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Fracking Execs See the Ukraine Crisis as an Oil and Gas Goldmine

The Ukraine crisis and company buybacks prompted a spike in fossil fuel stock prices. Once again, oil execs get richer as others struggle.

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*The Russian invasion of Ukraine has been seized as an opportunity by fossil fuel investors. While consumers get hammered by high gas prices and spiking energy costs, top fracking executives' wealth soars. Since January, the value of shares currently held by CEOs of eight leading fossil fuel companies has increased by nearly $100 millio*n.

An analysis of leading fossil fuel interests shows executives are profiting from the crisis. While carnage happens in Ukraine, these predators are taking advantage of global price increases that have sent company stocks soaring. They include:

- Fracking and LNG companies Cheniere, EQT, EOG Resources
- Pipeline giants Kinder Morgan and Enbridge
- And industry powerhouses Chevron, ConocoPhillips, and Exxon Mobil

Fossil Fuel Titans Are In A Mad Dash To Profit From Soaring Gas Prices

The value of Cheniere CEO Jack Fusco's company stock is up $25 million from January to March 10th. ExxonMobil CEO Darren Woods' stock holdings have increased by $25 million over the same period. The value of Kinder Morgan CEO Steven Kean's stock has jumped nearly $15 million. Some of these corporate leaders have sold shares to cash in on the crisis. ConocoPhillips' Ryan Lance sold shares for $23 million in mid-February, while Chevron's Michael Wirth sold $14 million in stock by late February.

The companies are finding other ways to consolidate wealth in response to this crisis, too.

Eight big fracked gas and export companies announced stock buybacks and repurchase authorizations in the last year totaling over $25 billion. That amassed wealth is equivalent to filling up 500,000,000 gas tanks with 10 gallons of gas at $5 a gallon. It's also enough to heat the homes of over 33 million people for the winter (assuming a $750 gas bill).

Fossil Fuel Interests Use PR Spin To Peddle LNG As a 'Solution'

The invasion of Ukraine helps fossil fuel interests promote an even greater expansion of liquefied natural gas (LNG) exports. Theoretically, this is to replace Russian gas in Europe. EQT, the largest US gas company, launched a brazen PR campaign. Its plan is titled "Unleashing U.S. LNG: The Largest Green Initiative on the Planet." They've cooked up talking points to sell LNG as a security measure against the climate crisis they've helped cause:

> [LNG is] "one of the world's largest weapons to combat climate change.... it would allow us to provide energy security to our allies while weakening the energy dominance of our adversaries." — EQT CEO Toby Rice

The truth is LNG transportation and export has significant environmental, public health, and safety impacts. Further taking into account the life cycle including leaks, fracked gas can be as bad or worse for the climate than coal, especially in the short term.

The Push For LNG Expansion Is A Bid To Lock In Decades Of Fossil Fuel Dependence

The United States is already the top exporter of fracked gas in the world, and companies are planning to expand their U.S. fracking operations. As Chevron CEO Colin Parfit said recently about the company's Permian drilling projects:

> "Essentially the U.S. isn't big enough to absorb it all, so essentially you need to create export alternatives for all of it."

While the industry and White House officials push to increase drilling, that will have no impact on current prices. It also overlooks the fact that Wall Street investors have been pushing drillers to slow production to increase profits. This campaign to promote LNG in response to Ukraine is a cynical calculation by the dominant players in the industry. They intend it to lock in long-term contracts that would create decades of additional fossil fuel dependence.

They say so themselves, often most clearly when speaking to investors.

As Jack Fusco, CEO of LNG company Cheniere, put it:

> "If anything, these high prices, the volatility drive even more energy security and long-term contracting. So I would say that the fact that there's a scarcity of LNG these days is driving more and more conversation on how to increase our infrastructure and secure monthly contracts for our European customers." He added that "the market continues to get healthier, but it's extremely volatile. And you should expect us to be opportunistic out there."

Ezra Yacob, CEO of EOG remarked,

> "the U.S. has discovered a very vast supply of natural gas and it's important that we get

that gas offshore and into the global market for some of the reasons that you talked about now, not only geopolitical, but just developing nations."

It's An Aggressive Move From Fossil Fuel Companies As Climate Change Jeopardizes Their Prospects

Oil and gas companies are positioning themselves for decades of continued fossil fuel growth because they perceive a threat. The science clearly shows we need to rapidly move off fossil fuels and towards a renewable energy future.

Enbridge president and CEO Al Monaco told investors that increasing exports "is what's behind our crude and LNG export strategy. So before the crisis, our view was that conventional energy will grow at least through 2035 and what's happening today just reinforces that view."

Chevron CEO Michael Wirth said similar, based on fossil fuel execs' favorite lie about renewable energy: "Particularly as you see more wind and solar, you need some sort of reliable generation capacity to deal with the intermittency that we're going to see increasingly....I think there's a good future for natural gas."

The long-term damage of expanding fossil fuel extraction, however, is something they think can wait for another day. Charif Souki, the chair of LNG company Tellurian put it, "Since the consequences of climate are going to be 30 or 40 years down the road, people are going to focus a lot more on what is happening now....We can come back to climate."

They couldn't be more wrong. The consequences of climate change — which they've helped drive — are all around us now. Letting them capitalize on international conflict to secure their profits will only perpetuate their damage.

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