



EARTHWORKS

Protecting communities & the environment from the adverse impacts of mineral & energy development while promoting sustainable solutions.

# ***El Paso vs. Newman 6***

## ***Permian Basin, Utilities, and Natural Gas Myths***

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# *Outline*

Understanding the following dynamics of environmental justice through the case study context of El Paso, TX

1. Oil and Gas production exports Climate Crisis from Texas to the world
2. Electricity is political, no such thing as “Clean Natural Gas”
3. State Government’s active promotion of Oil and Gas
4. Youth and frontline communities leading the climate struggle



# **Part I**

## **Oil and Gas production exports Climate Crisis from Texas to the world**



# 1. Oil and Gas production exports Climate Crisis from Texas to the world

## Permian Basin

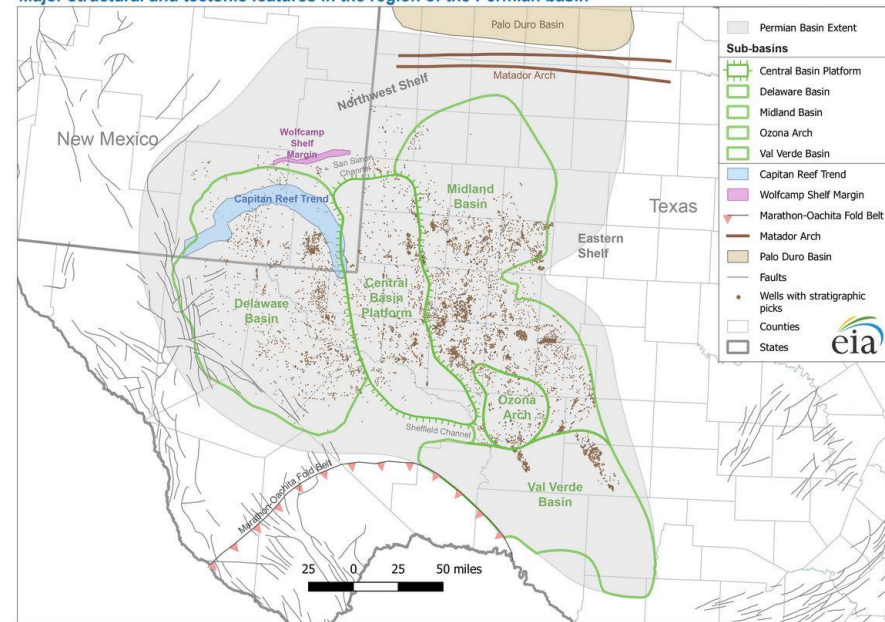
- Largest producing Oil and Gas shale in the US and the *world*
- Fracking powerhouse. Earthworks investigations show massive toxic releases largely ignored by TCEQ. There is no accountability
- Massive source of methane: Highest emissions ever measured from a major U.S. oil and gas basin
- Despite COVID-caused oil price drop, production levels are higher than during Trump
- Catalyst: 2015 happened. The decades old crude oil export ban was overturned. Permian began to reach full production potential

# 1. Oil and Gas production exports Climate Crisis from Texas to the world

## Permian Basin



Major structural and tectonic features in the region of the Permian basin



Source: U.S. Energy Information Administration based on DrillingInfo Inc., Bureau of Economic Geology, U.S. Geological Survey.

