

ARGUMENTS IN FAVOR OF MEASURES A&B BY TODD COLLART May 18, 2022

My background - I am writing to urge you to VOTE YES on Measures A & B during the coming June election. My remarks are based on my 35 years in the County Planning Division where I conducted environmental assessments of oil drilling projects, processed oil permits, wrote Zoning Ordinance regulations for oil and gas operations, developed standardized permit conditions for them that were approved by the Board of Supervisors, and oversaw reviews of petroleum operations for compliance with the Zoning Ordinance and the applicable permit conditions. I was on several City Commissions before being elected to City Council and Deputy Mayor in the early 1990s. I have been a League member since the 1980s.

Information Sources - The figures cited for numbers of permits and wells come from the vcsafe.org website and were drawn from data in County files and State records. To my knowledge the oil industry opposition has not disputed these numbers. You are urged to review the vcsafe.org website to see maps and charts that illustrate the issue. If you want to support the YES campaign forward this informational letter to your friends and pick up a YES yard sign by going to: <https://vcsafe.org/yard-signs>

History of Measures A & B – On November 10, 2020 the Ventura County Board of Supervisors adopted changes (amendments) to the County's Coastal and Non-Coastal Zoning Ordinances. These amendments required all new oil and gas wells (and their ancillary equipment and facilities) proposed on old (pre-1970) permits to comply with modern environmental review processes and regulatory standards. The industry already adheres to these modern provisions when operating wells under modern permits (post-1970).

The oil industry immediately challenged the Supervisors' actions by paying signature gatherers to put the Measures A&B on the June ballot as a referendum. Voting YES on the Measures validates and upholds the Supervisors' actions requiring that **all** new petroleum operations adhere to modern provisions (post-1970). Voting NO invalidates the requirement that **all** new petroleum operations meet the same modern provisions. The industry has so far raised \$6,500,000 to defeat these measures - \$5,000,000 from Chevron and \$1,500,000 from Aera Energy which is a consortium of Shell and Exxon Mobil (Ventura STAR 3-3-22).

Two Classes of Permits – 1) There are hundreds of “Old” oil permits approved before the 1970s (some from the 1930s) when there was no environmental review, and regulatory standards in the Zoning Ordinance were very limited; and **2)** “modern” permits (post 1970s) when environmental reviews were required under the California Environmental Quality Act (CEQA) and more comprehensive operating regulations were imposed by the Zoning Ordinance and supplemented by specific operating conditions in each oil permit to address site-specific circumstances. It should also be noted that oil wells have been drilled in the County since the late 1860s (Wikipedia) many with little or no regulatory oversight.

The upshot of the present two-tier permit system is that petroleum companies do not compete on an equal footing, and regulatory deficiencies in old oil permits will continue if Measures A&B do not pass.

Differences Between Old and Modern Oil Permits – Old permits:

- Do not allow for an environmental assessment of potential impacts from proposed new wells and related infrastructure.
- Are hundreds of acres or more in area and collectively cover 127,000 acres. Modern permits are very limited in size, usually a few acres.
- Allow an unlimited number of new wells to be drilled anywhere within their boundaries, an expansive 127,000 acres in total. Modern permits are limited to one or a few wells on small specifically identified locations.
- Have no time limits, whereas modern permits are generally limited to 50 or fewer years.
- Have operating standards that are very general and limited in scope. Modern permits have an array of conditions that address numerous site-specific issues.
- Usually require only one \$10,000 bond to cover site remediation for all wells in the permit area. Modern permits generally have at least this amount required for each well that is drilled.

The BIG LIE STRATEGY – Since early April the oil industry has mounted a disinformation campaign of lies and unsubstantiated claims across all media platforms (print media, internet, as well as mailed and distributed fliers). Recent reports suggest the industry is paying hired-hands \$28 per hour to spread its false claims. Perhaps you can wrangle such a job.

If you have watched the recent three-part PBS Frontline series (late April-early May) you are aware that the oil industry used the **BIG LIE STRATEGY** to defeat early Climate Change legislation. It claimed Climate Change was not real, or misunderstood; EVEN though its own scientists, in the late 1970s, were among the first in the world to identify that the use of fossil fuels was creating global warming that would lead to Climate Change. The same **BIG LIE STRATEGY** was also used to blunt any limits on plastics production by claiming they could be recycled when in fact less than 10% are recycled (LA Times 4-29-22).

