

Studies of the Influence of the Oil and Gas Industries on the American Energy Policy Act of 2005

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Abstract: This research paper briefly reviews the historical background of the United States domestic energy policy and lists all the energy policies enacted from the 1920s to 2009. It then goes on to review some of the methods and instances of interest groups and lobbyists influencing public policy making and even the legislative processes of those policies. The paper proceeds from there by reviewing and analyzing secondary data by investigative reporters from reputable newspapers like the *The New York Times*, *The Washington Post* and *This Week Magazine* on the Energy Policy Act of 2005. The preponderance of evidence presented in those reports clearly points to the fact that the oil and gas industry actually influenced the recommendations rendered by the national energy task force which was headed by the former Vice President, Dick Cheney. However, readers of this paper are free to make their own judgment after reading the evidence presented and the conclusion drawn from a study in Roger H. Davidson et al work titled *Congress and Its Members*.

Keywords: energy policy, Oil and Gas Industries, Dick Cheney.

RESEARCH QUESTION

Did the Oil and Gas Industry Influence the Energy Policy Act of 2005?

THE PROBLEM

The overwhelming majority of Americans are convinced that “Congress is too heavily influenced by interest groups” on policy and legislative matters according to Roger H. Davidson *et al.* [1] in their book entitled “*Congress and Its Members*”. That being the case, it is the belief of the researcher that such is also the case with the American domestic “Energy Policy Act of 2005.” This is the premise on which this research is being conducted.

METHODOLOGY

This study briefly reviews the historical background of the issue and some methods used by interest groups in influencing public policies and legislative processes of those policies and some examples of their influences. The paper then goes on to present the evidence and analysis of the influence of the oil and gas industry on the Energy Policy Act of 2005. A published regular book on this very topic was not available. So, reputable newspapers like *The New York Times*, *The Washington Post* and *This Week Magazine* were used for the secondary data sources.

HYPOTHESIS

The Oil and Gas Industry, Associated Lobby and Interest Groups Influenced the Energy Policy Act of 2005.

THE BACKGROUND TO THE STUDY

This paper reviewed the historical background of the United States domestic energy and environmental policies and discovered that several factors have influenced the policies over the years. According to Jennifer Weeks [1] in a book chapter entitled “Energy Policy” published in the book titled *Issues for Debates in American Public Policy*, the 12th Edition of Selections from CQ Researcher, in the 1800s during the industrial revolution when industrial machineries, ships, trains and heating of homes and businesses were fueled with fossil fuel like coal to the 1920, there was no clear energy policy aside from setting price ceiling by the government. However, market-based energy policy soon replaced the government price-control mechanism until most recent elaborate energy policies that we know today came into existence following a number of factors and events such as oil spills, the 1973 OPEC oil embargo, the decline of US domestic oil production, the vulnerability of the US economy and way of life due to events in oil producing nations and last but not least, energy policies may sometimes be initiated under the influence of oil and gas industry and lobbyists. So, the oil and gas industries may not necessarily initiate any of these energy policies but they do play very active roles in how they are formulated (ibid pp.279-298).

Again, as stated earlier, a historical review of the United States energy and environmental policies revealed that there was no definite domestic energy and environmental policies before the 1920 Federal Water Act which was aimed at encouraging the development of hydroelectric power to boost electricity supply at that moment in the nation’s history. In a work written by Brandi Robinson entitled “History of Major Energy Policy Land Marks” [3], she identified about thirty-two major energy policies that have been enacted from 1920 to 2009 including the “The Energy Policy Act of 2005” which is being considered in this paper.

These are

Federal Water Act of 1920; Public Utility Holding Company Act of 1935; Rural Electrification Act of 1936; Natural Gas Act of 1938; Atomic Energy Act of 1946; Atomic Energy Act of 1954; Energy Reorganization Act of 1974; Energy Policy and Conservation Act of 1975; Department of Energy Organization Act of 1977; National Energy Act of 1978; Energy Tax Act of 1978; Natural Gas Policy Act of 1978; National Energy Conservation Policy Act of 1978; Power Plant and Industrial Fuel Use Act of 1978; Public Utility Regulatory Policies Act of 1978; Energy Security Act of 1980; Title I: US Synthetic Fuels Corporation Act of 1980; Title II: Biomass Energy and Alcohol Fuels Act of 1980; Title III: Energy Targets of 1980; Title IV: Renewable Initiatives of 1980; Title V: Solar Energy and Energy Conservation of 1980; Title VI: Geothermal Energy Act of 1980; Title VII: Acid Precipitation Program of 1980; Title VIII: Strategic Petroleum Reserve of 1980; Ocean Thermal Energy Conversion Act of 1980; Nuclear Waste Policy Act of 1982; Energy Policy Act of 1992; Farm Security and Rural Investment Act of 2002; Energy Policy Act of 2005; Energy Independence and Security Act of 2007; Food Conservation and Energy Act of 2008 and; The American Recovery and Reinvestment Act of 2009, Brandi Robinson (Ibid).