# 1. Oil and Gas production exports Climate Crisis from Texas to the world

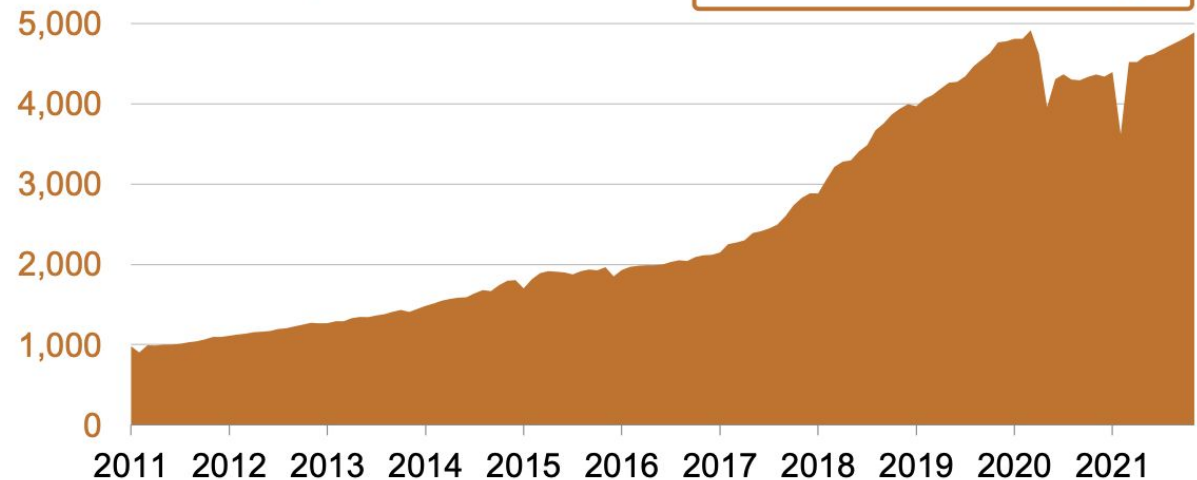
## Permian Basin

- Currently at 4.9 million barrels of oil *per day*
- 19 billion cubic feet of natural gas per day

## Eagle Ford Shale

- 1 million barrels of oil per day
- 8 billion cubic feet of natural gas per day

Permian Region  
**Oil production**  
thousand barrels/day



U. S. Energy Information Administration | Drilling Productivity Report

# Welcome to El Paso, a perfect victim of the Permian



El Paso, nicknamed the "Sun City," has a mascot named "Amigo Man," an anthropomorphic sun... ironically

# El Paso's Dirty Energy Crisis

Average hours of sunshine for the ten sunniest places on earth

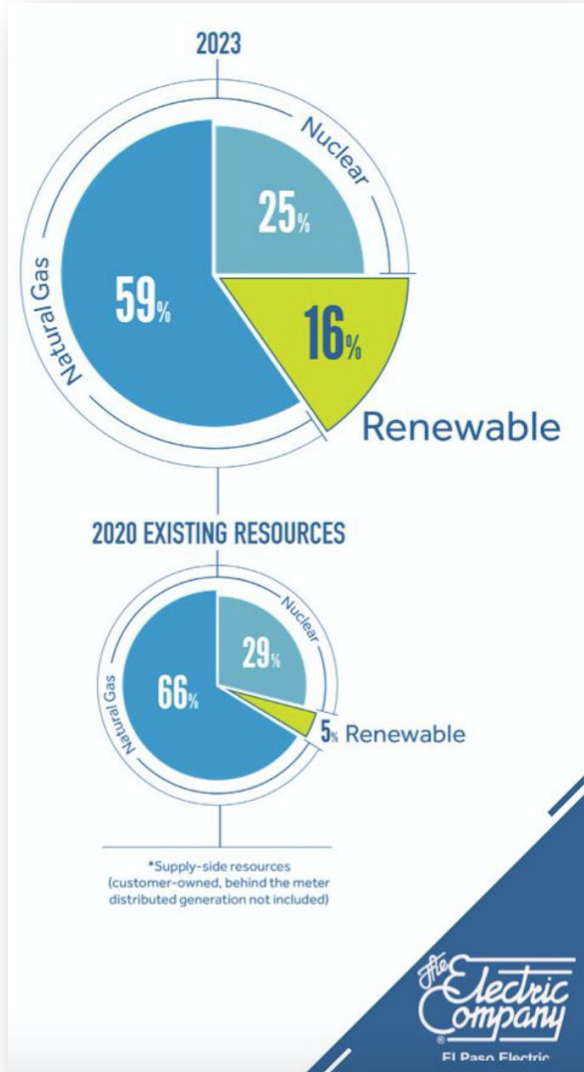
| Country       | Place             | Year | Day  |
|---------------|-------------------|------|------|
| United States | Yuma, Arizona     | 4015 | 11.0 |
| United States | Phoenix, Arizona  | 3872 | 10.6 |
| Egypt         | Asswan            | 3863 | 10.6 |
| United States | Las Vegas, Nevada | 3825 | 10.5 |
| Sudan         | Dongola           | 3814 | 10.4 |
| United States | Tucson, Arizona   | 3806 | 10.4 |
| Chad          | Faya-Largeau      | 3792 | 10.4 |
| Egypt         | Kharga            | 3791 | 10.4 |
| Sudan         | Abu Hamed         | 3763 | 10.3 |
| United States | El Paso, Texas    | 3763 | 10.3 |

Five U.S. cities—three of which were in Arizona—in 2014 made the world's sunniest cities list: **El Paso**, Tucson, Las Vegas, Phoenix, and Yuma. Phoenix and Yuma took the top two spots, making them the sunniest cities in the entire world for that year according to data compiled by the World Meteorological Organization.





