The Oil And Gas Obstruction Network Blocking Canadian Climate Action

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Introduction

Canada's oil lobby showed up to the international COP28 climate negotiations in Dubai with an audacious message. Despite years of warnings from organizations such as the International Energy Agency that it will be impossible to stabilize global temperature rise at the relatively safe threshold of 1.5 Degrees Celsius while building new oil and gas projects, and despite companies in Canada's oil sands, the world's fourth largest known oil reserves, ignoring those warnings and expanding production, at COP, Canadian fossil fuel representatives claimed that the climate emergency could only be solved by the industry largely responsible for causing it. "The combustion of products that we produce creates the lion's share of the emissions," Kendall Dilling, president of a Canadian oil and gas marketing and lobbying organization called the Pathways Alliance, said during the COP28 talks. "We have to come and be a huge part of the solution." [1] Dilling, through Pathways Alliance, was representing companies responsible for operating 95 percent of Canada's oil sands, an industry that closed out the year producing a record 3.3 million barrels of oil per day, a 3 percent increase from the previous year.[2] And the oil and gas sector was in 2023 once again Canada's largest source of climate-altering greenhouse gas emissions.[3]

As an investigative reporter with the international media outlet DeSmog, which tracks industry-backed climate disinformation tactics and campaigns, I'm naturally skeptical of lofty green language used by the country's most polluting companies. During the year leading up to COP28, I began looking deeper into the Pathways Alliance's marketing strategy, hoping to determine whether any of its climate promises had substance. Its most visible advertising is traditional—including ads on TV, in newspapers and on the sides of buses in large Canadian cities. But Pathways, like other oil companies and industry groups, also hopes to reach people through digital media. One of the most common digital marketing strategies is to advertise on specific Google search phrases. This means that when someone types such a phrase into Google, the first result that comes up is the advertiser's website. Much of this is opaque to the public. But DeSmog has access to a corporate analytics tool called Semrush, which provides detailed data on Google ad buys.

We ran a search to see the Google phrases that the Pathways Alliance was advertising on in the first three months of 2023 and the results were striking. During that period, we learned that the organization was linking its website to search prompts such as "how we can stop climate change", "net zero", "carbon emissions", "climate change in canada", "why is climate change important" and "whats a carbon footprint." Those who searched these phrases would be directed to a website claiming that oil sands producers were preparing to spend $24.1 billion on climate solutions—a potentially misleading claim given that none of the companies had yet announced final investment decisions on carbon abatement technologies and are depending on Canadian taxpayers to cover most of the costs for its decarbonization plans.[4] More insidiously, the Pathways Alliance was also advertising on "environment and climate change canada," which is the name of the federal department in Canada tasked with regulating the industry.[5] People seeking information on the Canadian government's climate plan would instead be directed to a website for oil sands producers.

When I reached out to Callum Hood, an anti-disinformation researcher with an international non-profit called the Center for Countering Digital Hate, he described the Pathways Alliance search strategy on Google as "a way of distorting public information." But this is by no means the only example of oil and gas producers using digital media to reframe the climate debate on terms favorable to their business interests. Over the past several years, my DeSmog colleagues and I have uncovered many instances of oil and gas companies actively seeking to confuse the Canadian public on climate change. They've done so through deceptive digital media campaigns touting their commitment to sustainability. But leading companies have also quietly backed organizations which undermine the science of climate change and attack climate advocates as racially insensitive economic saboteurs, fueling wider anger against efforts to transition off fossil fuels. Whether vying for elite respectability with net-zero pledges or sowing doubts about the urgency and consequences of climate change, the end goal is the same: to delay or obstruct transformative legislation as long as politically possible.