One interesting paradigm discovered in course of the preliminary investigation into the background or the genesis of energy and environmental policies in the United States is that both of them are inextricately bound together like inseparable twins. This discovery is not surprising considering the fact that there is hardly any energy source that does not derive from the environment or impact upon it. Even the solar energy and wind powers that float over the surface of the earth still impact the environment where solar panels and wind turbines are installed.

Answering the question, “Did the oil and gas industry influence the Energy Policy Act of 2005?” will be the main issue to be treated in this policy research paper. As already mentioned in the brief background study, from the 1920s to the present time so many energy and environmental policies have been enacted. A preliminary study indicates that while the government plays a leading role in setting the agenda for the policies, other players are also involved. The role of the government is broken down to that of the executives including the presidency and agencies, congress and the judiciary. According to Robinson (ibid, 2012) under the title “The Role of Government in Energy Policy”, the government has three major roles in energy policy setting. These include formulation, implementation and enforcement which will be discussed briefly Policy formulation by the government may be initiated by the executive or the legislator and other stakeholders including scientists, experts, industry leaders and the general public (ibid). The implementation stage comes after the policy has passed through the whole legislative process and enacted as a law. The enforcement is carried out by the relevant agencies and for the avoidance of doubt; the Department of Energy and the Environmental Protection Agency (EPA) are responsible for enforcing energy and environmental policies (ibid).

Key among the other players involved are the oil and gas industries, electricity generating and distributing companies and their various lobbies and interest groups. In another contribution entitled “Industry Roles in Policy Planning”, she listed the possible roles played by the energy industry key players like Edison Electric Institute, American Petroleum Institute, American Gas Association and the National Association of Energy Service Companies. The roles of these agencies will be discussed in greater detail in the paper.

Literature Review of Influence Peddling and Methods Used by interest Groups and Lobbyists

As earlier mentioned, an overwhelming majority of Americans in a survey conducted agree that the Congress is too much influenced by the pressure or interest groups according to Roger H. Davidson *et al.* (Ibid, p. 390). In this literature review, the paper is going to review some of the instances in which the interest groups try to influence the policy and legislative processes on Capitol Hill which also affect the energy policy legislation being considered and some of the methods they used in peddling that influence.

The organized interest groups include related industry, like the oil and gas industry in this case, lobbyists, paid consultants like the economists hired by the U.S Chamber of Commerce to discredit the “Obamacare” as a job-killer legislation, non-profit organizations, the pro-liberal groups, moveon.com who were countered by the pro-conservative group National Right to Life Committee, and several other groups on both sides of the debates too numerous to mention (Ibid, pp.371-374).

In the following publication, there are revelations on the efforts by the oil industry to influence the national energy and climate change policies published by *The Guardian* on June 8, 2005 in an article entitled “Revealed: how oil giant influenced Bush, White House sought advice from Exxon on Kyoto stance” and it is written by John Vidal. The article reveals that the refusal of the Bush administration to sign the Kyoto global warming treaty on the behalf of the United States was based on the pressure from Exxon Mobil oil giant and other related industries based on a paper made available to the *Guardian* by the State Department. Access to the document was made possible due to the visit to the White House by the British Prime Minister, Mr. Tony Blair for discussions in preparation for the forth-coming G8 meeting adding that the document has confirmed the wide-spread suspicion that the company was too close to the administration and that it was helping it to develop the nation’s energy policy.

The suspect documents were contained in briefing documents given to the United States under secretary of state, Paula Dobriansky which showed that the U. S. was not only thanking the company for being actively involved in the climate change policy issue, but it was also seeking advice on the policy stance on climate change acceptable to the company. The article explains that until now, Exxon had denied any involvement in policy matters on energy and climate change and the rejection of the Kyoto Protocol. Besides, other documents obtained by Greenpeace using the Freedom of Information Act also confirmed Exxon’s involvement. This article also accuses Exxon’s head of public affairs, Nick Thomas, of going as far as to the United Kingdom’s House of Lords committee on science and technology to deny any involvement with the United States government to campaign on any position on the Kyoto Treaty in his appearance on the committee in 2003.