The petroleum industry is once again using the same **BIG LIE STRATEGY** in its \$6.5 million campaign against Measures A & B. Below are some of the lies (in quotes) from industry fliers delivered to county households with my counter arguments. If you read any of the NO fliers and op-ed pieces, you will not find facts cited or claims substantiated. You will only find bald assertions. These are repeated verbatim in each flier and by citizen supporters in letters to the editor in news outlets.

1. “Measures A & B **threaten to shut down** existing local oil and natural gas production in Ventura County” - **BUT:**
 - There are 3,843 existing wells operating under old and modern permits. The Measures only apply to new wells and related equipment drilled under old (pre-1970s) permits. There is no attempt to shut down existing wells and related equipment. Therefore, there could be no “Shut Down”.
 - Sec. 8107-5.2a of Measure A (same applicable language is in B) says “...application of such standards does not impair any vested right of an operator under California law.” The “Impartial Analysis (of the measures) by County Counsel” in the Voter Information Guide (page VE 001-029 says, “Also, all existing oil and gas operations would be subject to the oil development operational standards set forth in the ordinance to the extent that such standards would impose greater restrictions than those set forth in existing permit conditions, laws or regulations applicable to the operation and **that application of the standards would not impair any vested right of an operator under California law.**” Therefore, a “Shut Down” of the industry would be impossible without violating its vested rights, which are protected under State law.

- “In September (2021), after years of grassroots lobbying, the Los Angeles County Board of Supervisors voted to ban new drilling and phase out existing wells in the unincorporated parts of Los Angeles County. The City of Los Angeles passed a similar motion in January (2022).” (New Yorker Magazine March 3, 2022). These actions in the adjoining county are what a real “Shut Down” looks like. That is not happening in Ventura County; Measures A&B do no such thing.
- Oil operators displaced from LA County and City are likely to move into Ventura County and pursue their interests under modern provisions, if necessary. They will keep the local energy industry humming, even if the local operators believe it has been “Shut Down”.
- The industry already functions productively and profitably under modern permits that are subject to the same standards that A & B mandate for new wells under old permits. When these modern provisions took effect after the 1970s there was no “Shut Down” of the industry, so why should one be expected now with the expansion of modern provisions to old permits?
- When asked on multiple occasions to identify any oil drilling requests that have been denied under the modern standards, the “NO” spokesperson (Mr. Ben Oakley) has been unable to name one. A YES supporter recently pointed out that 10 new permits were issued under the modern provisions along with many more issued for wells drilled on pre-1970 permits. Her report was not disputed by Mr. Oakley. Therefore, the imposition of modern provisions has not led to a “Shut Down” of the energy industry.
- The oil industry is raking in record profits while operating under modern provisions, and it seems unlikely that creating one uniform set of modern standards for all new wells in Ventura County would change this.

2. “Raise energy prices” - BUT:

- Measures A&B **DO NOT** reduce current oil production in the County, and oil operators continue to acquire new permits for oil drilling and production under provisions like those promoted by A&B. Therefore, there is no link between rising energy prices and the Measures, nor will there be.
- Petroleum prices are set on the world market, not on the limited production volumes from Ventura County where oil will continue to flow.
- The 53.7% of the price of Gasoline is due to oil costs (US Energy Information Administration, via San Diego KGTV, Derek Staahl, 3-28-22). The remaining costs are associated with refining, transportation, taxes, marketing and sales. Therefore, gasoline prices will not decline until oil prices do, and oil costs are based on world demand.
- According to Wikipedia, the Oil corporations opposing A&B are vertically integrated, meaning they produce the oil, refine it into gasoline, and sell it through their gas stations. The oil corporations control the costs of gasoline from top to bottom and so are at the heart of high gas prices, not Measures A&B.
- The war in Ukraine has set off higher oil prices and gasoline prices with the sidelining of Russian oil on the market. Events in Ventura County will not change this situation, particularly since Measures A&B do not shut down production.
- Ventura County's oil is shipped out of the county; it is not refined here into gasoline. So, Ventura production has little influence on local gasoline prices and its production is a fraction of what is produced in the state as a whole - 13,613 bpd compared to 463,000 bpd.
- The oil industry is always free to increase production in Ventura County or elsewhere to help reduce prices worldwide, but that is not in its interests because doing so would reduce its current high profits.

