

TIEing together developments in the policy landscape

BLOOMBERG DOUBLES DOWN ON "BEYOND PETROCHEMICALS"

On The First Anniversary Of His "Beyond Petrochemicals" Campaign, Michael Bloomberg Committed \$500 Million More To Fossil Fuels Fight.

Delve's team of analysts provides selected clients daily tracking of key stakeholders through our Gulf Energy Activism Monitoring Service (GEMS). GEMS offers timely, detailed, and actionable insights of key trends and issues impacting the energy sector in the region, expertly culled by Delve analysts who are trained to provide competitive intelligence through the lens of public affairs challenges.

Since "Beyond Petrochemicals" launch, Delve has tracked 10,464 unique instances of activism targeting industry in the region. Based on this observed data, below is an overview of "Beyond Petrochemicals" action since its launch in September 2022.

To learn more about how GEMS' daily monitoring reports help you stay ahead of coordinated, professional activism targeting your firm's interests, contact Kevin Norton at <u>kevin@delvedc.com</u>. For more insights like this report, sign up for Delve's weekly Trends in Energy emails at <u>Delve.Energy</u>.

<u>Bloomberg Uses Proven Playbook With "Beyond Petrochemicals" To Target And</u> <u>Undermine Industry</u>

On the one year anniversary of his "<u>Beyond Petrochemicals: People Over Plastics</u>" campaign, Michael Bloomberg pumped <u>another \$500 million</u> into his previous campaign, "Beyond Carbon," aiming to shutter remaining U.S. coal plants by 2030 and halt gas use in the U.S. The campaign has <u>achieved success</u> as "the largest climate campaign in the U.S.," and Bloomberg is using the same proven playbook in his "Beyond Petrochemicals" campaign that was <u>launched to block</u> <u>petrochemical plants</u> on the Gulf Coast and in the Midwest. "Beyond Petrochemicals" has taken the most effective components of Bloomberg's previous campaigns and used them to drive activism and shape the narrative about plastics and other petrochemical products. As the campaign continues to gain momentum, it will be vital for industry in the region to stay ahead of this emerging threat.

<u>One Year Since Its Launch, "Beyond Petrochemicals" Has Changed The Game On</u> <u>The Gulf Coast</u>

Over the past year, "Beyond Petrochemicals" had provided Gulf Coast activists with unprecedented funding, subject matter expertise, and litigation support in their fights against industry. The campaign is utilizing a "fusion of local organizers and activists with lawyers, scientists, and researchers," and it <u>already boasts</u> that it has blocked the construction of five petrochemical

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projects in the U.S. The campaign has professionalized the operations of local activist groups in the Gulf, and it "hired an army of lawyers that has started a legal onslaught aimed at stymying the petrochemical industry one project at a time." Bloomberg's capital and his "formidable Rolodex" have given activists new and powerful tools, allowing them to engage "a surround-sound strategy that is pursuing every single avenue."



With <u>more than 50 partners</u> and Bloomberg's capital, "Beyond Petrochemicals" has reshaped activism on the Gulf Coast by upgrading activists' strategies and tactics, including:

- Rise St. James, a prominent activist group in Louisiana, has <u>used funding from</u> <u>Bloomberg</u> to block the construction of a plastics facility in St. James Parish. Bloomberg helped fund the group's <u>lawsuit against Formosa Plastics</u> as a part of his strategy of "directing small-scale grants to local activist groups," but both Bloomberg and the activist group "declined to say how much money he had contributed to the effort."
- Healthy Gulf, another activist group in the Gulf <u>that leverages millions</u> to fight against industry, used funding from Bloomberg to launch its "<u>Resisting Dirty Energy Campaign</u>" grants program. The program, which began the same month "Beyond Petrochemicals" hired a <u>grants program manager</u>, shares the mission of Bloomberg's campaign, explicitly aiming to block the more than 120 proposed petrochemical projects in Louisiana and Texas. "Beyond Petrochemicals" is even designing <u>communications strategies and messaging</u> for activist groups in the region.

Bloomberg Doubled Down On His Fossil Fuels Fight, And He Is Not Alone



On the anniversary of "Beyond Petrochemicals," Bloomberg committed an additional \$500 million to his "Beyond Carbon" campaign. The new <u>funding will build on</u> the "proven Bloomberg Philanthropies strategies" utilized first in "Beyond Carbon" and now in "Beyond Petrochemicals," but it is not just Bloomberg funding activist groups in the region. In addition to nearly \$14 billion in dark

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money supporting national, regional, and local environmentalist groups across the U.S. (see above), several major funders have joined Bloomberg in his Gulf Coast focus, including the <u>McKnight</u> <u>Foundation</u>, the <u>Hewlett Foundation</u>, the <u>Kresge Foundation</u>, and at least another nine other foundations providing the hundreds of millions to activist groups in the region. The \$10 billion Bezos Earth Fund has <u>also committed millions</u> to Gulf Coast activist groups in the pursuit of environmental justice, and the fund still has billions left to distribute. The impact of this increased funding on activists in the region can be seen in both on the ground operations and their recent financial status. Once small environmental groups, like the Louisiana Bucket Brigade, have seen huge increases in funding over the past several years, exploding from <u>net assets in the negatives</u> in 2015 to reporting <u>more than \$1.6</u> <u>million</u> in total assets in 2021.

