

# ***Biden and Big Oil Had a Truce. Now, It's Collapsing.***

Companies were enjoying record profits. But the president's decision to pause permits for gas export terminals has whipped up industry support, and donations, for Donald Trump.

**By Lisa Friedman and Rebecca Elliott**

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Early in his term, President Biden seemed to have struck an uneasy truce with the oil and gas industry.

Mr. Biden had imposed restrictions on drilling as part of his ambitious climate agenda, but he also approved an enormous \$8 billion oil project in Alaska. The United States had become the world's leading exporter of natural gas, and no other country in history was pumping more crude. The industry was enjoying record profits.

Then, in January, Mr. Biden paused new permits for export facilities for liquefied natural gas.

That decision galvanized oil and gas companies against Mr. Biden, according to industry lobbyists, and will be an undercurrent at a fund-raising lunch set for Wednesday in Houston. The luncheon, organized by three oil executives, will benefit former President Donald J. Trump, who is running to unseat Mr. Biden and is expected to attend, according to several people who have seen the invitation.

To the industry, Mr. Biden's pause on new gas export permits "was a wake-up call," said Thomas J. Pyle, president of the American Energy Alliance, which supports the fossil fuel industry. "He could be potentially icing billions of dollars in long-term L.N.G. contracts. That's real. That's tangible."

One of the luncheon hosts is the billionaire Kelcy Lee Warren, who, as executive chairman of Energy Transfer, has built a national network of pipelines, including those serving L.N.G. export facilities. His Dallas-based company, which exports oil and gas products to about 50 countries, tangled with the Biden administration last year when it refused to extend a permit for a proposed export terminal that had run into delays. An indefinite pause on new permits complicates plans by Energy Transfer to continue an ambitious international expansion.

Another host, Harold G. Hamm, the executive chairman and founder of Continental Resources, is one of the pioneers of the shale oil boom that turned the United States into the world's largest crude exporter. Also expected to join is Vicki Hollub, the chief

executive of Occidental Petroleum, one of the top U.S. oil producers.

The private luncheon to benefit MAGA Inc., a pro-Trump super PAC, comes about a month after Mr. Trump hosted energy executives over dinner at Mar-a-Lago, his resort in Florida. He asked them to donate \$1 billion to his campaign so that he could retake the White House and dismantle Mr. Biden's climate regulations, including the pause on permits.

Mr. Trump's campaign committee, which is separate from any super PAC, has raised \$7.3 million from the oil and gas industry since the start of his 2024 campaign, according to data compiled by OpenSecrets, a nonpartisan nonprofit group that tracks campaign finance data. That amount is more than three times what the industry had poured into Mr. Trump's campaign by this period in 2020, the organization found.

By contrast, the oil and gas industry has contributed about \$186,000 to Mr. Biden's campaign committee so far this cycle, according to OpenSecrets. Mr. Biden has signed a pledge to not accept contributions of more than \$200 from any oil, gas or coal industry executive.

In pausing new permits, Mr. Biden said that he wanted the Energy Department to study the effects of gas exports on national security, the economy and climate change. The move followed a six-month campaign by climate activists to block what would have been the largest gas export terminal in the United States, a project in Louisiana known as known as Calcasieu Pass 2. Also affected by the pause were five other projects that applied to export gas to countries that do not have free-trade agreements with the United States. Even with the pause, the United States is still on track to nearly double its export capacity by 2027 because of projects already permitted and under construction.

Still, it was celebrated as a win by climate activists, an important constituency for the president, who especially needs to shore up support among young voters.

Nations must stop developing new oil and gas fields if global warming is to stay to relatively safe levels, according to the world's leading energy organization, the International Energy Agency. Global emissions from the burning of oil, gas and coal are at a record high and are dangerously heating the planet. In December, the United States was among nearly 200 nations that agreed to transition away from fossil fuels. Mr. Biden has encouraged the rapid development of wind, solar and other nonpolluting energy sources.

Environmental groups from the Louisiana Gulf Coast, where pollution from liquefied natural gas facilities has affected the health of residents, want an outright ban on new

exports.

“This L.N.G. pause is a huge deal for climate and environmental justice,” said Tiernan Sittenfeld, the senior vice president of government affairs for the League of Conservation Voters. Days after the pause, the environmental group announced a \$2 million television campaign days in support of Mr. Biden.