# El Paso's Dirty Energy Crisis

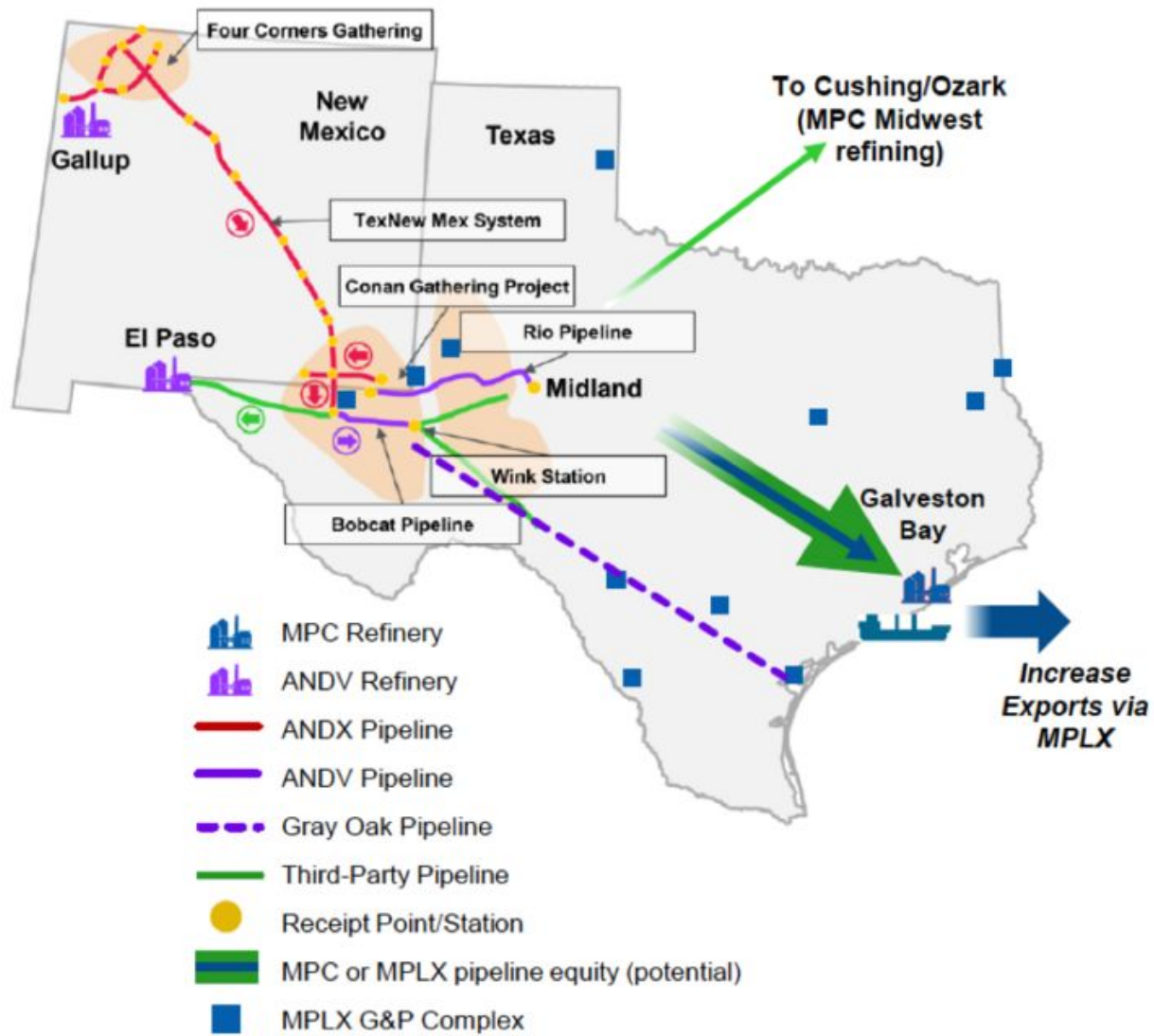


**Q. WHAT IS EPE'S CURRENT ENERGY MIX FOR MEETING CUSTOMERS ENERGY REQUIREMENTS?**

**A.** EPE's energy mix for the most recent 2018 calendar year, based on MWh generation, was the following:

|                  |            |
|------------------|------------|
| Nuclear:         | 40 percent |
| Natural Gas:     | 41 percent |
| Renewable:       | 3 percent  |
| Purchased Power: | 16 percent |