The document further reveals the agreement between Exxon Mobil and the Bush administration that more need to be learned about the climate science and that it would be too premature and too costly for the United States to sign up for the Kyoto treaty. Meanwhile, President Bush’s guest, the British Prime Minister has an exactly opposing view on the climate change issue which he had described as “the most pressing issue facing mankind at the moment” according to John Vidal. Vidal also adds that the document indicates that the undersecretary of state, Ms Dobriansky met with Don Pearlman who was an international anti-Kyoto lobbyist who had been on Saudi Arabia and Kuwaiti government’s payrolls as adviser and he equally represented the anti-Kyoto Climate Council which had been working to undermine the US efforts to address climate change.

The organized interest groups use a variety of methods to convey their influence peddling on Congress members according to Roger H. Davidson *et al.* [1]. Some of the methods used by the pressure groups include direct lobbying, social lobbying, coalition lobbying, and grassroots lobbying, electronic lobbying not to mention mass protests.

The authors explain that direct lobbying involves the old traditional method of lobbying whereby the lobbyists meet the congressman or congresswoman directly and present the case of the clients who sent them. A private citizen who has been victimized one way or another can also hire a lobbyist to present his or her case directly to the congressman or congresswoman. Interest groups also carry out direct lobbying in different ways like organizing focus groups comprising of the congressional aides, organizing a retreat for congressional aides and so forth. They add that former members of congress are very effective in direct lobbying because they all belong to a network of reciprocity. That is, scratch my back and I will scratch yours or the tendency of current and former members to engage in a quid pro quo unethical practice. Former Capitol Hill staff members also have great advantage in this direct lobbying situation. However, both former members and former congressional staff and aides are restricted by ethics regulations and yet they play major roles in congressional policymaking, the authors conclude (ibid, p.380).

The authors analyze social lobbying as the lobbying happening outside of the legislative context in places like the sport arenas, receptions and dinner parties and other entertainment events. All the occasions above provide avenues for lobbyists to interact freely with the targeted congressman or congresswoman so as to create a friendly relationship to

earn the congress member's confidence. It is largely a relationship building event and casual interactions between lobbyists and congress members. Davidson *et al.* (Ibid, p. 381) add that traveling with the members of congress used to be one of the best opportunities of interacting with them until that was restricted by the 2007 regulation. In addition, the authors say that buying of meals to members of Congress by lobbyists has been outlawed by the 2007 ethic rules. Lobbyists usually exploit the loophole in the ethical rules concerning political fund raising to use contributions to influence the members of Congress in favor of their clients. Again, despite the ban on receiving honoraria they usually circumvent the ban by asking interested groups or corporations to donate to their preferred charities and in some cases, their endowed chairs in universities.

The authors explain coalition lobbying to mean the banding together of organizations and individuals to support one another in their policymaking efforts and legislative politics. Authors cite an instance where environmental and public health groups had formed a coalition to fight against a legislation intended to stripe the regulatory powers of Environmental Protection Agency, EPA in the year 2011 and another example of Pharmaceutical Research and Manufacturers of America (PhRMA) which collaborated with some technological and financial interests to obtain a huge tax break for overseas earnings that was inserted in the American Jobs Creation Act of 2004. They cite several other temporary coalitions which targeted particular legislations and are disbanded as soon as their goals have been achieved or failed to materialize. For instance, a trade union group together with a liberal-leaning consumer advocates collaborated with PhRMA and the main trade association of health insurers, America's Health Insurance Plans and formed a temporary coalition called "Healthcare Reform Dialogue" aimed at seeking for a common ground following the successful efforts by the Obama administration to revamp the national health system (ibid, p. 383).

The grassroots lobbying is considered as the most effective pressure method ever used by interest groups according to Davidson et al (ibid, p. 384). It involves mobilizing citizens across the country through their local districts and states to pressure their representatives and senators instead of contacting the Congress members directly. For instance, eBay sent e-mails to more than a million of its customers to pressure their representatives and senators to support "network neutrality" policy so that telephone and cable companies could not favor certain types of web traffics against the others. Another instance was the plan by the Service Employees International (SEIU) to mobilize its members to pressure members of Congress by making ten million phone calls asking them to throw their weight behind the universal health insurance coverage. Pressure groups sometimes send out mass letters or postcards to members of Congress to influence policy or the legislative process. However, sometimes these mass correspondences have been found to be fakes and so the members of Congress have to make sure that the correspondence are genuine and not forged in the name of children and dead people like one instance that resulted in an investigation by the Capitol Police (ibid, pp. 384-385). The authors conclude this section by adding that the proliferation of the mass mobilization strategy has resulted in the situation where some interest groups now use the reverse technique known as "grass top" lobbying which targets important personalities to whom the member of Congress cannot say no! Such important personalities include his top donors, his political mentor and his campaign manager (ibid, p. 385).