- The industry could halt its oil and gas exports and redirect them to domestic US consumption. This would increase oil volumes in the US and reduce prices of fuel.
- Congress banned domestic oils exports in 1975 and lifted the ban in 2015 at the urging of the oil industry because it was producing so much oil and gas (due to Fracking). Should Congress restore the ban until oil prices (and fuel prices) decline significantly? Will the oil industry support such an action?
- Measures A & B are not in effect, and yet some people have argued that they are already causing fuel prices to rise. This illustrates how the industry's disinformation campaign has so confused voters.
- President Biden has released 1,000,000 barrels of oil per day from the Federal "Strategic Petroleum Reserve". According ShaleXP.com Ventura County produced 422,000 barrels of oil in all of January 2022 (13,613 Barrels per day). 463,000 barrels are produced in the state each day (Californians for Energy Independence). The President's action has not reduced gas pump prices significantly, so any theoretical loss of Ventura County's future oil production would not reduce fuel prices either.

3. **"Increase our dependence on costly unstable foreign oil" - BUT:**

- As long as we are dependent on oil rather than renewable energy, we will be subject to the ups and downs of the world oil market often controlled by foreign dictatorships and the cartels they belong to.
- If this were an important issue to the industry it could increase production from its existing Ventura County wells or from fields elsewhere in the US to minimize foreign oil imports.
- The US is an exporter of oil and gas. Why does the industry not stop exporting oil and reserve it for US consumption? It fought hard to lift previous export bans, but should oil export bans be re-instated?

- The industry is sitting on 9000 unused, but approved permits for production (CNBC Thomas Franck 3-31-22). Why not produce oil from these existing permits?
- If Measures A&B are approved, will the local oil industry actively reduce production just to prove a “Shut Down” was under way?

4. “Measures A and B, if passed, will increase reliance on foreign oil produced in countries that do not share California’s environmental and social values”

- Other US states (and countries) have lower environmental standards than California, but why couldn’t oil corporations who operate in them AND oppose Measures A&B voluntarily operate under more environmentally friendly standards?
- According to Wikipedia the corporations opposing A&B because the measures will require oil imports from that do not share California’s environmental or social values produce oil from such places and do so with their own poor environmental and social/political records:
Chevron: Angola, Nigeria, Kazakhstan
Shell: Brunei, China, Egypt, Ghana, Niger, Nigeria, Pakistan, Philippines, Russia (pre-Ukraine war)
Exxon Mobil: Angola, Chad, Iraq, Kazakhstan, Nigeria, Qatar, Russia, United Arab Emirates

5. “Cut tens of millions in tax revenues for vital public services” - BUT:

- Since there is no “Shut down” of the oil industry, these tax revenues would not be cut. Production is not curtailed by Measures A & B, so neither would tax revenues. Overall production from Ventura County fields will nevertheless continue to decline due to over 100 years of extraction.
- Being able to regulate oil and gas drilling and production sensibly with modern standards provides a “vital public health and safety service” to businesses and residents who also pay taxes.

6. “Risk more than 2,000 jobs that support working families”. BUT:

- Since there is no “Shut down” of the industry the existing workforce will still need to be employed to keep 3843 wells operating. If

anything, compliance with modern regulations that protect the public's health and safety on ALL new wells might require additional industry jobs.

- One measure of jobs in the oil **and** mining sectors put the 2019 job numbers at 854, much lower than 2,000 (April 2019 Ventura County Comprehensive Economic Development Strategy by the Economic Development Collaborative study, p.6). The oil industry has not provided any independent source for its 2,000 figure.
- Whatever the employment numbers are, is it appropriate to put the employment of oil industry workers above the health and safety of the rest of the county's population and the environment? A&B provides health and safety, and environmental protections while doing nothing to diminish existing or future industry employment.

7. "Ventura County energy companies produce the most **environmentally responsible** oil in the world" - **BUT:**

- To act responsibly the industry must understand what environmental impacts its new operations could have. The Old permits under which new wells can be drilled do not allow for any environmental assessment of a proposed operation. Consequently, there is no way to impose operating measures to mitigate unknown impacts. Measures A & B require environmental assessments that is now pre-empted under the archaic old permits.
- The industry claims it is already regulated by some 20 different agencies and additional local regulation is unnecessary. If these other agencies were doing their job, why are there ruptured oil pipelines spewing oil onto beaches and down barrancas, fires, methane leaks that contribute to global warming, petroleum contamination in ground water aquifers and water wells, and abandoned oil fields the public has to clean up because oil operators declared bankruptcy? We need local oversight to ensure the health and safety of our residents, and the environment is protected. The Supervisors invoked their power to do this, but the "environmentally responsible" oil industry does not want this to happen. Why?