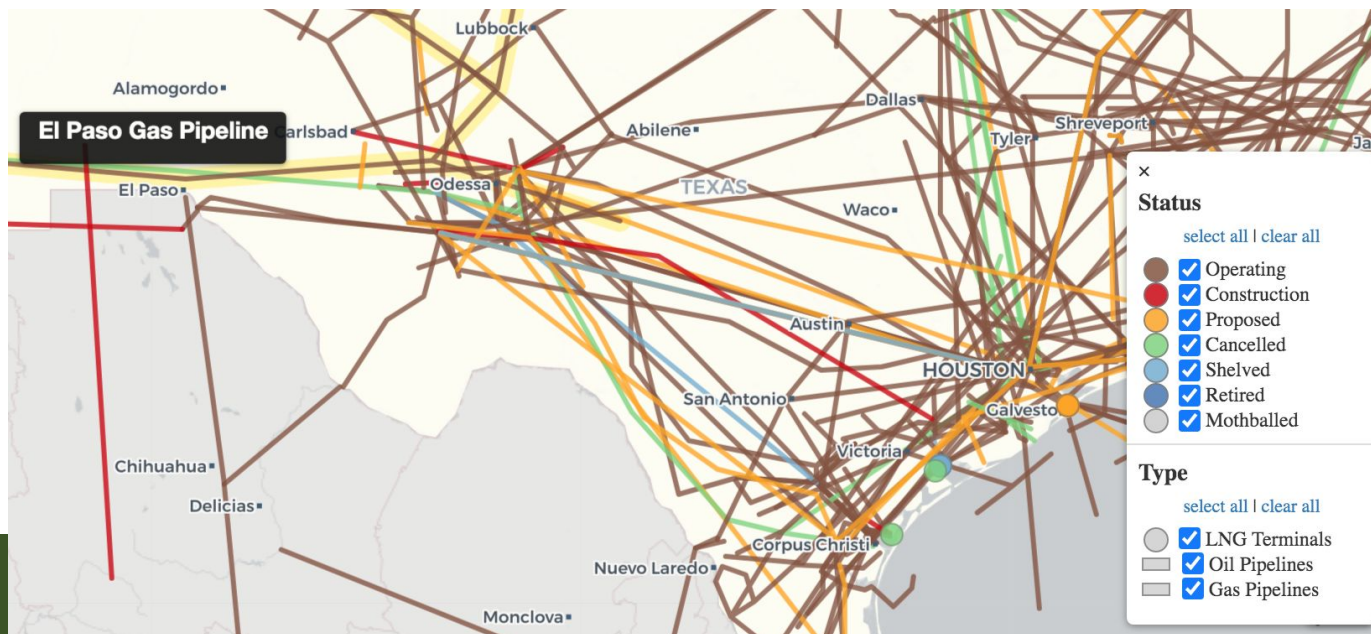


Marathon Oil Co.'s Permian plans affect NM, TX, and LA [San Antonio Business Journal](#)



# El Paso and the Permian Basin

- El Paso is the 10<sup>th</sup> sunniest city in the world. Only 3% is solar energy. Our largest energy source: fracked gas from the Permian Basin.
- El Paso Pipeline connects El Paso Electric Co. to the Permian Climate Bomb.