Electronic lobbying is the brainchild of advancement in communication technology and it has transformed lobbying according to Davidson *et al.* (ibid, pp. 385-386) [1]. With the development of new communication technologies like the mobile phones, iPad, and Blackberry lobbyists in congressional markup communicate about the legislative development with coalition partners, clients, home offices and other interested parties using several social media techniques like e-mails, text messages, Twitter, Facebook and You Tube. Grassroots lobbying discussed above is effectively and efficiently carried out on the internet at a great speed. Interest Groups use interactive websites, computer data base and other electronic networking systems to mobilize mass support for their targeted policymaking and legislative process in a number of ways (ibid, p.386).

Supporters are identified, specific constituencies are targeted, communication is directed at prospective supporters, tasks are assigned and immediate feedbacks are obtained on desired issues. The Tea Party mobilization of tens of thousands of protesters at Lincoln Memorial in 2010 was achieved by Glenn Beck, the host of Fox News by using the television medium. Popular radio talk show hosts like Rush Limbaugh who are listened to on a daily basis on about six hundred radio stations by about fourteen million listeners also engages in mass mobilization for lobbyists (ibid, p. 386). The authors conclude this section by adding that the purchase or establishment of media outlets like radio, television, newspapers or websites by lobbyists is a subtle type of lobbying since they blend in like a usual media outfit (ibid, p. 386).

Analysis: Evidence of Influence on the Energy Policy Act of 2005 by the Oil and Gas Industry

A brief review of the entire Energy Policy Act of 2005 shows that it is gigantic document of about 549 pages which offers at least something to each of the key energy sectors, namely, oil, gas, coal, electric, nuclear and renewable energies. It is Public Law number Pub. L. 109-58 and was enacted by the 109th United States Congress. It was introduced in the House as H.R. 6 by Rep. Joe Barton, a Republican resenting Texas on April 18, 2005. It passed the House on April

21, 2005 and passed the Senate on June 28, 2005. It was reported by the joint conference committee on July 27, 2005 and agreed to by the House on July 28, 2005 and by the Senate on July 29, 2005. It was finally signed into law by the President George W. Bush on August 8, 2005. The law has five key provisions namely, general provisions, tax reductions by subject area, change to daylight saving time, commercial building deduction and energy management.

The energy lobby in the United States is a very large conglomerate of industry lobby representing the oil, gas, coal and electric utilities. The corporations involved include the big oil companies like B.P. (British Petrol), ExxonMobil, Total S.A., Royal Dutch Shell, Conoco Philips, Chevron Corporation and Koch Industries to name these few. Some major electric utilities concerned are General Electric, Edison Electric, Southern Co., and First Energy. Other major energy lobbying groups include American Petroleum Institute, American Gas Association, National Association of Energy Service Companies and Edison Electric Institute.

Edison Electric Institute is the association of U.S. Shareholder-Owned electric companies which represent about 70 percent of the U.S. electric power industry. It was organized in 1933 and it works with its members to represent their interests and at the same time advocating equitable policies in legislative and regulatory areas according to an introductory notice put on ase.org/associate/Edison-electric-institute-eei/ website.

In a press statement put out on its website, eei.org/ regarding The Energy Policy Act of 2005, Edison says that “Since the enactment of EPAct 2005, EEI has focused its efforts on the law’s implementation requirements and its responding to important rulemakings issued by the Federal Energy Regulatory Commission (FERC), the Department of Energy (DOE), and other regulatory agencies that are responsible for implementing the various provisions of the legislation.” Edison has a long list of testimonies, filings and briefs that it has carried out on the Energy Policy Act of 2005 in addition to public policy advocacy on behalf of “members before Congress, federal and state regulatory agencies, courts and various industry organizations.”

In a report entitled “U.S. Inches Toward Goal of Energy Independence” by Clifford Krauss, Eric Lipton and John M. Brother, writing about the efforts aimed at increasing oil and gas production to break the United States cycle of dependence on foreign oil, the reporters explain that the White House Energy Task Force which was headed by the vice president Dick Cheney “met in secret with top oil executives” adding that “The task force’s work helped produce the Energy Policy Act of 2005, which set the rules that contributed to the current surge” in oil and gas production. According to them, the law prohibits the Environmental Protection

Agency (EPA) from regulating fracking under the Safe Drinking Water Act and eliminates any possible impediment to wider technological use and offers billions of dollars in tax break to help independent producers recover any possible losses in investment.

