**ADVOCACY & 22 OTHERS** 

# Slip-up reveals Chevron ties to architect of climate attack



BY **CORBIN HIAR** | 06/18/2020 06:56 AM EDT



The public relations firm CRC Advisors criticized environmental groups for promoting climate policies that it said would hurt communities of color in an email that accidentally included the name of a client: Chevron Corp. | Claudine Hellmuth/E&E News (illustration); ArtBrom/Flickr (Chevron sign), Francis Chung/E&E News (protest photo)

**Climatewire** | It was an audacious messaging campaign: White environmentalists are hurting black communities by pushing radical climate policies that would strip them of fossil fuel jobs.

The email to journalists, sent by a public affairs firm at the height of national protests over systemic racism earlier this month, accidentally contained the name of a high-profile client.

#### It was Chevron Corp.

The Virginia-based communications firm, named CRC Advisors, urged journalists to look at how green groups were "claiming solidarity" with black protesters while "backing policies which would hurt minority communities."

"Despite this claimed solidarity, environmental organizations, composed of predominantly white members, are backing radical policies like the Green New Deal which would bring particular harm to minority communities," wrote John Gage of CRC in an email sent to media outlets including E&E News.

The story pitch included an offer to connect journalists with black conservatives who oppose the Green New Deal, a sweeping government jobs program advanced by progressive lawmakers who champion environmental justice issues for communities of color.

The email ended with a revealing tagline.

"If you would rather not receive future communications from Chevron, let us know by clicking here."

Chevron denied involvement in the messaging campaign, but the email's accidental nod to the oil giant is renewing suspicions among activists and academics that Chevron's public statements about climate change fail to match its lobbying activities. While Chevron has promised to do more to slow rising temperatures, observers view the email as a shadowy continuation of the fossil fuel industry's past efforts to undercut legislation aimed at reducing greenhouse gas emissions.

"Chevron's fingerprints appear to be on this," said Naomi Oreskes, a Harvard University history professor and the co-author of "Merchants of Doubt," a 2010 book about how scientists with ties to Big Oil worked to obscure the truth about global warming.

Oreskes described previous instances of oil and gas companies working with communications firms to advance industry talking points. But the CRC effort is remarkable, she said, for trying to leverage national unrest about systemic racism and police violence to promote an expansion of oil and gas drilling.

"There's no socially acceptable language to describe how despicable this is," she said. "It's hard for me to contain my fury."

Chevron, a longtime CRC client whose shareholders recently called on the oil major to detail its lobbying on climate change, says it had nothing to do with the message.

"Thanks for the opportunity to clarify the situation," Chevron spokesman Sean Comey said in an email.

#### 'A clerical error'

The email received by an E&E News journalist on June 3 included quotes from two black conservatives who oppose the Green New Deal.

They were Ken Blackwell, a Republican who served as Ohio's secretary of state in the late 1990s and has gone on to stump for a wide variety of conservative causes, and Derrick Hollie, a former advertising executive.

The email portrayed CRC as playing a helpful role in distributing Blackwell's and Hollie's concerns with the climate plan and its effect on black communities.

Instead, the firm appears to have organized the campaign. Hollie, who said he doesn't personally know Blackwell, revealed that CRC approached him with the idea.

"They was like, 'Derrick, would you mind being a part of something that we're working on?' I said, 'Absolutely.' And they asked me to put together a quote," Hollie said in a phone interview.

"I didn't know what they were going to do with it," he added. "I figured they were going to put it in an op-ed or something like that."

Gage, the account executive at CRC, said in an email to E&E News that he had contacted journalists "on behalf of Mr. Blackwell and Mr. Hollie regarding this issue and inadvertently attached a disclaimer from another client's media list onto that email."

"This was, in effect, a clerical error," Gage said.

The Green New Deal is a conceptual resolution that calls for a sweeping public jobs program and asserts that the government should "achieve net-zero greenhouse gas emissions through a fair and just transition for all communities and workers" in a decade's time.

That would require overhauling the nation's oil-dependent transportation system "to remove pollution and greenhouse gas emissions" and invest in "zero-emission vehicle infrastructure and manufacturing; clean, affordable, and accessible public transit; and high-speed rail," the proposal says.

Chevron hasn't directly lobbied on the Green New Deal, but it has pressed members of Congress and the Trump administration about "Energy Transitions, technology, and climate change," lobbying disclosures show.

Energy prices — another major focus of the CRC pitch — are also an issue Chevron has lobbied on.