# El Paso and the Permian Basin

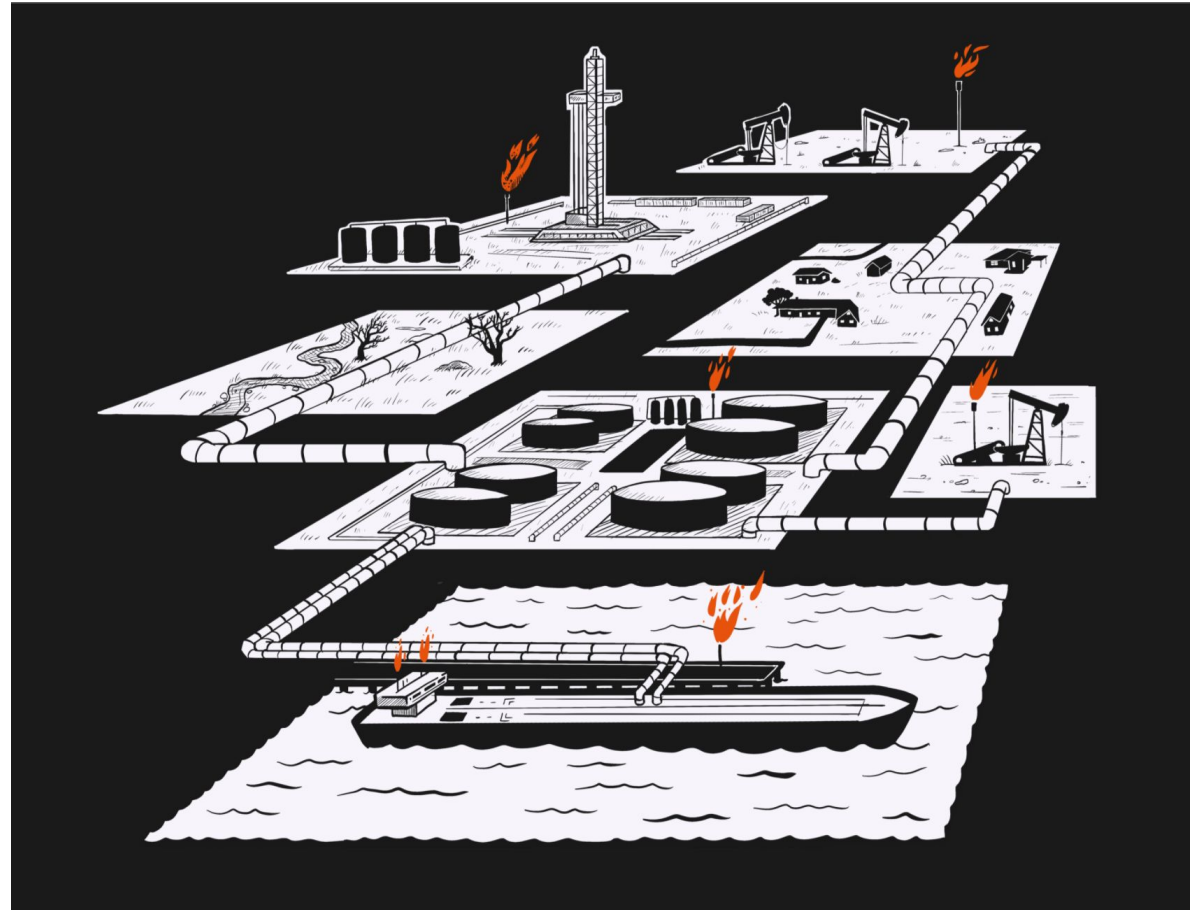
What to the following communities/barrios in El Paso have in common?

- Chaparral
- Montana Vista
- Sunland Park
- Ascarate

Low-income, majority spanish speaking, immigration mixed status and.... where polluters have chosen to locate fossil fuel infrastructure.

# Permian Basin and the world

Visit [www.PermianClimateBomb.org](http://www.PermianClimateBomb.org) to learn about how the Permian affects communities along the Texas and Louisiana Gulf Coast



# Part II

**Electricity is  
political, no such  
thing as “Clean  
Natural Gas”**



# Visualizing a supply chain--extraction, transportation, and gas plants

EXTRACTION

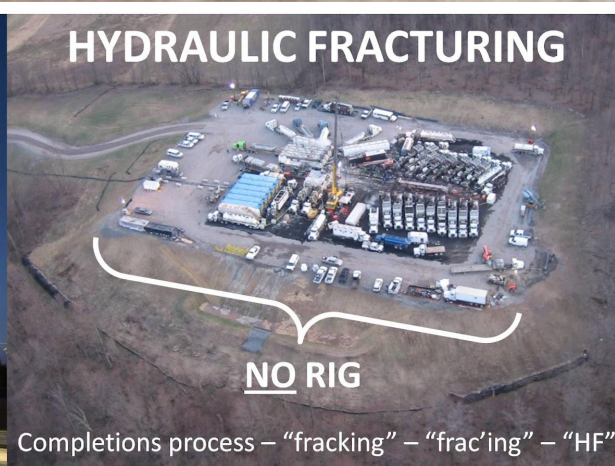
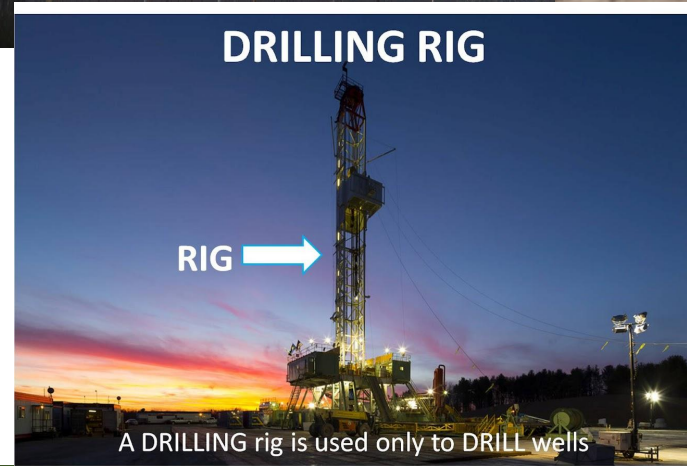
TRANSPORTATION

