

**Responses of David Lawler,
Chairman and President, BP America Inc.,
to Questions for the Record for the
Oversight and Reform Committee hearing held on October 28, 2021**

Chairwoman Carolyn B. Maloney

- 1. Your prepared testimony stated that BP America “promoted actions” to reduce greenhouse gas emissions “[t]hroughout the late 1990s and early 2000s.” In order for the Committee to gain a more complete understanding of the issues raised by your testimony, please provide information detailing the total amount and itemization of all direct or indirect funding provided by BP America to individuals, foundations, advocacy organizations, business associations, research institutions, or policy institutions, including funding intended to be transferred to other entities, from 1991 to the present, for any projects or activities related to the science, policy, or advocacy associated with climate change.**
 - a. In particular, please provide (1) the identity of the individuals or organizations that received the funding, (2) the amounts of funding and the dates it was provided, (3) a description of the activity that was funded and the results sought or achieved.**

While I joined bp in 2014 and have been in my current role only since July 2020, I do know that bp has publicly acknowledged for nearly a quarter century the scientific consensus that humans contribute to climate change. Since that acknowledgment, bp has advocated for policies to address climate change. For example, in a hearing before the House Energy and Commerce Committee more than a decade ago, one of my predecessors as chairman and president of bp America said the following:

We favor an economy-wide price for carbon based on fair and equitable action based across all sectors. Market-based solutions like a cap-and-trade or a linked fee are the best solutions to manage greenhouse gas emissions.

As I noted in my written testimony, bp America has sought to partner with others, including industry partners, governments, and non-profits, to advance solutions. In bp’s 1998 sustainability report, for instance, the company noted that it had played a “constructive role in developing policy and research on climate change through its support of a range of programmes including the Massachusetts Institute of Technology Joint Programme on the Science and Policy of Global Change and the IEA Greenhouse Gas programme.” bp has provided support to other academic institutions for climate change research, including the Carbon Mitigation Initiative at Princeton University since its inception in 2000.

- 2. Please provide accounting records including corporate ledger or journal entries, invoices, checks, receipts, and other supporting documentation showing any and all funds provided by BP America or its predecessor companies to any groups or organizations that publicly reject climate science from 1991 to the present, including (1) the amount of such funding and (2) the date(s) such funding was provided.**

Again, I have been in my current role since July 2020. I am not aware of bp America providing funding to any “groups or organizations that publicly reject climate science” during that time.

3. Has BP America taken any actions to protect BP America’s facilities, assets, or operations from the impacts of climate change since the publication of the first assessment report of the Intergovernmental Panel on Climate Change in 1990?

- a. Please provide a list of (1) each action taken, (2) the date the action was taken, (3) the amount of warming and associated environmental changes the action was meant to prepare for, and (4) the amounts expended for each action.**

bp’s U.S. businesses are expected to manage risks to their assets, which include adapting them to changing conditions including those that might be influenced by climate change, as they consider necessary.

4. You testified that you have “stopped all reputational advertising at BP.”

- a. Please provide BP America’s definition of “reputational advertising” and the annual amounts of money spent by your company on reputational advertising since the year 1990, including an itemized list of the amounts spent on each campaign.**
- b. Please provide an explanation of when and why your company ceased reputational advertising.**

In February 2020, bp announced that, in support of its net zero ambition, it would end corporate reputation advertising campaigns, except to the extent such advertising pushes for progressive climate policy, communicates bp’s net zero ambition, invites ideas, or builds collaborations. Ending general corporate reputation advertising campaigns is a component of bp’s aim to advocate more actively for policies that support net zero, including carbon pricing, and is intended to allow the company to redirect resources to promote such policies. The announcement referred to a specific advertising campaign, the “Possibilities Everywhere” campaign, as an example of corporate reputation advertising that would end. bp will continue to advertise its products, services, and partnerships.

Chairman Ro Khanna

1. In your written testimony to the Oversight Committee, you asserted “bp was among the first major oil and gas companies to publicly recognize the scientific consensus about the human contribution to climate change.” To further shed light on BP’s knowledge of the effect of climate change, please provide all internal memoranda, analyses, and reports prepared by or on behalf of BP or its predecessor companies from 1991 to the present, that:

- a. Contain predictions of possible negative impacts of climate change or global warming on the planet, humans, or the company’s business activities; or**
- b. Evaluate the veracity or scientific validity of public-facing BP statements related to the reality or effect of climate change or global**

warming on the planet, the human race, or the company's business activities.