"Radical policies like the green new deal that raise the cost of driving to work and heating our homes would target the African-American community and ... would make us even more vulnerable and marginalized than we already are," Blackwell said in the email sent by CRC. He is currently an adviser to Trump's reelection campaign and senior fellow at the Family Research Council, an anti-abortion group.

Blackwell's quote was partially featured in the headline of a June 4 story on the website of the conservative Daily Wire.

#### 'White environmental extremists'

Hollie is the president of Reaching America, a nonprofit group whose tax-exempt status was revoked by the Internal Revenue Service in 2017 because it repeatedly failed to file required annual reports.

Since then, Hollie has testified twice in the House Natural Resources Committee against efforts to transition the U.S. economy away from fossil fuels. At a February 2019 hearing, he denied receiving any funding from fossil fuel companies or corporations.

"With black communities ablaze, the same nearly uniformly white environmental extremists assure us of their solidarity while at the same time trying to kill high-paying oil and gas jobs that have been the cornerstones of progress in lifting up working-class minority communities," Hollie was quoted as saying in the CRC email to journalists. "Any program such as their Green New Deal that makes energy more expensive or jeopardizes jobs is counter-productive, reckless, and wrong."

To be sure, the environmental movement has struggled with its own racial disparities. The largest green groups are overwhelmingly white, and they have historically overlooked communities of color when trying to reduce pollution. Some have racist pasts (*Greenwire*, June 5).

But people of color are also underrepresented in much of the oil and gas industry. For example, a 2016 report by the University of Massachusetts, Amherst, found the oil and gas business to be "among the worst in terms of employment and earning equity for women, African American and Hispanic populations."

Reaching America is based in Bennsville, Md., but its sparse website is registered to Domains By Proxy LLC, an Arizona firm that shields the identities of web address owners.

CRC also has a limited online presence.

The group is led by Leonard Leo, President Trump's informal adviser on judicial nominees, and Greg Mueller, a conservative communications executive. The firm recently hired two Trump White House communications staffers and a Fox News veteran. CRC's website lists no staff, clients or contact information.

Although Hollie and his group have a long history with CRC, he denied having a formal role with the firm.

"Hell no! I wish I did," he said with a laugh. "This guy named Jay Hopkins is who I deal with.

"I knew CRC had an energy client," he added. "I didn't know it was Chevron."

Hopkins, a senior account manager at CRC, has deep ties to the fossil fuel industry.

Prior to working at CRC, Hopkins did communications for Citizens for a Sound Economy, a think tank established in 1984 by the oil barons Charles and David Koch. The group eventually split and formed the tea party groups FreedomWorks and Americans for Prosperity.

In 2002, Hopkins joined CRC, which was previously known as Creative Response Concepts and CRC Public Relations.

During his time at CRC, he "identified and recruited third-party organizations to serve as surrogates for clients," "wrote and placed client op-eds in top-line publications," and "cultivated strong relationships with journalists nationwide, particularly focusing on reporters in energy," according to his LinkedIn profile.

Blackwell, the former Ohio secretary of state, has written numerous op-eds over the years in support of the U.S. oil and gas industry as well as Chevron and other CRC clients.

In a 2012 Reuters blog post, Blackwell described Brazilian authorities' attempt to penalize Chevron for a 3,600-barrel oil leak off the coast of Rio de Janeiro as "one of the most shameless shakedowns of an American company by another country in recent memory."

After a two-year legal battle, a federal judge in Brazil ordered the California-headquartered company to pay around \$135 million in compensatory actions (*Greenwire*, Oct. 2, 2013).

Blackwell didn't respond to calls or emails for comment. Hopkins didn't respond to emailed questions about his work at CRC.

Hollie, meanwhile, said that Reaching America works with organizations across the political spectrum.

"I don't appreciate being used as a racial pawn during this time and would appreciate if you leave me out of your vendetta against Chevron and CRC," he said in a follow-up email.

## 'Not being candid'

Experts on corporate influence campaigns suggest that CRC is engaged in a shadowy campaign to shape federal policy on climate change.

The firm may be "attempting to influence public policy surreptitiously using industry money," said Marcus Owens, a partner at the law firm Loeb & Loeb LLP. "I've been doing this for nearly 50 years now, so I think I have a fairly well-developed sense of who's not being candid."

The involvement of the former Ohio secretary of state, in particular, was an indicator for Owens, the former head of the nonprofit division at the IRS.

"You don't hire Ken Blackwell if what you want to do is run a soup kitchen or truly educate people about anything," he said. "You hire him if you want to run a political organization and you want to court industry or people who donate to right-of-center causes."

What CRC did is a textbook example of the "most unethical type of PR," according to Pallavi Kumar, a communications professor at American University.