- Since a significant portion of the industry's oil and gas drilling and production is conducted under modern standards (post-1970s), perhaps this is why it claims to produce "environmentally responsible oil".
- If the industry is so environmentally responsible, why is it bitterly fighting the application of modern provisions on new wells drilled under old permits when it already complies with such standards on other existing operations? What does it have to hide?
- If the industry is so environmentally responsible, why is it spending \$6.5 million opposing modern environmental standards when that money could be used to:
 - Prove it can sequester CO₂, a green house gas causing Global Warming and Climate Change.
 - Clean up orphan oil facilities so the public does not have to do it.
 - Provide subsidies to County residents for high fuel costs.
 - Use its expertise to work with universities on experimental energy storage options such as compressed air stored underground that drives turbines to produce electricity (USC Viterbei school of engineering), geo-thermal power generation, mechanical storage of kinetic energy, etc.
 - Revamp their business model to get out of the petroleum business and into the broader energy business – a formal strategy some oil companies once held.
 - Re-train oilfield workers who must find other work as oil production continues its decades-long decline.

8. "Local politicians aiming to grab power and shut down local energy production" – BUT

- Nothing in the A&B language shuts down energy production.
- The Board of Supervisors adopted modern permit processing procedures and standards in the 1970s and 1980s. Their latest action (A&B) is not a new "power grab" but an expansion of sensible modern provisions to old pre-1970s permits covering 127,000 acres of the County.

- A&B expand the application of modern provisions to old Conditional Use Permits approved decades ago. They ONLY apply when a new well or related appurtenances are requested, or when wells are re-drilled or deepened (that can produce the same impacts as the initial drilling). They “...do not apply to maintenance and repair of activities” or new structures replacing existing ones with the same dimensions. (See Sec. 8107-5.2c).
- The Supervisors are Ventura County residents’ elected representatives. They were doing their job when they adopted Measures A&B. The oil industry hired paid signature gathers to reverse the decision by the public’s elected officials, and the industry is spending \$6.5 million to impose its will on County residents. **That IS a power grab** by unelected corporations!

9. “...Controversial 2040 General Plan policies that restrict local oil production...result in a de facto ban on new local oil production.” - BUT

- The unnamed policies may relate to increased setback distances of oil wells from residences and schools. The increased setbacks were approved for documented public health reasons, not to de facto ban new oil production.
- State regulators are considering adopting setbacks of up to 3200’, which is greater than the General Plan Standards of 2500’
- At what point does public health become subordinate to oil production and corporate profits?
- There are 127,000 acres of Old oil permits spread across the county. Homes are not spread around the county in such a way that the 2500’ setback standard would cover all this permit acreage. As for new permits, slant/directional drilling techniques should allow access to oil from locations that meet the setback standard.

10. “Strip oversight of local energy production from county, state and federal agency experts and instead allow partisan politicians the new right to approve and deny permits at will” – BUT

- Measures A&B do not strip oversight rights from other agencies and the oil industry does cite any such provisions.

- The County cannot strip powers held by the state for federal regulatory agencies.
- The County can add supplemental requirements that are more stringent, unless higher powers pre-empt such actions. For example, the County can dictate the location of a drilling pad to minimize impacts given local site conditions; it cannot dictate how an oil company installs steel oil casings in a well.
- If all the existing regulatory agencies are doing what is expected of them, why are pipelines leaking and continue to do so because they do not have automatic shut off valves to stop leaks? (Huntington Beach off-shore pipeline; Gaviota leak that polluted State Beach Parks; Hall canyon leak into Prince Barranca near Ventura High School). Why must farmers discover petroleum constituents in their water wells instead of some agency that should be monitoring water wells around oil wells to track such contamination. The local Air Pollution Control District monitors air pollution from oil operations, but it is not given authority to monitor and control Methane gas – an extremely potent green house gas that causes global warming.
- Local government has the authority to monitor and regulate impacts from the oil industry and should do so when other agencies are not protecting citizens' health and safety, or the environment.

11. “Add red tape, delays, politics, and legal challenges to existing local oil and gas production” - BUT

- Measures A&B only affect new wells and related equipment; they do **NOT** affect “existing” production.
- Legal challenges have been mounted against the oil industry when it has violated rules and regulations or evaded common sense modern provisions. Having responsible rules in place and followed tends to insulate the industry from lawsuits.
- Does the industry's reference to lawsuits suggest that if the referendum it paid for fails that it will ignore the public's wishes and

bring new lawsuits against the county? It already has 11 suits pending (STAR 10-6-22).