In a related article entitled “Energy Bill Raises Fears About Pollution, Fraud” published in the *Washington Post* of July 30, 2005, the writers who are staff writers of *Washington Post* also provide a long list of benefits accruing to the oil and gas industries and other energy industries who are described as “the kings of Capitol Hill.” The lists of concessions to energy industries are endless but include the new federal eminent domain powers on path to power lines, which is described by the writers as “one example of how the energy bill, touted as a way to reduce dependence on foreign oil or moderate gasoline prices, has been turned into piñata of perks for energy industries. In addition, all the exemptions reported by the *New York Times* are also reported together with some depression era law which prevented the consolidation of public utilities and will be repealed in favor of energy industries. Finally, the House Majority Leader, a Republican representing Texas, Mr. Tom Delay successfully inserted about \$500 million subsidies in the bill for research into deep water oil and gas drilling. Tom Delay is listed as one of the major beneficiaries of campaign contribution by the oil and gas industry.

The New York Times of February 23, 2002 in an article entitled “Agency Files Suit for Cheney Papers on Energy Policy” the former Vice President; Dick Cheney was sued by the General Accounting Office which is an arm of Congress, to disclose identities of energy industry executives who helped the Bush administration to develop a recent national energy policy. This national energy policy developed by the National Energy Task Force headed by Vice President Dick Cheney as the chairman finally ended up as the Energy Policy Act of 2005. The paper reported that it was the first time in the 80 year’s history of the accounting office to sue the White House to have access to the records it needed to do its job as an investigating arm of Congress. According to Don Van Natta Jr. who wrote the article, congressional investigators were trying to find out whether executives from corporations including Enron Corporation which contributed to the 2000 presidential campaigns of President Bush and Vice President Cheney helped to shape the Bush administration’s national energy policy. The paper concludes that nine months of disputes over access to the documents made it very difficult for the White House to distance itself from the collapsed Enron Corporation adding that

Enron executives met Vice President Dick Cheney and other task force officials six times the previous year before the law suit.

Further evidence of the influence of the oil and gas industry on the Energy Policy Act of 2005 can be found in an article entitled "Papers Detail Industry's Role in Cheney's Energy Report" and written by Michael Abramowitz and Steven Mufson in the *Washington Post* of July 18, 2007. According to the *Washington Post* staff writers, since January 2001, the Vice President Dick Cheney, "had been drawing up a new national energy policy" as the head of the Bush administration's energy task force. The Energy Policy Act of 2005 was based on the national energy policy drawn up by this task force. They explain further that "A confidential list prepared by the Bush administration shows that Cheney and his aides had already held at least 40 meetings with interest groups, most of them from energy-producing industries". They argue that the invitation to the environmental group was late in coming because the former White House official who provided the list to *Washington Post* said that the initial draft of the policy was almost complete and President Bush had already been briefed to that effect. They add that in all, about 300 interest groups met with the Vice President and members of the energy task force.

They go on to name James J. Rouse who was at that time the vice president of Exxon Mobil and major donor to President Bush and later on that February 14, 2001, Kenneth L. Lay who was the head of Enron Corporation and a long-time supporter of President Bush also visited the task force. The visitors' list also includes some big electric utilities like Duke Energy and Constellation Energy Group who visited on March 5, 2001. The list indicates that the British Petroleum (BP) was one of the 20 oil and drilling companies that visited on March 22, 2001. About three dozens of trade associations visited that task force including The National Mining Association, the Interstate Natural Gas Association of America and the American Petroleum Institute equally met with the task force. They maintain that this list of participants clearly shows the task force's priorities groups which they believe relied heavily on the oil and gas industries and trade groups many of whom are big donors or contributors to President Bush campaign. On March 13, 2001, Charles A. Samuels an outside counsel to the Association of Home Appliances Manufacturers attended the meeting to request for tax credits for super-efficient appliances (ibid).

One of the issues that had been disputed concerning the Vice President's handling of the Energy Policy Task Force was extreme secrecy. The writers quoted Representative Henry A. Waxman, a democrat from California, the chairman of the House Oversight and Government Reform Committee who tried unsuccessfully to have the details of the meetings as saying that "it is ridiculous that it has taken six years to see who attended the meetings", and "described the energy task force as an early indicator of how secretively Vice President Cheney wanted to act." Waxman, according to the writers, added that "he was not surprised to see the prevalence of energy industry groups on the list of meetings" (ibid).