ELECTRIC  
GENERATION

WASTE

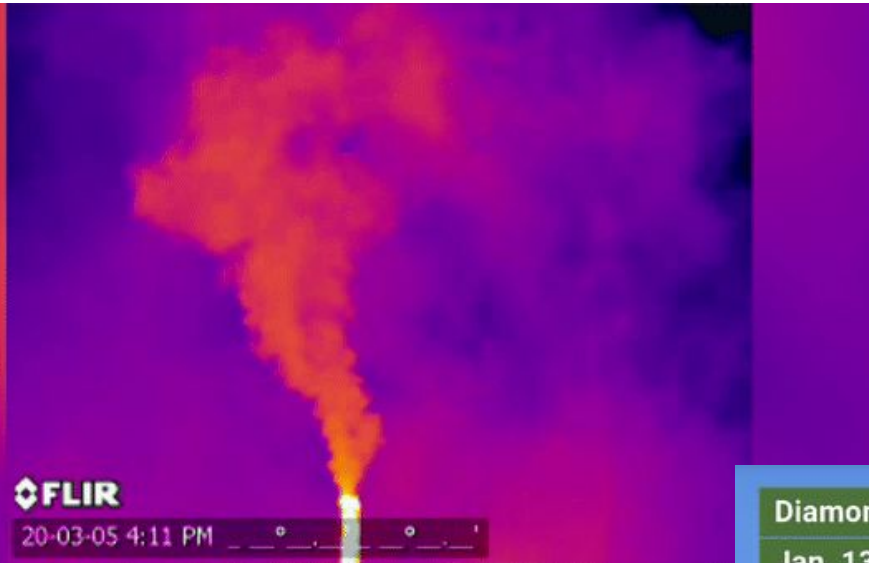


# Step one, extraction: "Fracking"



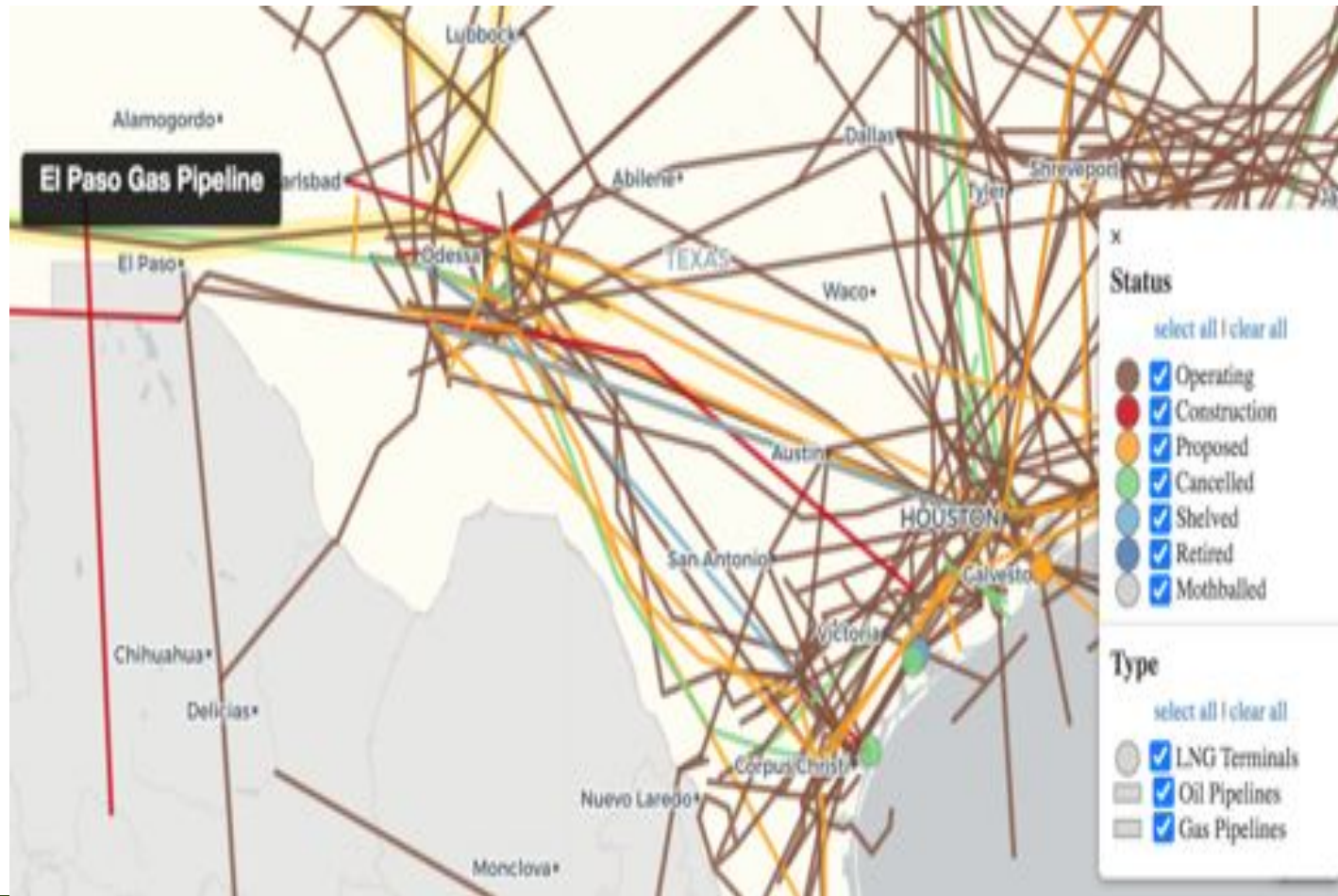


# Step one, extraction: "Fracking"



# Step two, transportation: "Pipeline"

- Fracking is not limited to the hole drilled in the ground.
- Pipelines carry gas from fracking sites to the rest of the country and world



## Step two, transportation: “Pipeline”

Pipeline emissions and pollution is very common.

This is a “blowdown,” where industry releases massive amounts of gas (methane) for construction purposes. This event lasted at least 40 minutes.



# Step three, electric generation: Gas Plants



- A generator which add receives gas that has been fracked and converts this into electricity
- There are currently three fracked-gas plants servicing the El Paso Electric Co utility: Montana Vista (far east), Rio Grande (west), Newman (northeast/chaparral)
- Depicted here is the existing Newman

