

Conference: Oil & Gas Industry Can Change Hydrocarbons Narrative

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Written by John Egan for Industrial Info Resources (Sugar Land, Texas) — When most U.S. hydrocarbon leaders step outside their industry, they see one dominant cultural and political narrative about energy: Hydrocarbons are bad. Any effort to change the public's view of hydrocarbon companies, particularly natural gas companies, has to start by addressing the public's emotional issues like clean air, clean water, safe streets, good schools, well-paying jobs and improved quality of life, oil and gas leaders told an energy conference in Denver on August 15.

"Oil and gas is under constant attack in Colorado," Dan Haley, president and chief executive of the Colorado Oil & Gas Association (COGA) (Denver, Colorado), told about 185 attendees at the 18th annual "LDC Gas Forums: Rockies & the West" conference, which is sponsored by Access Intelligence L.L.C. (Rockville, Maryland). One of the reasons for that is that "the other side came to the public with messaging built on emotions like fear. Unfortunately, we responded with white papers from Harvard."

"We don't tell our story well," he continued. "When people think about the oil and gas industry, they think of James Dean, covered in oil, in the movie 'Giant,' " which was filmed in the 1950s.

Oil and gas helped the U.S. get out of the pandemic and it is helping increase the standard of living in the country, the COGA chief said. The industry needs to more consistently tell that story to the general public to rebalance its perceptions about energy, he added.

Haley has been trying to reposition his industry as a high-tech industry, one that operates safely, protects the environment and improves people's quality of life. But it's not easy, he said, because oil and gas companies tend to be run by geologists, who think in technical terms and assume facts will triumph in a public debate.

"Oil and gas underpins modern life," he said. "We need to show people that they are living longer and healthier lives because of our product. We need to start with that emotional piece — people living longer, better-quality lives."

"We have to bring emotions to our arguments," Haley said. "Don't focus only on facts and data. A lot of the trouble we face today (with perceptions) is because we didn't do a good job of telling people what we do."

Haley's exhortations were echoed by Chris Wright, chairman and chief executive at Liberty Energy Incorporated (NYSE:LBRT) (Denver, Colorado). "I am only alive today because of the advances made possible by oil and gas. I'm a Type 1 diabetic, and for most of recorded human history, that was a death sentence. But today, everything in a medical lab comes from oil and gas, and medical labs are what brought us insulin for diabetes."

"Facts don't change perceptions, neighbors do," Wright continued. "Hearts and minds are changed in face-to-face conversations with friends and neighbors. If your neighbor works in oil and gas, and they're a good neighbor, people will start to think differently about the oil and gas industry."

Wright and Haley agreed that the environmental community did a good job scaring people about oil and gas — at least in Colorado — and that fear often drives legislation and regulation. The regulatory environment in Colorado has changed in recent years because of a voter referendum a few years ago that changed the way oil and gas was regulated in Colorado.

"The Permian and the Denver-Julesburg Basin have rocks that are equally excellent," Wright said, "but politicians and regulators have succeeded in moving production out of Colorado."

"Energy is a human issue," Wright continued. Oil and gas producers and pipelines create good, safe jobs that contribute to the tax base and fund schools, police, fire departments and parks. Focus on that, Haley and Wright said, and the industry will win more converts than it will with a thousand fact-laden white papers.

"What we do betters people's lives," Wright commented. "Who wouldn't want to get behind that?"

"This is a very winnable debate," Wright continued. "Some people treat climate change as a faith thing, but I have found that 85% of any given audience is open to persuasion. You just need to find a way to connect with people on an emotional level. The other side has been very good at that."

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