The writers remind us that the Vice President, Dick Cheney was the former chairman of Halliburton Corporation, which energy is servicing company based in Dallas Texas. The energy task force was constituted with a dozen cabinet officers and other senior officials but according to the writers, the bulk of the work was done by a six-man team led by Andrew D. Lundquist as the executive director. Lundquist was a former aide to republican Senators Ted Stevens and Frank Murkowski of Alaska and in the year 2000, he was the expert on energy for Bush's campaign. Lundquist was at that time a lobbyist and had represented companies like BP, Duke Energy and the American Petroleum Institute reported to have met with the energy task force earlier (ibid).

The writers maintain that right from the beginning it was very clear that the Vice President was literally running the show as the chair of the energy task force. They further revealed that Lundquist was the person that consulted with groups and individuals on behalf of the Vice President and that this was indeed the case in the earlier part of the energy policy development process which was aimed at developing, stimulating and promoting oil drilling, nuclear power and coal in addition to tackling the electricity crisis that was affecting the Western part of the country especially, California. The writers particularly cited Jack N. Gerard who was then working for National Mining Association to have met with Lundquist and other staff sometimes in February 2001 and requested the Bush administration to allow the Department of Energy to promote the technology that would ease global warming and restrain the Environmental Protection Agency (EPA) from carrying out that responsibility and the administration adopted that request as part of the national energy policy which ended up in the Energy Policy Act of 2005. The list shows that the president of the American Petroleum Institute, Red Cavaney equally met with Lundquist and discussed the position paper given to new members of Congress and the presidential campaign by the API. According to the writers, despite the denial by Cavaney of ever influencing any member of the energy task force, the National Resources Defense Council obtained a document which suggested otherwise. For instance, they explain that, "Jim Ford of API sent Joseph T. Kelliher, then an Energy Department official and now chairman of Federal Energy Regulatory Commission, copies of the API's well-known positions, along with a 'suggested executive order to ensure that energy implications are considered and acted on in

rulemakings and executive actions.’ Ford’s memo was dated March 20, 2001. In May that year, Bush issued an executive order similar to API’s proposal,” the article concludes.

Further evidence from the document reveals that the Vice President played mostly behind-the-scene roles in the deliberations of the task force with just a few direct meetings with the officials of interested companies and their lobbies. Some of those few direct meetings were with the officials of Sandia National Laboratories who met him to discuss their own economic models for the energy industry. Vice president Cheney also met with the chief executive of B.P., John Browne, a very well-known oil expert like J. Robinson West who was an old friend of Cheney and the chairman of PFC Energy, a Washington-based consulting firm and some lawmakers. West said that he did not agree with Dick Cheney on everything adding that “But this issue of Cheney being a stooge of the oil industry... there is nothing there.” The writers conclude that this report was included in the Bush administration’s budgets and in the 2005 energy bill which of course became the Energy Policy Act of 2005.

Another *Washington Post* report entitled “Document Says Oil Chiefs Met with Cheney Task Force” throws further light on the influence of the oil and gas industry on the Energy Policy Act of 2005. It was written by two other staff writers of the *Washington Post*, Dana Milbank and Justin Blum and published on November 16, 2005. In their opening statement, they say that “A White House document shows that executives from big oil companies met with Vice President Cheney’s energy task force in 2001—something long suspected by environmentalists but denied as recently as last week by industry officials testifying before Congress.” According to them, the document just obtained by the *Washington Post* the week this report was published in 2005 indicated that officials from Exxon Mobil Corporation, ConocoPhillips, Shell Oil Company, British Petroleum (BP) America Inc., met with Cheney aides who were at that time developing the national energy policy which ended up in the Energy Policy Act of 2005. The report continues that just a week before this report was published; the chief executives of Exxon Mobil Corp., Chevron Corp., and ConocoPhillips, Shell Oil and B.P. American participated in a joint hearing of the Senate Energy and Commerce Committees and denied the participation of their respective companies in any meetings with Cheney’s energy task force in 2001. Milbank and Blum go on to explain that although Chevron Corp. did not participate in the meeting, it provided a detail energy policy recommendations to the task force adding that Dick Cheney also met with BP’s chief executive, John Brown but that is completely off any available record that there was ever any such meeting (ibid).