"It's just a way where they put together a coalition and therefore you think it's something, but it's done by a corporation," said Kumar, who worked in corporate public relations for two decades before becoming an academic. "To me, they really screwed up by showing it's coming from Chevron."

Kumar got her start in PR at E. Bruce Harrison Co., which helped promote the Global Climate Coalition. Prior to its dissolution in 2002, the industry group was opposed to reducing greenhouse gas emissions and was supported by Chevron. (Kumar says she did not work on that account.)

The oil major's ongoing involvement with CRC is troubling to some of the company's shareholders.

"If Chevron is hiring public relations companies that are putting out a message that is contrary to what the company is publicly espousing, that is a concern," said Danielle Fugere, the president of As You Sow. "Just hiring these individuals or these groups for public communications purposes raises red flags."

Her shareholder advocacy group backed a climate lobbying proposal put forth by the French investment group BNP Paribas Asset Management at Chevron's annual shareholder meeting last month.

It called for the oil company's board of directors to issue a report describing "if, and how, Chevron's lobbying activities (direct and through trade associations) align" with the goal of the Paris Agreement, which calls for limiting average global warming to well below 2 degrees Celsius.

Chevron's board <u>urged</u> shareholders to vote against the resolution because the company "shares the concerns of governments and the public about climate change risks" and "adheres to the highest ethical standards when engaging in lobbying and political activities."

A majority of its investors, however, backed the proposal (*Energywire*, May 28).

Comey, the Chevron spokesman, indicated that the company doesn't plan to detail its work with CRC in the climate lobbying report shareholders requested.

"They help us with communications," he wrote, referring to CRC. "They are not involved in lobbying."

Kumar, of American University, described CRC's work this way: "Stealth lobbying, AstroTurf lobbying, front groups."

While those tactics aren't new, the focus of the campaign surprised her. The firm is trying to take advantage of the Black Lives Matter movement, she said.

David Pellow, the African-American director of the University of California, Santa Barbara's global environmental justice project, argued that Chevron's involvement with CRC shows the oil company is more focused on countering support for the Green New Deal than helping communities of color.

With the U.S. in recession and tens of millions of Americans out of work, "the Green New Deal is now looking much more reasonable as a proposal," he said. "And that's got to have big polluters worried."

Chevron has been criticized for its slow response to the widespread protests over police violence against people of color. The company released a statement on racial injustice on June 5 — two days after CRC pitched a story attacking a resolution that seeks to address that issue and combat climate change.

Comey said that "it's important that we face and address the systemic racism and discrimination that denies African Americans equal access to opportunities for advancement."

Chevron, he added, is leading by example: "For more than 25 years, diversity and inclusion have been a part of our corporate culture."

But Pellow, who is also the chairman of UC-Santa Barbara's environmental studies department, said the company's actions speak louder than its words.

"If you're perpetrating climate disruption, as Chevron is, then you're also perpetrating racial injustice," he said. People of color "the world over are being harmed disproportionately by climate change."

MORE HEADLINES FROM THIS EDITION OF CLIMATEWIRE

LGBT rights ruling: 'Potent new precedent' on climate?
BY JENNIFER HIJAZI | 06/18/2020 06:56 AM EDT

13 resilience projects jeopardized by looming deadline BY DANIEL CUSICK | 06/18/2020 06:56 AM EDT

Australia wants to fight climate change with water, gravity
BY NATHANIAL GRONEWOLD | 06/18/2020 06:56 AM EDT

FEMA shifts responders from virus to natural disasters

BY THOMAS FRANK | 06/18/2020 06:56 AM EDT

Heat ruined 400 Covid tests in D.C. BY CHELSEA HARVEY | 06/18/2020 06:56 AM EDT

Advocates: U.S. regulators ignore climate risks for banks BY CORBIN HIAR | 06/18/2020 06:56 AM EDT

Dow's new climate plan doesn't yet align with Paris accord 06/18/2020 06:56 AM EDT

Africa's green revolution lures fund eyeing 12% returns

Utility commits to build U.K.'s biggest onshore wind farm

Officials predict active Mont. fire season amid COVID-19 06/18/2020 06:56 AM EDT

### YOUR ACCOUNT MANAGEMENT TEAM

Grant Moore-Grant Moore-Sargent Sargent Pro Business Pro Business Development Associate

Development Associate

gmoore-

sargent@politico.com sargent@politico.com RESOURCE CENTER CORRECTIONS TERMS OF SERVICE PRIVACY POLICY DO NOT SELL MY INFO

© 2021 POLITICO LLC