

Biden Administration Takes on Big Oil: Pushes for State Courts to Handle Climate Cases



The Biden administration has urged the U.S. Supreme Court to reject a petition by ExxonMobil Corp and Suncor Energy Inc. to move a climate change lawsuit filed by several Colorado municipalities to federal court. The administration argued that the case alleges the companies exacerbated climate change belongs in state court, which is generally more favorable to the plaintiffs.

The lawsuit, filed by the municipalities in Colorado state court, accuses ExxonMobil and Suncor of concealing and misrepresenting the dangers of burning fossil fuels. The companies have denied the allegations and argued that the case raises federal questions, despite the municipalities only raising state law claims.

The case is one of roughly two dozen lawsuits filed by states and municipalities against major oil companies, including Honolulu, Baltimore, and the states of Rhode Island and Delaware, alleging that they contributed to climate change. The venue question has been a critical point of contention in these cases, with plaintiffs preferring state courts, which are more likely to rule in their favor. At the same time, defendants argue that federal courts have jurisdiction over the cases.

In February 2022, the Denver-based 10th U.S. Circuit Court of Appeals ruled that the Colorado lawsuit should be heard in state court, and the Biden administration has urged the Supreme Court to uphold that ruling. The appeals court concluded that no grounds cited by the companies to change the venue supported giving federal courts jurisdiction.

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The Colorado lawsuit is just one of many recent cases filed by states and municipalities against major oil companies. In addition to alleging that the companies contributed to climate change, the lawsuits also seek to hold them accountable for the costs associated with adapting to a changing climate, such as rising sea levels and more severe weather events.

The oil companies have vigorously defended themselves against the lawsuits, arguing that the cases are without merit and that they are being unfairly targeted. They have also questioned whether the courts are appropriate for addressing climate change, arguing that the issue is better left to the political process.

The outcome of these cases could have significant implications for the future of the fossil fuel industry and efforts to address climate change. If courts ultimately hold oil companies responsible for the costs associated with climate change, it could lead to significant financial damages and force the companies to change their business practices.

In addition to the legal challenges, major oil companies face increasing pressure from activists, investors, and governments to reduce their carbon footprint and shift towards cleaner energy sources. Many companies have announced plans to invest in renewable energy and reduce emissions. Still, critics argue that these efforts are insufficient to address the scale of the climate crisis.