Greenwashing through Facebook

These days, Canada's largest oil and gas companies take every opportunity they can to portray themselves as climate leaders central to the federal government's efforts to reach "net-zero" by 2050. This goal refers to a future when the country has eliminated or neutralized all sources of greenhouse gas emissions, bringing its contribution to climate change to an end. Suncor, the country's largest oil and gas producer, has loudly proclaimed its goal of becoming "a net-zero emissions company." Imperial Oil, which is owned by ExxonMobil, claims to be advancing projects that are a "key enabler to helping the country meet its climate goals." Oil sands giant Cenovus argues that "we need to be a big part of the solution" to climate change. These and three other companies—MEG Energy, Canadian Natural Resources and ConocoPhillips—formed the Pathways Alliance in 2022, promising "a first-of-its-kind net zero initiative that could help ensure long-term, secure supplies of affordable and responsible energy for North America."[6]

Since then, the organization has spread that message aggressively through ads on Facebook. From the outside it doesn't appear that Pathways Alliance has much of a presence at all on the platform. Its official page only has 631 followers and most of its posts have less than five "likes." But DeSmog learned through using Facebook's Ad Library, a resource that shows data on ad campaigns on the platform, that the Pathways Alliance is potentially reaching large numbers of Canadians. In June 2023, it paid for a Facebook ad claiming that "Canada's oil sands are making progress toward net-zero emissions." That sponsored post was targeted towards an estimated audience size greater than one million people, according to the Ad Library, and generated up to 150,000 impressions, which is the number of times this specific ad was on someone's computer or mobile screen. The Pathways Alliance has to date run more than 300 such ads on Facebook and Instagram.

These ads are misleading, because they create the impression of an industry transitioning away from oil and gas, when in fact all the major oil sands producers are planning large expansions of the industry. A TD Canada report in early 2024 predicted that Canadian oil production could rise to a "record high" of 5.4 million barrels per day by the end of the year.[7] Companies attempt to resolve this dissonance by claiming that they are planning to invest in carbon capture and storage technology, which can capture greenhouse gases emitted at oil sands operations and bury the gases deep underground. One representative Facebook ad from the Pathways Alliance contained the text: "How can we reduce emissions on a grand scale? Carbon capture and storage is a proven path forward." None of the ads mention that such technology has a long track record of underwhelming results in Canada and across the world,[8] and that it's so prohibitively expensive that companies are only willing to make final investment decisions if the Canadian and Alberta governments cover the majority of the cost. That is, if the public pays for it. And they might, with federal and provincial policymakers so far proposing more than $15 billion in taxpayer funding to support the deployment of carbon capture projects.[9]

But even if the technical and financial challenges are resolved, carbon capture and storage would only neutralize the greenhouse gas emissions from the oil production process. That's a large omission given that more than 80 percent of the climate impacts from a barrel of oil result from burning it in the form of products like gasoline. In submissions to the federal Canadian government that I reviewed while reporting for DeSmog, oil sands producers explained that making the production process "greener" could allow them to market and sell more oil overseas. "We believe Canada should seek to increase its market share for responsibly produced, lower emissions energy, even if global market demand, as a whole, begins to decline," the Pathways Alliance told federal policymakers in 2022.[10] That is, producers want to make each barrel of oil slightly cleaner, while selling more barrels than ever globally. Indeed, while it was paying for Facebook ads promising to be on the path to net-zero by 2030, the industry was also planning to add up to 1.2 million barrels of oil production per day over the same time period.[11] The takeaway is clear: that industry views making oil production less carbon intensive not as a strategy for transitioning away from oil, but rather as a way to make the world more dependent on the fossil fuels it sells. The increase in overall production planned by industry would wipe out any climate gains caused by decarbonizing extraction techniques. "That would be a death knell for our climate targets," one prominent climate advocate told me.

Quietly backing climate crisis denial

Oil and gas companies advertise on Google search terms like "net-zero" and promote carbon capture and storage on Facebook hoping for a political outcome. They want to be accepted by the Canadian public and decision-makers as legitimate stakeholders in discussions about how to fix climate change. Throughout 2023, they leveraged these digital marketing efforts by attending—via their participation in the Pathways Alliance industry group—public events like New York Climate Week, the Bloomberg New Energy Finance Summit and the COP28 climate negotiations in Dubai. But behind the scenes, oil and gas companies in Canada have been supporting conservative think tanks and other advocacy organizations that play a more aggressively obstructive role in climate debates. These third-party groups advance a narrative through establishment news outlets and digital platforms that I've come to refer to as "climate crisis denial."