While I have been in my current role only since July 2020, I know that bp has publicly acknowledged for nearly a quarter century that humans contribute to climate change. bp America will continue to work with the Committee and Subcommittee to produce documents covered by the extensive subpoena dated November 2, 2021.

- 2. For the same reasons, please provide all documents from 1991 to the present related to concerns or objections raised by BP employees or board members about the veracity or scientific validity of public-facing BP statements related to the reality or effect of climate change or global warming on the planet, humans, or the company's business activities.**

Among the great many bp employees, it is nearly certain that some have had views that differ from the company and its management on a range of issues, including bp's longtime recognition of the human role in climate change and support for policies to address it. bp America will continue to work with the Committee and Subcommittee to produce documents covered by the subpoena dated November 2, 2021.

- 3. Mr. Lawler, in your statement to the committee, you claim, "BP was among the first of the major energy companies to recognize the challenge of climate change in 1997." Yet, as the hearing made clear, the oil and gas industry's internal understanding of climate change dates back far earlier, to the 1970s at the latest.**
 - a. When did BP first start to study climate change and its potential impacts?**
 - b. When did BP first adapt or modify any projects, facilities, or operations to protect the company from potential impacts of climate change?**
 - c. Has the company ever incorporated climate projections in decisions on exploration and development of oil and gas resources? If so, when did BP first start doing so?**

I have been in my current role only since July 2020, but I do know that, as your question notes, the then-CEO of bp, John Browne, made a watershed speech in 1997 recognizing "an effective consensus among the world's leading scientists and serious and well informed people outside the scientific community that there is a discernible human influence on the climate, and a link between the concentration of carbon dioxide and the increase in temperature." I understand that before that time scientists and organizations, including the Intergovernmental Panel on Climate Change, studied climate change and its potential impacts and published reports on these topics. While bp America has supported climate change research at institutions such as the Carbon Mitigation Initiative at Princeton University, I am not aware of any original, independent climate change research conducted by bp America.

In February 2020, bp announced its net zero ambition, which was designed to be consistent with the Paris Agreement. I understand that the Paris Agreement framework was itself based on climate projections. As part of the strategy to achieve the net zero ambition, bp announced that by 2030 it expects to reduce its upstream oil and gas production by 40 percent from 2019 levels.

bp also announced that it would no longer explore for oil in countries where it does not already have upstream operations.

bp's U.S. businesses are expected to manage risks to their assets, which include adapting them to changing conditions including those that might be influenced by climate change, as they consider necessary.

- 4. In your testimony, you stated that “[w]e have stopped all reputational advertising at BP.” In order for the committee to understand the significance of this corporate policy, please provide answers to the following questions.**
 - a. What are the nature and extent of previous reputational advertising efforts at BP?**
 - b. Please provide descriptions of your corporate reputational advertising campaigns from 1990 to the present, including their extent, focus, intent, the public relations (PR) firms utilized to carry out these campaigns, and their costs, including descriptions of the major categories of spending, the contracts involved in these campaigns, and any correspondence or materials related to these campaigns.**
 - c. What are the nature and extent of any ongoing reputational campaigns?**
 - d. How do reputational advertising campaigns fit into the overall political and business strategy of BP? Why did BP decide to stop all reputational advertising?**

Since February 2020, bp has had a policy of not engaging in general corporate reputation advertising campaigns, except to the extent such advertising advocates for progressive climate policy, communicates bp's net zero ambition, invites ideas, or builds collaborations. The announcement referred to a specific advertising campaign, the “Possibilities Everywhere” campaign, as an example of corporate reputation advertising that would end under the policy. The continuation of advertising that advocates for progressive climate policy, communicates bp's net zero ambition, invites ideas, or builds collaborations will play a key role in bp's aim to help the world get to net zero by advocating more actively for policies that support net zero, including carbon pricing. bp will also continue to advertise its products, services and partnerships.

