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# Exclusive: How the Sierra Club Took Millions From the Natural Gas Industry—and Why They Stopped [UPDATE]

By **BRYAN WALSH** | [@bryanrwalsh](#) | February 2, 2012 | 21

NATIONAL GEOGRAPHIC / GETTY IMAGES NEWS

*A natural gas drilling rig in Wyoming*

Mainstream environmental groups have struggled to find the right line on shale natural gas and the hydraulic fracturing or fracking process. Gas **has a much smaller** carbon footprint than coal—according to most scientists—and produces far fewer air pollutants. That was enough for many major green groups to **give support to gas as a “bridge fuel”** to a cleaner energy future—the next best domestic alternative to coal as an electricity source while alternatives like wind and solar scaled up. But for grassroots members of those groups—especially in parts of the country where fracking was already underway—the risk of local pollution wasn’t worth the national and global climate benefits of greater gas consumption, especially as media and scientific attention on the potential threats to water supplies grew. It was a major challenge for environmental leaders: how to balance local concerns about traditional pollution with planet-sized worries over climate change, and how to work with corporate America without being seen as selling out.

Now the biggest and oldest environmental group in the U.S. finds itself caught on the horns of that dilemma. TIME has learned that between 2007 and 2010 the Sierra Club accepted over \$25 million in donations from the gas industry, mostly from Aubrey McClendon, CEO of Chesapeake Energy—one of the biggest gas drilling companies in the U.S. and a firm heavily involved in fracking—to help fund the Club’s **Beyond Coal campaign**. Though the group ended its relationship with Chesapeake in 2010—and the Club says it turned its back on an additional \$30 million in promised donations—the news raises concerns about influence industry may have had on the Sierra Club’s independence and its support of natural gas in the past. It’s also sure to anger ordinary members **who’ve been uneasy** about the Club’s relationship with corporations. “The chapter groups and volunteers depend on the Club to have their back as they fight pollution from any industry, and we need

to be unrestrained in our advocacy,” Michael Brune, the Sierra Club’s executive director since 2010, told me. “The first rule of advocacy is that you shouldn’t take money from industries and companies you’re trying to change.”

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The news of the gas industry donation—which had been kept anonymous until now, as many of Club’s gifts from individuals and corporations are—is particularly worrisome for the Sierra Club because its former executive director Carl Pope had been vocal in supporting natural gas as an alternative to coal. Pope—a lifelong Sierra Club staffer who served as executive director and then chairman before stepping down late last year—accompanied Chesapeake’s McClendon in 2009 **on trips promoting the benefits of natural gas** over coal, even as millions of dollars of McClendon’s money was flowing to Sierra Club anonymously. (Pope didn’t respond to email requests for comment.) In early 2008 Pope told the industry publication *Oil & Gas Investor*:

Use renewables as much as we can. Natural **gas** is the next-cleanest fuel, then we have oil and then we have coal... We’re trying to make sure that we innovatively and creatively use whatever fuel we burn (and) that we rely primarily on the fuels that are the cleanest... And, among the fossil fuels, natural gas is at the top.

It’s worth noting that Pope was hardly alone among environmental leaders at the time in seeing gas as a good alternative in the larger climate fight against coal. Environmentalist Robert F. Kennedy Jr. **wrote in 2009** that “the giant advantage of a quick conversion from coal to gas is the quickest route for jump-starting our economy and saving our planet,” and that while gas had environmental caveats, “those impacts are dwarfed by the disastrous holocaust of coal and can be mitigated by careful regulation.” At the time, fracking wasn’t really on the environmental radar.

But as fracking intensified and coverage of the possible environmental impacts of drilling expanded, the gap between grassroots members and the national environmental leadership grew. People in Pennsylvania or New York state who worried—rightly or wrongly—whether their water was safe to drink weren’t pacified by the fact that gas doing less damage to the climate and the air than coal. “There was a lot of grassroots sensitivity on this at the local level,” says Brune—and they made their concerns known.

At the same time the tenor of environmental politics was changing. At the end of the Bush years and the beginning of Obama’s term, mainstream environmental groups **reached out to big corporations** as never before, creating partnerships. The hope was to make industry greener from within—rather than always confronting corporations from the outside—and build a powerful political coalition that could push through major climate legislation. But that effort finally floundered in 2010 when the Senate **failed to act on the climate bill**, while mainstream green groups came under attack for being too close to corporations—including the Sierra Club, **which received flak** for inking a \$1.3 million deal in 2008 with Clorox to endorse the company’s **Green Works** brand of environmentally-friendly cleaning products.