This form of denial is a more nuanced version of classic climate change denial, the obstruction technique that proliferated throughout the 1990s and 2000s whereby large oil companies such as Exxon and Koch Industries publicly disputed the existence of human-caused climate change while funding efforts to discredit the science. One notable example of this in Canada was the Exxon-owned oil company—and current Pathways Alliance member—Imperial Oil sponsoring in 2002 an Ottawa press conference featuring over a dozen industry-backed climate skeptics.[12] But this form of outright denial became more marginalized as public concern and awareness of climate change intensified, world leaders agreed to a framework for stabilizing global temperature rise at 2 Degrees during the 2015 Paris climate talks and countries and corporations around the world closed out the decade by announcing increasingly bold “net-zero” plans. In response, oil companies announced their own “net zero” strategies, while most conservative organizations traditionally opposed to climate action began acknowledging climate change is real, but denying that its impacts are serious, or that aggressive solutions are necessary—hence “climate crisis denial.”

Shell Canada provides an illustrative example of the relationship between industry’s outward facing “net zero” advertising and its continuing support for this new form of denial. The company has paid for advertising in the Globe & Mail touting its commitment to a “net zero world where society stops adding to the greenhouse gases in the atmosphere and begins reducing them.”[13] Yet Shell’s current president Susannah Pierce spent three years on the board of the Fraser Institute, a Vancouver-based think tank that during the 2000s publicly attacked climate science and now largely accepts the existence of global temperature rise while disputing that it is an emergency. Pierce held her board seat from 2017 to 2020, a period when she was also representing a $40 billion Shell-led gas project on the west coast of British Columbia called LNG Canada.[14] During her time on the board, the Fraser Institute published dozens of studies, reports and op-eds undermining the seriousness of climate change. That included a 2019 column in the Financial Post from Fraser Institute senior fellow Ross McKitrick with the headline “Hold the panic: Canada just warmed 1.7 degrees and... thrived.”[15] Collaborations with legacy newspapers and broadcasters help the Fraser Institute’s obstructive climate arguments reach a large national audience. In 2019, it reported 20,000 mentions of its work across all subject areas (including the environment) in mainstream media outlets. But the Fraser Institute has increasingly extended its influence through a network of pro-oil and gas Facebook groups—including Canada’s Energy Citizens, Oil Respect and Canada Action—which regularly share the think tank’s material.[16] Canada Action, which The Narwhal revealed in 2020 has received $100,000 from the gas company ARC Resources,[17] is followed by more than 121,000 people on Facebook.

Shell Canada also backs climate crisis denial as an affiliate member of an industry group called the First Nations LNG Alliance, which champions Indigenous ownership of natural gas export projects. The organization has downplayed the urgency of addressing climate change in communications with policymakers. It referred dismissively to opponents of gas expansion as “climate alarmists” in a 2023 open letter to B.C. Premier David Eby. And in a 2022 submission to the Canadian federal government, it called net-zero targets “pie in the sky” while arguing that efforts to hit those targets nationally “would be devastating.”[18] The First Nations LNG Alliance instead advocates policies that would expand fossil fuel production. In 2022, it shared a graphic on Twitter claiming that the International Energy Agency is calling for “$17 trillion of additional investment into the oil and gas industry by 2040 to keep up with global demand.” In fact, the IEA had said the previous year in a widely disseminated report that the only way to achieve net-zero is to stop building new oil, gas and coal projects.

Smearing climate activists

The Calgary-based oil and gas company Canadian Natural Resources, like its fellow producers, wants to cultivate an image of a responsible corporate citizen. It is a member of the Pathways Alliance and claims to support policy “efforts to limit the temperature increase to 1.5°C by reducing emissions and driving innovation” while stating that it’s on a “journey to net zero emissions.” This is the blandly neutral language on climate change that I’ve come to expect from major Canadian polluters. But the company’s political contributions tell a different story. I gained insight into them through disclosures it filed on a database created by Canada's Extractive Sector Transparency Measures Act, which requires companies to report payments to governments and other entities. Searching the database last year, I learned that Canadian Natural Resources gave $450,000 to an organization called the Indian Resource Council between 2020 and 2023.[19]

