reducing global warming pollution and includes no guarantee that ExxonMobil or any of the sponsoring companies will apply the technologies developed.

Putting ExxonMobil's Financial Contribution in Perspective

ExxonMobil touts its 10 year, \$10 million per year commitment as the "largest ever investment in independent climate and energy research that is specifically designed to look for new breakthrough technologies."² To put this contribution in perspective:

- The company's \$100 million pledge represents just two days of its 2004 profits and is dwarfed by ExxonMobil's annual expenditures for oil and gas exploration, totaling more than \$1 billion in 2004 alone.³
- ExxonMobil CEO Lee Raymond made about four times as much in salary and exercised stock options in 2004 as the company gave to GCEP that year.⁴
- Shell has spent about \$1.5 billion since 1999 building a business in renewable energy, mostly solar and wind power.⁵ BP has spent about \$500 million on solar since 2000 and about \$30 million on wind over the past three years.⁶

Renewable Energy and Fuel Efficiency: The Real Solutions

Investing in the technologies of tomorrow should not preclude implementing the solutions we already have today. Numerous studies have documented the environmental and economic benefits of renewable energy. The Union of Concerned Scientists (UCS) looked at the benefits of passing a renewable energy standard requiring that 20 percent of America's electricity come from renewable sources by 2020. UCS found that under a 20 percent by 2020 standard, total consumer savings from lower energy prices would

be \$49 billion by 2020. The standard also would reduce power plant carbon dioxide emissions by 434 million metric tons per year by 2020—a reduction of 15 percent below business-as-usual levels.⁷ UCS also found that if the Bush administration increased new-passenger-vehicle fuel economy to 40 mpg by 2015, we would reduce our oil dependence by 2.3 million barrels per day and cut global warming pollution by 106 million metric tons per year by 2015.⁸

An Honest Dialogue

“The world faces enormous energy challenges. There are no easy answers. It will take straightforward, honest dialogue about the hard truths that confront us all.”⁹

– ExxonMobil corporate advertisement

In a recent corporate advertisement, ExxonMobil called for an “honest dialogue” about the world’s energy challenges. We couldn’t agree more. That’s why the Exxpose Exxon campaign is calling on ExxonMobil to stop funding quasi-media outlets and junk science at think tanks to mislead the public about the broad scientific consensus on the causes of and solutions to global warming. ExxonMobil has spent \$15 million since 1998 funding these activities, designed to undermine domestic and international efforts to address the largest energy challenge of them all—global warming.¹⁰

For More Information

For more information on ExxonMobil’s track record on global warming and renewable energy, visit the Exxpose Exxon campaign website at www.ExxposeExxon.com.

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¹ GCEP website, <http://gcep.stanford.edu/>.

² ExxonMobil corporate advertisement, Energy and Environment, <http://www2.exxonmobil.com/corporate/files/corporate/campaign05/energyandenvironment.pdf>.

³ ExxonMobil, 2004 Summary Statement of Income, accessed July 4, 2005 at http://www.exxonmobil.com/corporate/files/corporate/AR_2004_statementincome.pdf.

⁴ “Exxon CEO’s 2004 paycheck: \$38 million,” *Associated Press*, April 14, 2005.

⁵ Jeffrey Ball, “Exxon Chief Makes A Cold Calculation On Global Warming,” *Wall Street Journal*, June 14, 2005.

⁶ Jeffrey Ball, “Exxon Chief Makes A Cold Calculation On Global Warming,” *Wall Street Journal*, June 14, 2005.

⁷ Union of Concerned Scientists, *Renewing America’s Economy: A 20% National Renewable Electricity Standard Will Create Jobs and Save Consumers Money*, September 2004. Available at www.ucsusa.org/clean_energy/renewable_energy/page.cfm?pageID=1505.

⁸ Union of Concerned Scientists, *Creating Jobs, Saving Energy and Protecting the Environment*, July 2004. Available at <http://www.ucsusa.org/documents/FuelEconomyJobs.pdf>.

⁹ ExxonMobil corporate advertisement, Energy and Environment, <http://www2.exxonmobil.com/corporate/files/corporate/campaign05/energyandenvironment.pdf>.

¹⁰ Greenpeace, “Exxon Money 2004 Key Facts,” fact sheet, accessed June 30, 2005 at <http://usaphoto.greenpeace.org/exxonmobil-secrets/exxon%20money%202004%20key%20facts.doc>.