It was during that transition that the Sierra Club **brought in Brune** at the beginning of 2010 to serve as the new executive director. (Pope became chairman.) Brune came from the much more confrontational Rainforest Action Network—known for its direct protest and acts of civil disobedience—and he says that when he discovered the natural gas donation, he knew it risked tainting the organization. According to a Sierra Club memo in August 2010, a few months after Brune took over, he recommended to the board that the Club break financial ties with Chesapeake immediately, refusing the additional \$30 million that he now says had been verbally promised to the group. Brune wrote:

The size and secrecy of surrounding CHK’s [Chesapeake] gifts has prevented us from having an open and candid relationship with our supporters. It’s vital that we act with integrity.

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Financially, the decision was tough, especially since it came at a time when **donations have been hard to come by** for NGOs, and the club had to pare back on staff without the money. But the Sierra Club board ultimately agreed, as board chairman Robin Mann wrote in a memo in September 2010:

The Club continues to view natural gas as a flawed but necessary transition fuel to a clean energy future powered by wind, solar and other truly clean energy sources. That’s all the more reason that we must even more aggressively push for strong state and federal regulations. To succeed in those efforts, there can be no question of our independence. We can no longer accept donations from companies or individuals involved in the natural gas industry.

Brune says that the gift came with no strings attached, and that the money didn't push the Club to promote natural gas or downplay its potential environmental impacts. But he also knows that even if that is true, it's besides the point. The damage was already done. "The [additional] money would have been a quarter of our budget for an entire year," he says. "It wasn't just a throwaway check. But there were clear reasons why we needed to do that."

For its part, Chesapeake says the decision to end the funding was mutual. Company spokesperson Jim Gipson told me:

Back in 2007, Chesapeake and the Sierra Club had a shared interest in moving our nation toward a clean energy future based on the expanded use of natural gas, especially in the power sector. We mutually agreed in 2010 to end our funding.

Over the years, Chesapeake has been proud to support a number of organizations that share our interest in clean air and agree that America's abundant supplies of clean natural gas represent the most affordable, available and scalable fuel to power a more prosperous and environmentally responsible future for our country.

For his part, Brune says the decision was made by Sierra alone. It does raise the question of why—more than a year and a half after the decision to cut financial ties with the gas industry was made—Brune is talking about this so urgently now. He says that he's concerned by the prominence that natural gas and oil drilling received in President Obama's recent State of the Union speech, when Obama **said that gas drilling** would "create jobs and power trucks and factories that are cleaner and cheaper, proving that we don't have to choose between our environment and our economy." Brune isn't convinced. "The Club needs to come out strong and clear and advocate more fiercely to use as little gas as possible," he says. "We're not going to mute our voice on this."

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Still, Brune knows that the Club will take a PR hit now that the news of the Chesapeake money is out—and that ordinary members may feel betrayed. "I didn't sleep that well last night," he admits. For now the Sierra Club will keep pushing forward with its Beyond Coal campaign—which was bolstered by a (not anonymous) **\$50 million gift** from New York Mayor Michael Bloomberg last year—and will intensify its work on natural gas, standing with other environmental groups to call for much tougher regulation of shale gas drilling and fracking. That's likely to lead to a more confrontational posture than the one Brune's predecessor took—he's already made it clear that the deal with Clorox won't be renewed. "It doesn't mean that there won't be relationships with corporations," says Brune. "But there will be that sensitivity to grassroots concerns."

Between Occupy Wall Street and the Keystone protests, this isn't the best time for any environmental group to trumpet its corporate ties. And Brune is right that both the size—and more importantly, the secrecy—of the gift would have made it impossible to see the Sierra Club as an honest broker on natural gas, just as environmentalists criticize politicians **who take fossil fuel money**. Still, I wouldn't give up on seeking cooperation with industry on these issues, just as I wouldn't give up on natural gas as a better and cleaner alternative to coal in the short term, provided it's well regulated. It feels good and righteous to be among the grassroots, but a threat as vast as climate change needs bigger solutions, as Pope himself told the *Los Angeles Times* when he stepped down **late last year**:

I'm a big-tent guy. We're not going to save the world if we rely only on those who agree with the Sierra Club. There aren't enough of them. My aim is getting it right for the long term. I can't get anything accomplished if people think: 'This guy is not an honest broker. He's with the Sierra Club.'

The Sierra Club took a step towards honesty. The question may be whether it can still be that kind of broker—or whether it still wants to be.

**Update (6:46 PM 2/02/12):** In response to the TIME piece, Brune **posted a message** on the Sierra Club blog explaining the decisions on the Chesapeake donations:

It's time to stop thinking of natural gas as a "kinder, gentler" energy source. What's more, we do not have an effective regulatory system in this country to address the risks that gas drilling poses on our health and communities. The scope of the problems from under-regulated drilling, as well as a clearer understanding of the total carbon pollution that results from both drilling and burning gas, have made it plain that, as we phase out coal, we need to leapfrog over gas whenever possible in favor of truly clean energy. Instead of rushing to see how

quickly we can extract natural gas, we should be focusing on how to be sure we are using less — and safeguarding our health and environment in the meantime.

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