<u>Bloomberg's Billions Are Helping Gulf Coast Activists Take The Fight Against</u> <u>Fossil Fuels Worldwide</u>

Bloomberg, who <u>has actively participated</u> in the last three United Nations climate change conferences, took "Beyond Petrochemicals" last week <u>to the United Nations</u> in New York City alongside <u>Gulf Coast activist groups</u> demanding an end to fossil fuels. In the past year, activist groups on the Gulf Coast have leveraged Bloomberg's investments to enter the national and multilateral conversations on climate. Louisiana activist groups' testimony at this summer's meeting of the United Nations International Convention on the Elimination of Racial Discrimination <u>reportedly</u> <u>"shaped"</u> the UN body's questions for "the U.S. delegation to the United Nations about perceived environmental racism along the" Gulf Coast. Rise St. James led a "funeral march" in Washington, D.C. calling on the Biden Administration to declare a climate emergency to "protect Cancer Alley" that was <u>supported by national activist groups</u>. Rise St. James founder Sharon Lavigne <u>visited the halls of</u> <u>Congress</u>, testifying before the U.S. Senate on the impacts of plastic production in "environmental justice communities," and the Louisiana Bucket Brigade even traveled to President Biden's <u>home in</u> <u>Delaware</u> to demand he protect the Gulf Coast like he <u>fought for the conservation</u> of Cape Henlopen State Park.

How Bloomberg's Anti-Fossil Fuel Efforts Undermine Climate Solutions

Bloomberg's "Beyond Petrochemicals" campaign is designed to target fossil fuel facilities, but the funding it doles out strengthens groups that seek to halt carbon capture projects, hydrogen projects, and even utility scale renewables. Delve has observed this trend in other parts of the country where activists that target fossil fuel infrastructure have expanded their targets to other projects deemed unsafe to the environment despite climate benefits. The offshore Vineyard Wind project in Martha's Vineyard has faced a number of legal challenges from environmental conservation groups since receiving its permits, and the Gemini Solar Project in Nevada has faced years of resistance from environmental groups concerned about its effect on the environment despite the project being a \$1.2 billion investment in clean energy.

Gulf Coast activist groups have followed this trend, objecting to carbon emission reducing technologies bolstered by the *Inflation Reduction Act*, such as hydrogen or <u>carbon capture</u>. The <u>Gulf Coast Center for Law & Policy</u> was among the 500 groups that called on policymakers to reject carbon capture technologies as "a false solution," and the Louisiana Bucket Brigade recently alleged government support for hydrogen technologies "is actively protecting the fossil fuel industry." Activists in Louisiana are also <u>currently waging a war</u> against a proposed carbon capture facility in Lake Maurepas, alleging carbon capture "is a way for <u>corporations to greenwash their image</u> and

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receive taxpayer funds, all while continuing to extract and burn fossil fuels." As we <u>have noted before</u>, while industry participants are working to scale climate change solutions, "climate activists... have little incentive to proclaim victory and depart the field. Their fundraising and grassroots energy relies on never being satisfied with the solutions proposed for problems these activists have demanded be addressed." As a result, activist groups operating in the Gulf Coast that are receiving millions in funding and resources from Bloomberg and others will utilize that support not just to oppose fossil fuel projects but also to <u>stymie carbon reducing projects</u> as well.

Energy Public Affairs Professionals Need A Playbook Of Their Own To Protect <u>Their Firms' Interests</u>

Bloomberg and his campaign have helped Gulf Coast activists secure "<u>a string of victories</u>" they are using to shape the narrative around infrastructure development in the region and beyond. As they do, it will be vital for the public affairs professionals across the energy value chain to follow this shifting narrative in real time and understand who is driving it.

At Delve, we help clients understand the full range of policymakers, regulators, and stakeholders that can impact a project's timeline, what motivates them, how they will engage in the processes, and what sort of strategic approach and tactics they typically utilize. This in-depth risk analysis informs monitoring programs, like Delve's Gulf Coast Energy Activism Monitoring Service, to help clients anticipate what various stakeholders are likely to do next.

This information advantage informs a playbook companies hoping to build the clean energy future can leverage to stay ahead of potential challenges. To learn more about what the playbook entails, <u>download</u> *Generating Opportunity*, Delve's report on why building energy infrastructure and keeping it operating is harder than ever before.