## Step four, waste: Toxic water



- The Permian Basin produces far more waste than actual oil or gas: about 4 to 7 barrels of liquid wastewater are produced for every single barrel of oil.
- The toxic wastewater is extremely saline and contains known and unknown toxic chemicals, heavy metals, and radioactive materials

Source: [New Mexico Oil & Gas Waste Report: The failure to safely manage oil and gas waste](#)

# Utilities are not neutral actors: JP Morgan buys out El Paso Electric. Co

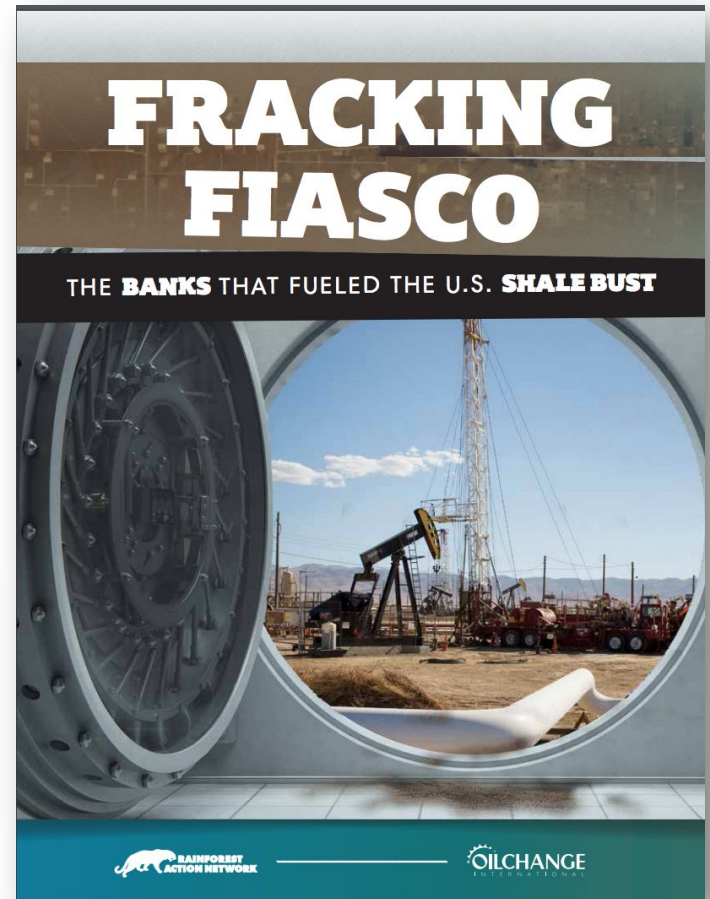
- El Paso Electric Co. is a private corporation that holds a monopoly over El Paso customers.
- Virtually no democratic process in how our public utility is run
  - El Paso is a progressive community. Overwhelmingly voted for Bernie in the primary, and Biden in November. All Democratic reps in TX Lege and US Congress
- From a publicly traded corporation → a private equity fund operated by JP Morgan