- 5. In 2019, BP launched its largest campaign in over a decade, Possibilities Everywhere, with PR firms Ogilvy & Mather, Purple Strategies, and Mindshare Media. The campaign ended in 2020 after Client Earth filed a legal complaint against BP in the UK, saying that it misled customers.**
 - a. How much money was paid to WPP, PLC firms (Ogilvy, Purple Strategies, and Mindshare Media) for Possibilities Everywhere?**
 - b. Did the aforementioned PR firms discuss with BP using renewable energy imagery and messages in Possibilities Everywhere? What were the promised deliverables of this strategy?**

- c. In May 2021, BP successfully defeated a resolution demanding greater attention to climate change goals led by Follow This, a Dutch shareholder activist group. Did Ogilvy, Purple Strategies, or Mindshare Media assist with the campaign to defeat Follow This's resolution?**

I have been in my current role since July 2020. The "Possibilities Everywhere" campaign was launched in early 2019 and ended in February 2020, when, in support of its net zero ambition, bp announced that it would end corporate reputation advertising campaigns, except to the extent such advertising pushes for progressive climate policy, communicates bp's net zero ambition, invites ideas, or builds collaborations. I was not involved in designing or executing the Possibilities Everywhere campaign.

I was also not involved in discussions regarding the shareholder resolution offered by Follow This. bp's board of directors explained in the Notice of bp Annual General Meeting 2021 that while it "welcome[d] the expression of support from Follow This for bp's net zero ambition, targets and aims and agree[d] on the need to meet the goals of Paris," the "resolution would have a negative impact on bp's ability to deliver its Paris-consistent strategy and value for shareholders."

- 6. In 2019, an IRS inspector general investigation revealed that ten taxpayers claimed 99.9% of the 45Q tax credits between 2010 and 2019. The investigation also revealed that for TYs 2010 through 2019, a total of \$893,935,025 (87 percent) worth of I.R.C. § 45Q credits were claimed by these 10 taxpayers when they were not in compliance with the EPA [Environmental Protection Agency] (i.e., they did not have an approved MRV Plan in place at the time the credit was claimed).**

- a. Did your company claim 45Q tax credits between 2009 and 2018?**
- b. How much did your company accrue in 45Q tax credits annually during that period? And for the period as a whole?**
- c. Please submit the corresponding monitoring, reporting, and verification plan approved by the Environmental Protection Agency (EPA).**
- d. During this time, was the company aware that 87% worth of I.R.C. § 45Q credits were claimed by taxpayers when they were not in compliance with EPA?**
- e. What percentage of the 45Q tax credits your company claimed/accrued during that period were for captured carbon (di)oxide used in enhanced oil or natural gas recovery? How much does that amount to in total credit value?**
- f. Have you repaid any claimed credits (due to leakage or intentional removal)?**

My understanding is that bp did not claim I.R.C. § 45Q tax credits between 2009 and 2018. I do not know the proportion of I.R.C. § 45Q tax credits that were claimed by taxpayers not in compliance with Environmental Protection Agency standards during that time.

Rep. Cori Bush

- 1. Did you know before 1988 that communities of color would be hit earliest and disproportionately hard by climate change? Before 1980?**

I have been in my current role only since July 2020. bp recognizes that climate change policies and regulations should fully and fairly consider the universe of effects, including the impact that climate change may have on frontline communities.

- 2. Do you have modeling that has not been shared that suggests that certain places would and will flood and burn?**

To my knowledge, bp America has never developed a climate model suggesting that certain geographical areas would “flood and burn.” I understand, however, that the IPCC and others have released studies indicating that the effects of climate change may vary by location depending on specific geographic characteristics.

- 3. Is an oil refinery more likely to be sited in a predominantly Black or a predominantly white community?**

bp operates three refineries in the United States. The Toledo refinery, which is located in Toledo, Ohio, and is operated as part of a joint venture with Cenovus Energy, was built in 1919. The Whiting refinery, which is located in Whiting, Indiana, was built in 1889. The Cherry Point refinery, which is located in Whatcom County, Washington, and is the newest of the three, was built in 1971. Although the three refineries were all built well before I started at bp America, my understanding is that locations of refineries were generally chosen based on operational considerations, such as proximity to navigable waterways. I cannot speak to the choice of location of refineries owned by other companies.