Environmental activists had complained that they were shut out of the discussions of the national energy policy while corporate interests were present according to the staff writers. Besides, the White House had kept the list of participants at the meetings secret despite the joint court action of the Judicial Watch and Sierra Club to obtain the records. Senator Frank Lautenberg, a democrat from New Jersey who was very furious about the secrecy surrounding these meetings promised to ask the Justice Department to investigate whether the oil executives were lying to Congress about their role in the energy task force headed by Dick Cheney. Meanwhile, the Vice President’s spokeswoman, Lea Anne McBride refused to comment on the document and just affirmed that the court had granted the president and his vice the constitutional right to obtain any information in confidentiality. Milbank and Blum continue that despite the fact that the oil executives were not under any oath when they testified to Congress committees, they could still be fined or imprisoned up to five years for lying or making any false or fictitious representation to Congress adding that the democrats on the committees protested when the Republican Commerce Committee chairman, Ted Stevens from Alaska decided to make them testify without swearing to any oaths.

Although both the chief executives and the spokespersons for the oil companies continued to deny that they ever met the Cheney task force, the staff writers of this story stand by their report arguing that the records were obtained from the records maintained by the secret service of those admitted to the White House complex. They also affirmed that most meetings were with Andrew Lundquist who was the executive director of the task force and the Vice President’s aide Karen Y. Knutson.

Armed with this proof of authenticity of the list of visitors to the national energy task force, the writers go on to name other oil executives or representatives to the task force. They include the former vice president of Exxon Mobil on February 14, 2001, James Rouse, the Chairman of Conoco, Archie Dunham, March 21, 2001, Huffman, a Conoco official on April 12, 2001, Wayne Gibbens and Alby Modiano who were officials from U.S Oil and Gas Association. The roll call also includes Sir Mark Moody-Stuart, the Royal Dutch/Shell Group’s chairman, Steven Miller Shell Oil chairman and two unnamed others, all on April 17, 2001. The final roll call includes the “B.P. regional president Bob Malone, chief economist Peter Davies and company employees Graham Barr and Deb Beaubien.” Although these meetings alone do not confirm any influence of the oil industry on the national energy policy, the mere fact that both the participants and the task force officials are not forthcoming with any information is an indication that there is more to these visits.

This Week Magazine of the week of August 1, 2008 has a very interesting article entitled “Big Oil, Big Influence” written by Lindsay Renick Mayer which gives details of influence of money on the nation’s energy policy. According to the article, President Bush appointed Vice President Cheney to lead an energy task force to develop an energy policy for the country right from his first month in office. However, the task force decided to conduct its business in secret while relying on recommendations from the big oil companies like Exxon Mobil, Conoco, Shell Oil, BP America and Chevron. This according to the author of the article was the move that put the oil and gas industry on top of the other energy interests in billions of dollars in subsidies, tax cuts and relaxed regulatory measures. The industry paid back in huge contributions for congressional and presidential campaigns amounting to \$393.2 million for lobbying federal government during Bush and Cheney time in the White House. The article also reports that the industry spent an additional \$82.1 million for “federal candidates, parties and political action committees as reported by Center for Responsive Politics with the lion share of 80 per cent of the contribution going to the Republican Party.

The writer of the article further reveals that in 2005, President Bush who had received more contribution from the oil and gas industry than any other politician signed an energy bill into law from a republican controlled Congress which rewarded the oil, gas, nuclear power and coal companies with a massive tax break of \$14.5 billion. This was contained in the Energy Policy Act of 2005 which was based on the recommendations of the Vice President’s energy task force headed by Dick Cheney with heavy inputs from the oil and gas industry. In addition to the tax break, regulatory measures were rolled back and some exemptions granted like the Clean Water Act according to Lindsay Mayer. Mayer also quotes the director of Public Citizen’s Energy Program, Tyson Slocum, in the article as arguing that the lobbyists and company executives do not give money to politicians out of their “altruistic support of the principles of democracy...”, but because “they are savvy investors expecting a return on their investments. Politicians routinely deliver on campaign contributions that are provided to them ... by giving goodies to the industry” and size of the contribution matters. Mayer continues to cite Slocum as arguing further that because of the large contribution of the oil and gas industry the politicians only enact policies that benefit them and not the majority of the American people according to the poll conducted by the Pew Research Center in 2006.

Meanwhile, lobbying expenditures continue to increase for the big oil giants from the \$63.3 million spent in 2005 for the energy bill to \$73 million in 2007 with a new energy bill in the pipeline. Mayer cites Marchant Wentworth, a lobbyist for an environmental advocacy group called Union of Concerned Scientists as saying that this big spending makes a huge difference because the big oil and gas executives have direct access to the members of Congress but he only has access to the staff 90 per cent of the time in his 30 years’ experience on Capitol Hill. Mayer explains that Exxon Mobil, Chevron, El Paso Corp and Koch Industries are among the most generous donors during the Bush White House adding that Exxon Mobil, Marathon Oil, Shell Oil, Chevron and BP are the highest spenders on lobbying since 2001 and most of them provided guidelines to the Cheney’s energy task force.