# JP Morgan Chase and climate destruction

- JP Morgan Chase is the largest financier of the climate crisis.
- JP Morgan has invested \$37.79 BILLION in fracking since 2016,
- 16.8% of total US financing of fracking.

**Wells Fargo** and **JPMorgan Chase** have together provided almost **40% of financing for top U.S. frackers** since the **Paris Agreement** was adopted.



# JP Morgan invests in Permian oil companies

Diamondback Energy, Inc. Common Stock (FANG)

\$41.07  
+1.06 (+2.65%)  
CLOSED AT 4:00 PM ET ON AUG 04, 2020

\$41.15  
+0.08 (+0.19%)  
DATA AS OF AUG 04, 2020 7:59 PM ET - AFTER HOURS

+ ADD TO WATCHLIST + ADD TO PORTFOLIO

Nasdaq Listed



154,610,950 Total Shares Held

| OWNER NAME                        | DATE       | SHARES HELD | CHANGE (SHARES) | CHANGE (%) | VALUE (IN 1,000S) |
|-----------------------------------|------------|-------------|-----------------|------------|-------------------|
| CAPITAL RESEARCH GLOBAL INVESTORS | 03/31/2020 | 19,571,657  | -5,518          | -0.028%    | \$783,062         |
| VANGUARD GROUP INC                | 03/31/2020 | 18,598,891  | 556,616         | 3.085%     | \$744,142         |
| JPMORGAN CHASE & CO               | 03/31/2020 | 15,594,568  | 279,250         | 1.823%     | \$623,939         |
| BLACKROCK INC.                    | 03/31/2020 | 10,824,637  | -20,491         | -0.189%    | \$433,094         |





# JP Morgan financing the Permian Climate bomb



# **Part III**

# **State Government's active promotion of Oil and Gas**



# Top Highlights

1. 97% of “Violations” issued by the Texas Commission on Environmental Quality do not result in fines or punishment because of loopholes. (Report: [Illegal Air Pollution in TX](#) - Environment Texas)
2. 84% of flares in Texas are not register, monitored, or regulated by the Texas Railroad Commission. Their data is wildly inaccurate (Report: [Flaring in Texas](#) - Earthworks)
3. 2015 “Ban on Banning Fracking” TX State Legislature, Denton.
4. [2021’s “Gas Discrimination” bill](#). HB17/SB13 “Cooking with gas” propaganda campaign



# Important for Architects: “Gas Discrimination” propaganda campaign



# Part IV

# Youth and frontline leadership



# People vs Fossil Fuels action in DC

- Thousands protested and marched in DC to urge Biden to use his authority to address the climate
- Over 655 protesters arrested in civil disobedience
- Frontline perspectives and voices from Texas to Louisiana to Pennsylvania to New Mexico to indigenous communities
- A main message: NO MORE SACRIFICE ZONES and “false climate solutions



# Frontline communities fight gas plants in El Paso

- Montana Vista fights in 2015
- [Newman 6](#) fight in 2020-current
- The power of outlining and highlighting “sacrifice zones” imposed by fossil fuel industry



# Sunrise Youth's current Hunger Strike

- Eight youth organizers are participating in a hunger strike to pressure Joe Biden to take leadership and pressuring Joe Manchin to stop being an obstructionist
- Moral authority of youth voices





# Sunrise Youth's El Paso Electric Fights

- Youth voices in El Paso have led the fight against
  - JP Morgan buying out El Paso Electric
  - Newman 6 gas plant
  - El Paso Electric's lack of democracy