- 4. Have you ever targeted people of color with marketing campaigns concerning climate change and energy of any sort?**

bp’s branded gasoline is sold through a network of independently operated gas stations that serve people across the nation. My understanding is that bp’s U.S. marketing campaigns are designed to reach consumers interested in its products.

Rep. Ayanna Pressley

- 1. Please provide the annual dollar amount and percentage of revenue allocated to and expended on training and up-skilling workers for a net-zero economy, with specific attention to jobs in the renewable energy sector, since 2015.**

Ongoing employee training and upskilling are vital for bp to meet the opportunities of a net-zero economy. bp aims to provide its people with the skills they need for their current roles and for the energy transition. For instance, bp introduced the Digital Skills Academy to train employees on the technical skills driving the transformation of bp.

bp plans to double its investment in low-carbon and sustainability training in 2022. bp also expects to increase its partnerships with government bodies and institutions to support skill development for the renewable energy sector.

Rep. Mike Quigley

- 1. In January of this year, Total, the French multinational fossil fuel company, withdrew from the American Petroleum Institute (API) because of the organization's support for weakening methane emissions standards, opposition to electric vehicles, and other issues.**

Your company's association with API has the appearance of undermining more forward-looking stances you may have publicly taken. In your written testimony, you nodded to differences you have with trade associations such as API.

- a. Please characterize your relationship with API and what you expect of API in terms of public policy advocacy.**
- b. Specifically, what are the differences between your company and API on climate policy?**
- c. What specific actions are you taking to encourage API to take meaningful policy stances to combat climate change?**

API is the only national trade association in the United States that represents members from across all parts of the oil and natural gas industry. bp America participates in API policy and technical committees and is represented on its board of directors and executive committee. API does much more than policy advocacy. API is the major standard-setting organization for the industry in many key areas, including safety, design, materials, fuels, and emissions. API's programs play an important role in developing and improving safety practices across the industry.

bp America recognizes that API, as a trade association, represents members with a range of interests and views, and its membership in a trade association does not mean that it is aligned with that association on every issue. bp has long advocated for climate action and, when bp differs with an organization, including API, on the issue, it seeks to influence the organization's position from within. bp may also publicly dissent or leave a trade association if there is a material misalignment on a high-priority policy issue.

In February 2020, bp released a public report assessing its alignment with its trade associations on climate policies. The report identified that bp and API were, at the time, partially aligned on climate policy and specifically noted that API's opposition to the direct federal regulation of methane emissions was contrary to bp's position. In May 2021, bp provided an update on its alignment with API. The report noted that bp has "consistently and strongly made the case for API to advocate for more progressive climate policies" and "pushed this issue with API at all levels – from working groups and standing committees to the chief executive and executive committee." Following advocacy from bp, API announced its support for direct federal regulation of methane emissions.

- 2. The Department of Defense (DOD) refers to climate change as a "threat multiplier," and recent reports from the Department of Homeland Security, the Intelligence Community, the National Security Council, and the armed services outline the emerging threat of climate change and its ability to wreak economic havoc and destabilize regions, initiate and fuel conflicts, and help foment violence.**

DOD has highlighted the emergence of the increasingly accessible Arctic as a new geopolitical theater. It has also noted the increased strain on the budget and personnel of the National Guard wrought by the transformation of “wildfire season” into “wildfire year.”

While Exxon’s internal reports confirmed human-caused global warming, it publicly took the opposite view, with a 2017 study of Exxon’s communications concluding that the company systematically misled non-scientific audiences about climate science. Shell, meanwhile, in 1994 suggested that policymakers focus on the “weakness in climate science.” And API funded an infamous and scientifically questionable 2003 climate study that downplayed the magnitude and scope of climate change. All the while, the consensus of climate scientists was that climate change is real, it is human caused, and it will have catastrophic consequences.