Mayer observes that most of the big recipients of the oil and gas campaign contributions came from oil rich states like Senators John Cornyn and Kay Bailey Hutchinson from Texas and Representative Joe Barton who sponsored the 2005 energy bill also from Texas. Also worthy of note was the House Majority leader at the time that was instrumental to the passing of the 2005 energy bill, Rep. Tom Delay of Texas. Mayer acknowledges that the big contributions by oil and gas industry and lobby do not always achieve their objectives citing their failed expectations to be able to explore for oil and gas in the Arctic National Wildlife Refuge in the 2005 energy bill and also a situation where four out of five republican candidates failed their election bid despite the heavy financial contribution made for their campaigns. Besides, the big contributions do not even make any difference if the democrats are in the White House and have Congress also instead what actually happens is that the other interest groups like environmentalists who do not even have any money to spend who will benefit from favorable policies and legislations. Realizing that the republicans on whom they had lavished campaign contributions in return for their favorable policies and legislation had been defeated in the 2006 elections, the oil and gas industry decided to change tactics in two directions. To avoid losing all the gains made under the republican control of Congress, they decided to minimize their contributions to republicans in order to increase their donations to the democrats who were being lobbied intensely to slow the pace of change which might impact them negatively. In addition to fighting to avoid the closing of loopholes provided in the Energy Policy Act of 2005 which enable them to drill off-shore without paying royalties, they are also lobbying to open up new off-shore drilling. Again, according to Mayer, Environmentalists now get more attention on fuel efficiency, renewable energy sources and in their opposition to the coal-to-liquid fuel proposed legislation. Meanwhile, in the senate, Barbara Boxer of California replaced Senator Inhofe of Oklahoma who had received \$572,000 from the oil and gas industry while serving as the chairman of the Senate Committee on Environment and Public Works. Barbara on her part got less than \$13,000 from them and in addition, she was the biggest champion on environmental issues in the senate, the article reveals, a very scary prospect for the republican leaned oil and gas industry. Although the oil and gas industry had shifted some donations from the republicans to the democrats for short-term benefits, the democrats on their part focused their attention on clean energy and conservation because of high gas prices at that time and they also had some republicans on board, Mayer concludes.

Concluding Evidence of the Influence of the Oil and Gas Industry on Energy Policy Act of 2005

Although Roger Davidson *et al.* (p.390)[1] found that the majority of survey respondents overwhelmingly agree that “Congress is too heavily influenced by interest groups”, a political scientific research did not confirm such a clear-cut correlation between the offering of money by the interest groups and a political favor. The result of ten-year research study of ninety-eight issues according to the authors indicate that with all the PAC donations, lobbyists and money, the side with all these advantages only won elections half of the time. According to Davidson *et al* a better predictor of the passage or killing of a legislation was the influence of “government agency heads, congressmen-turned-lobbyists, high-level congressional and government officials-and best of all-party leaders and the president” (p.390).

In conclusion, this research paper reviews all the evidence of influence of the oil and gas executives and lobbyists on the Energy Policy Act of 2005 given earlier and learning from the conclusion of the research reviewed by Davidson *et al* and cited above. Since the scientific research has cited the influence powerful officials as key to policy legislation success there is no doubt that if those officials are influenced by money, powerful corporate executives, lobbyists and other interest groups the officials will in turn influence the policy or the legislation of the policy. Abundant evidence points to the efforts by the oil and gas industry to influence the former Vice President, Dick Cheney and his national energy task force of 2001 whose recommendations gave rise to the Energy Policy Act of 2005 and the personal interest of the Vice President Cheney in the oil and gas industry is also well known having been a chief executive of Halliburton, an oil and gas services company just before he became the vice president. Although this paper did not carry out a scientific research of its own, the analysis of the secondary data done above under the subtitle of “Influence on the Energy Policy Act of 2005 by the Energy Lobby” clearly indicates that the recommendations of the national energy task force headed by the former Vice President, Dick Cheney and which formed the basis for the Energy Policy Act of 2005, was influenced by the oil and gas industry. As stated earlier, the readers of this paper are free to make their own decision based on the evidence and analysis that have been presented in the paper.

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