Mr. Biden has signed a pledge to not accept contributions of more than \$200 from oil, gas, or coal industry executives. Michael A. McCoy for The New York Times

But the pause was “a chilling shot across the bow at the oil and gas industry,” said D. Kirk Edwards, a West Texas oil and gas executive and former chairman of the Permian Basin Petroleum Association.

Mr. Edwards voted for Mr. Trump in the past two presidential elections and plans to do so again. He described the L.N.G. pause as “one more in a series of policy hits that have come across from the administration directly aimed at the energy industry in this country.”

Mary Landrieu, a former Democratic senator from Louisiana who now lobbies for the gas industry, said the pause had surprised executives. She called it “a setback in the relationship” between gas producers and administration officials, who just months earlier had praised the industry for bolstering its delivery of gas to European nations trying to end their dependence on Russian fuel.

Oil executives like Mr. Hamm said that stalling new L.N.G. terminals sent a message to allies that they couldn't count on U.S. exports and they should seek alternative suppliers. Soon after the pause, Qatar, the world's second-biggest gas exporter, announced plans to step up its production.

Karoline Leavitt, a spokeswoman for Mr. Trump's campaign, did not respond to questions about Wednesday's luncheon but said in a statement that Mr. Trump "is supported by people who share his vision of American energy dominance to protect our national security and bring down the cost of living for all Americans."

Ammar Moussa, a spokesman for Mr. Biden's campaign, said in a statement that Mr. Trump "is siding with his greedy Big Oil friends to ship jobs away from the United States and ignore the climate crisis so the next generation suffers."

The oil industry's growing support for Mr. Trump should come as no surprise, Ms. Sittenfeld said.

"Maybe some of these big oil C.E.O.s preferred a different candidate in the primary, but it was clear that they were always going to support the Republican nominee," she said. "They are all about continuing to pad their already enormous profits at the expense of our climate."

Indeed, many of Mr. Trump's deep-pocketed industry supporters, like Mr. Hamm and Mr. Warren, have been in his corner before. In 2020 Mr. Warren gave \$10 million to America First Action, a pro-Trump super PAC, according to campaign records. Mr. Hamm, an informal adviser to Mr. Trump during his presidency, donated to some of Mr. Trump's primary rivals last year, but has again embraced the former president.

Mr. Warren's company also has criticized the Biden administration over the 2023 decision by the Department of Energy not to renew Energy Transfer's expired permit to build a L.N.G. terminal on the Louisiana Gulf Coast. In an earnings call last year, Mackie McCrea, the company's co-chief executive, assailed the permit denial as "an arbitrary and capricious political decision."

Asked about the L.N.G. decision and Mr. Warren's participation in the fund-raiser, an Energy Transfer spokeswoman said "he does not comment on his personal activities."

When Mr. Trump asked oil executives at Mar-a-Lago to donate \$1 billion, people in the room said the former president told them the money that the industry would save in taxes and legal expenses after he repealed climate regulations would more than make up for the hefty contribution.

At a climate summit held at the Vatican last week, Gov. Gavin Newsom of California, a Democrat, characterized Mr. Trump's suggestion as "open corruption."

House Democrats have opened an inquiry into the dinner. Representative Jamie Raskin of Maryland, the top Democrat on the House Committee on Oversight and Accountability, wrote to nine companies that attended the Mar-a-Lago event to ask for information they might have "about quid pro quo financial agreements related to U.S. energy policy that were reportedly proposed at a recent campaign fund-raising dinner with ex-President Donald Trump."

Mr. Raskin wrote to chief executives at Chevron, Exxon Mobil, Continental Resources, Chesapeake Energy, Occidental Petroleum Corp., Venture Global LNG, Cheniere Energy Inc., EQT Corporation and the American Petroleum Institute. Those companies and the A.P.I., a trade group, had representatives at the Mar-a-Lago dinner, according to attendees.

Ms. Landrieu said she was not convinced the gas industry would come out in force for Mr. Trump, and noted the Mar-a-Lago event was billed as an energy round table to discuss policy.

"If any president invited us to speak about energy, they would go," she said. "President Biden could invite them, but he doesn't make the industry feel welcome. It's not like all these companies that went are definitely supporting Donald Trump. They went because he invited them."

Jonathan Swan contributed reporting.

**Lisa Friedman** is a Times reporter who writes about how governments are addressing climate change and the effects of those policies on communities. More about Lisa Friedman