

## The conservative push to convert conservatives on climate change

Fossil fuel fees seen as less restrictive than regulations

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In the effort to slow climate change, the capital of the fossil fuel economy seems the last place where advocates would seek support. But the Citizens' Climate Lobby is making Houston and its deeply red suburbs a key target in its drive to cut the carbon emissions.

Founded in 2007, the national advocacy group has come here because Republican support will be essential to passing legislation aimed at addressing global warming, and its preferred solution is crafted to appeal to conservatives. Rather than top-down regulatory schemes to limit emissions, they would simply impose new fees on fossil fuels based on the amount of carbon dioxide they emit, providing incentives for businesses and consumers to choose energy that produces the fewest emissions.

This so-called carbon tax already has been embraced by some of the world's largest oil companies, including Exxon Mobil, as a way to slow global warming with as little business disruption as possible. And that's why the group's biggest hopes for slowing the pace of climate change lie here, in the heart of oil country.

"Many people in the energy industry know that climate change is real," says Bill Bray, who recently retired after 33 years as an offshore engineer at Exxon Mobil, and now leads The Woodlands chapter of the Citizen's Climate Lobby. "We don't want to wreck the economy. We don't want a huge amount of regulation. We want a market solution."

## Hard sells

Despite the free-market cast of the group's proposed solution, persuading Republican politicians to go along with new taxes of any kind is an uphill battle. In a recent interview, for example, Rep. Kevin Brady, The Woodlands Republican who chairs the tax-writing House Ways and Means Committee, categorically ruled out carbon pricing as part of the GOP plan to overhaul the tax code.

Undaunted, Citizens Climate Lobby is still targeting Brady, and doing it by recruiting people who work or have worked for oil and gas companies. The group now has eight chapters in the Houston area, and all but one is led by people from the energy industry.

Running Citizens' Climate Lobby's national conservative outreach campaign is Peter Bryn, a slight 32-year-old, who put in eight years as an engineer at Exxon Mobil before quitting to devote himself to building support for a carbon tax, working full time from Houston. Even though his former employer has publicly favored a carbon tax since 2007, workers weren't exactly encouraged to campaign for it.

"It was just something that nobody talked about, because nobody had the authority to talk about it," Bryn said.

Now, however, he talks a lot about why Exxon Mobil prefers a carbon price: It's simple and predictable, and the company has been shifting towards natural gas, a cleaner-burning fuel that would fare much better under the scheme. In fact, Exxon Mobil has been operating with a "shadow price" on carbon for years now, factoring the cost of a potential future carbon tax into their new projects.

Carbon taxes have been under discussion for years, but as concerns about climate change gain urgency, they are getting a closer look. The proposals vary. Some would use the proceeds from the tax to finance the development of wind, solar and other kinds of renewable power. Others would fund improvements to transportation systems.

The Citizens Climate Lobby plan would impose taxes on energy production companies for each pound of carbon emitted by the oil or gas they extract, the cost of which would be passed on to consumers in the form of higher prices. The proceeds of the tax would go into a trust fund, which would be paid out in monthly dividends to American citizens to offset higher fuel costs.

Bryn emphasizes that carbon taxes are not about raising more money for government. Any proposal that does not return the proceeds of the tax to citizens through rebates won't receive the Citizens Climate Lobby's support.

Another talking point for conservatives: The alternative is worse. The Supreme Court has already upheld the Environmental Protection Agency's authority to regulate greenhouse gases, so the Clean Power Plan that limits emissions from power plants isn't going away, and more rules might be in the works.

"Something is coming, whether we like it or not," Bryn said he tells conservative activists. "Do you want it to be Obamacare for Climate?"

## More climate groups

The Citizens' Climate Lobby isn't alone in its message to the right. Four years ago, former Republican South Carolina congressman Bob Inglis started a new organization, called RepublicEn, aimed at winning conservatives over on climate change. Inglis toured Texas a few weeks ago, visiting Citizens' Climate Lobby chapters and speaking to local GOP organizations. Then there are libertarian think tanks like the R Street Group and the Niskanen Center, which

split off from the Cato Institute a few years ago in large part over Cato's opposition to any government intervention around climate.

Jerry Taylor, the Niskanen Center's director, sees the Republican wall of opposition crumbling for several reasons. Popular and corporate opinion has moved on from denial of global warming, the Obama administration's Clean Power Plan is nearly settled law, and the ideological groups that oppose climate action have lost some influence.

"Republicans were put on this earth to make arguments about harnessing market forces," Taylor said. "Tectonic plates are shifting beneath the party, and that is going to open up avenues for action."

Still, Taylor notes that it's very difficult for Republicans who have long shaped their identities around dismissing climate change as a liberal hoax to suddenly change their minds. And companies like Exxon aren't willing to jeopardize other priorities, such as trade policy, for which they need Republican support, by beating them up over a carbon tax.

The Woodlands and Conroe chapter leaders learned just how deeply red a group they were dealing with upon their first attempt to get a meeting with Rep. Kevin Brady. During a town hall meeting at Lone Star College where Brady was laying out the GOP's new tax proposal, most of the crowd was angry about hyper-conservative hot buttons like federal funding for Planned Parenthood.

Conroe's Carolyn Newman, a former consulting engineer for BP, finally stood up to ask Brady if he would meet with them about a carbon tax. He said he would, but that he wasn't in favor of it. In response to follow-up questions, Brady spokeswoman Tracee Edwards said the congressman "doesn't support a new tax on energy that would be detrimental to the economy," despite evidence that redistributing the revenue back to taxpayers actually serves as a modest economic stimulus.

## Senators oppose tax

That's also true of Texas Sens. Ted Cruz and John Cornyn, who were among 25 Republican senators to sign a "sense of the Senate" resolution in opposition to a carbon tax. Houston-area GOP representatives John Culberson and Pete Olson have also reiterated their opposition.

"While funds might be returned to the public, it is unclear whether this could be done in a way that fully covers the added costs for those unable to shift energy use," said a spokeswoman for Olson, of Sugar Land. "For example, lower income families might not be able to shorten their commute or buy a more fuel efficient vehicle in the same way an elderly couple can't necessarily reduce their electricity usage or spend the money to make a home more energy efficient."

Here's the problem: Even if companies can shift their energy mix in response to a carbon tax, it's harder for employees who work in those industries - the voters on whom members of Congress actually depend - to get new jobs in renewable energy. In Texas, where hundreds of thousands of peoples' livelihoods depend on fossil fuels, any policy aimed at phasing them out could be a hard sell. For many traditional Republican leaders, climate change just isn't a priority.

"I don't think it's like they're talking about, where the oceans are going to wash us away and that kind of stuff," says Wally Wilkerson, who's been the chairman of the Montgomery County GOP since 1964. "I don't think that movement is going to get very far in Montgomery County."

That's why CCL's best hope may be in a new generation of Republicans, like Chris Busby, the president of the Houston Young Republicans and the founder of the Harris County Log Cabin Republicans. He heard Inglis and Bryn's carbon tax pitch at a recent conservative gathering and was persuaded.

"It seems like a better solution than giving the EPA discretionary power to regulate it on its own," Busby says. "I think especially my generation, the overwhelming response is they do believe it's a problem. There is a real desire to address this."