- a. Would it be appropriate for the U.S. to treat this disinformation campaign as an active and ongoing threat to national security?**
- b. How should Congress, the military, and the rest of the executive branch respond to the wealth of information that has come to light on this subject?**

I cannot speak for other organizations. I do know that bp recognizes that the world’s carbon budget is finite, and in February 2020, announced the ambition to get to net zero by 2050 or sooner and to help the world get there as well. This ambition includes a number of aims, including more actively advocating for policies that support net zero, including carbon pricing, and to be recognized as an industry leader for the transparency of its reporting.

bp has long been an industry leader in acknowledging that humans contribute to climate change and that it is important to act on it. Nearly 25 years ago, bp’s then-CEO John Browne recognized the effective scientific consensus that “there is a discernible human influence on the climate, and a link between the concentration of carbon dioxide and the increase in temperature.” He also noted that the “prediction of the IPCC is that over the next century temperatures might rise by a further 1 to 3.5 degrees centigrade, and that sea levels might rise by between 15 and 95 centimetres.”

3. Seventeen miles southeast of downtown Chicago, BP operates the Whiting Refinery, one of the largest refineries in the U.S.

In 2012, BP had to pay an \$8 million penalty and spend \$400 million on pollution controls due to the emissions from Whiting. BP and the Whiting Refinery had violated Clean Air Act requirements in connection with construction and expansion of the refinery, as well as parts of a 2001 consent decree that covered all of BP’s refineries.

Earlier this year, a District Court judge ruled that BP repeatedly violated limits on emissions, specifically particulate air pollution. Between 2015 and 2018, BP conducted nine emissions tests and failed all nine, demonstrating that Whiting was introducing particulate emissions into Chicago’s air.

These emissions can cause serious health problems in the surrounding communities. Whiting Refinery’s neighbors, as in the case of many

refineries around the U.S., are predominantly marginalized populations without the same resources to fight pollution in their communities that wealthier people have.

- a. What are BP’s plans for addressing the health effects of its presence in communities like the one in which the Whiting Refinery is located?**
- b. Are people in those communities owed assistance from BP to compensate for the effects that their proximity to the refinery and their exposure to emissions have on them?**
- c. What improvements is BP making to the Whiting Refinery to reduce its impact on surrounding communities and comply with emissions standards?**
- d. When did BP start making these improvements?**
- e. When did BP’s executives know that particulate pollution is harmful to human health?**
- f. Why are these improvements not complete?**
- g. When will these improvements be complete?**
- h. Why did BP not take immediate action to comply with emissions standards after its first failed emissions test in 2015?**

bp is committed to safe, reliable, and compliant operations. The Whiting refinery applied for a new permit for the units that emitted particulate matter and received that permit in 2021 after detailed consideration by state and federal regulators. The refinery is adhering to the particulate matter limits in that permit. The refinery is committed to compliance and also to being a good partner to the communities that surround it. I understand that my team has reached out to your staff to discuss these issues with you more fully.

Rep. Ilhan Omar

- 1. In 1998, a “Global Climate Science Communication Team” wrote a memo that stated that “Victory Will Be Achieved When” the “[m]edia” and “[a]verage citizens ‘understand’ (recognize) uncertainties in climate science.” The plan’s architects were Exxon, Chevron, API, utilities, and various front groups like the Advancement of Sound Science Coalition. BP was—and is—a member of API.**
 - a. Did BP, or any of its subsidiaries, ever work together with other companies in the oil and gas industry to develop public relations strategies related to climate change?**
 - b. Has BP, or any of its subsidiaries, ever strategized or sought, either directly or through third-parties, to emphasize, exaggerate, or otherwise focus public attention on uncertainties concerning climate science, its interpretation, or its implications?**

- c. Has BP, or any of its subsidiaries, ever strategized or sought, either directly or through third-parties, to deny, downplay, or otherwise reduce public awareness of mainstream scientific consensus concerning climate science, its interpretation, or its implications?**
- d. Please provide written documentation to substantiate your answer.**

Trade associations like API represent multiple members with a range of interests and views. bp's membership in a trade association does not mean full alignment with that association on every issue.

While I have been in my current role only since July 2020, I do know that in 1997, the then-CEO of bp John Browne publicly recognized the effective scientific consensus that "there is a discernible human influence on the climate and a link between the concentration of carbon dioxide and the increase in temperature." He noted in the speech that despite the "wide margins of error" and "large elements of uncertainty" in the climate models available at the time, it was important to "begin to take precautionary action now." Since that acknowledgment, bp has advocated for policies to address climate change and provided support to academic institutions for climate change research, including the Carbon Mitigation Initiative at Princeton University.