That's significant, because the group's leader, Stephen Buffalo of Samson Cree First Nation, is one of Canada's most outspoken critics of environmental and climate activists. In a 2024 op-ed for the National Post, he described environmentalists opposed to oil and gas expansion as "the new missionaries"—paternalistic outsiders who "ignore the interests of First Nations, Metis and Inuit communities, except when they want to impose their will on them."[20] Buffalo has attacked Indigenous activists as well. In 2020, he accused First Nations communities protesting against the Coastal GasLink pipeline through Wet'suwet'en First Nation territory of acting on behalf of shadowy foreign industrial interests, claiming during an interview with APTN News that "when you see this activism, it's somewhat challenging because we don't know who's speaking anymore...The hard part again is who's really pulling the string here?" The irony of course is that Buffalo never publicly disclosed the funding his organization received from a top oil sands producer, Canadian Natural Resources. "They are playing a long game of divide and conquer," Chief Na'Moks, a hereditary chief of the Wet'suwet'en First Nation, said of oil and gas companies financially supporting Indigenous leaders who smear the industry's opponents.

This represents a fairly recent shift in tactics. As Canada's oil and gas industry expanded rapidly during the 2000s and 2010s, companies faced high-profile opposition from Indigenous communities, with many First Nations leaders in B.C. loudly fighting projects like Enbridge's Northern Gateway oil sands pipeline.[21] In response to this, as well as the Indigenous-led Idle No More national protest movement, an Ottawa-based conservative think tank called the Macdonald Laurier Institute began a multi-year advocacy project which involved urging oil and gas companies to make First Nations "equity partners" in new projects while recruiting Indigenous industry advocates to defend the industry. According to 2018 strategy documents from the think tank obtained by DeSmog, making First Nations the public face of expansion projects could provide "a shield against opponents that is hard to undermine."[22]

Imperial Oil was listed several times as a corporate donor to the MacDonald Laurier Institute during the years when this initiative was being developed, along with industry groups such as the Canadian Association of Petroleum Producers and the Canadian Energy Pipeline Association. In recent years, the institute's senior fellow Chris Sankey, a member of Lax Kw'alaams First Nation, has accused environmentalists of advancing an agenda damaging for Indigenous communities. "Families have been torn apart," Sankey claimed in 2021. "The country has forfeited billions of dollars in lost opportunities and tens of thousands of jobs."[23] The institute has also attacked politicians and others "who warn of an impending climate 'catastrophe,' 'cataclysm' or 'emergency,'" disparaging them as "being unnecessarily alarmist, thereby raising unrealistic expectations that justify extreme measures." Oil and gas companies rarely use such language themselves against critics. But their financial contributions to organizations like the Macdonald Laurier Institute and Indian Resource Council suggest they have no qualms with third party groups attacking their opponents instead.

Conclusion

In late 2023, a new organization called Voice of Energy began paying for digital advertisements making the case for natural gas while downplaying its massive climate impacts. "Canadians deserve reliable energy options," read one ad. "Natural gas is one of them. Let's protect it. Let's speak up together." The website, which featured photos of diverse and well-dressed young people, didn't disclose who created and paid for the campaign. But when my colleagues at DeSmog searched Google's Ad Transparency Center, another digital media data source, we discovered that Voice for Energy ads were purchased by CGA Enterprises, a venture of a national industry group known as Canadian Gas Association.[24] One of the association's members is the pipeline builder TC Energy, which argues publicly that "climate change is one of the most pressing societal issues of our time and requires credible and concrete actions by everyone."[25] Creating a fake grassroots ad campaign on behalf of gas producers would seem to contradict that position.

But as this and other examples in this essay illustrate, the oil and gas industry in Canada is engaged in multifront communications offensive to delay and block legislation that would be harmful to its business interests. Despite enlightened-sounding language on achieving net-zero, which is now widespread across the sector, companies are seemingly doing all they can to sabotage the steps necessary to reach that goal. They know that as public-facing companies it's useful to gain acceptance among elites and policymakers as crucial players in the decision-making process on climate change—and that shaping opinion through misleading digital advertisements is an effective way to accomplish this. However, the industry's behind-the-scenes support of groups that dispute we are even in a climate emergency sheds light on its true objective—to continue pumping oil and gas for as long as possible.

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