- Has the industry met with County Planning Division staff to discuss the actual implications of A&B using real case examples. This would clarify how A&B would be applied and perhaps alleviate industry concerns.

Approving A & B does nothing more than create uniform processes and regulations for **ALL** new oil and gas wells being drilled regardless of any existing permit. It puts all petroleum companies on an equal regulatory footing so companies operating under old permits do not have any advantage. It does not change the permitting processes or regulations for new wells covered by modern (post 1970s) permits.

Why are modern processes and regulations important? They allow local government to protect the interests of its citizens by addressing industry impacts that occur regularly:

- We do not know what we do not know because new wells drilled under old permits are not subject to any environmental assessment, like new wells drilled elsewhere. Without such assessments potential impacts cannot be revealed and addressed. They would normally be addressed with project-specific permit conditions, but since existing old permits allow unlimited drilling without being formally modified, new pertinent permit conditions cannot be applied.
- When other State and Federal agencies are unable to protect local interests, the County has the authority to take some limited actions to address the following shortcomings:
 - Bankruptcies by oil companies leave the clean-up of their operations to the taxpayers. The State collects funds for such occasions, but studies show the funds are insufficient. A case in point is Veneco Petroleum whose operations along the Rincon had to be cleaned up by the State at a cost of millions of dollars. The old permit it operated under likely only had a \$10,000 bond to help cover such expenses. The County could insist on greater monetary sureties for new wells in old permit areas.

- Oil pipeline leaks occur too often despite supposed safety measures. It appears automatic shut off valves were not employed in many instances. The County could require such devices consistently.
- On-going Groundwater monitoring around petroleum wells could be required to check for migration of petroleum contaminants into aquifers used by farmers and urban users. In 2020 petroleum contamination was found in an ag well by a farmer, and in 2010 when oil contaminated an ag well and crops watered from that well had to be destroyed.

According to professor emeritus Anthony Ingraffea, Ph.D., P.E. of Cornell University 60% of all wells fail in 28 years and 5% fail immediately. There is generally limited pre-emptive monitoring of down-hole conditions so pro-active measures can be taken. Monitoring could be required where applicable so water well owners are not the first ones sounding the alarm when their wells are contaminated. There are 3843 active wells and 4354 “abandoned” wells. Some 1530 wells (old and new) were drilled near or through aquifers. It is too late to require monitoring of these wells.

- Methane gas is invariably produced with Petroleum wells. Methane is many times more potent than CO₂ as a global-warming green house gas, so its capture and treatment is important. Flaring it creates other green house gases such as CO₂, so it is important to pipe it to facilities where it can be used commercially by the Gas Co. (where it is subsequently burned by customers). Leaks of methane from wells still occur, particularly from active and idle wells that have not been capped and sealed. Modern regulations could require effective on-going monitoring and mitigation of methane gas emissions.
- Truck traffic to and from drill sites is unavoidable, but shipping materials off-site by pipelines vs. tanker trucks can eliminate many truck trips that add air pollutants and congestion on rural roads.
- ETC All drill sites are different and ideally should have site- specific conditions applied to operations to manage such impacts not

otherwise regulated such as: noise, light, glare, dust, hours of operation, visual unsightliness, odors...

- Local issues of concern call out for monitoring and mitigation
 - Water supply in drought times is critical, particularly since the northern tier of cities rely on local supplies and not imported water.
 - Water recycling is paramount and Cities are investing tens of millions of dollars into wastewater recycling systems (that consumers are paying for) to ensure adequate supplies of high quality water for their residents. This is increasingly important in our persistent drought. These new “Pure” systems depend on using underground aquifers to cleanse and store on-going recycled water supplies. Therefore, it is vitally important to monitor and manage our aquifers when pierced by oil and gas wells.
 - Drought is upon us and Ventura County was noted in the April 14th Reporter newspaper as being the fastest warming county in the nation. Associated with this dubious distinction is that the past 20 years have been the driest in the past 2,000 years. Drought severely limits local water supplies. Some oil production processes use large amounts of water. The County should be able to insist on the most efficient water use possible and the use of recycled non-potable water when feasible so there are adequate supplies for residential and agricultural uses (a \$2 billion a year industry with more than 2,000 workers).
 - Public health - Oil and gas operations often impact disadvantaged communities more than others. Higher levels of respiratory ailments, such as asthma, are associated with nearby Oil operations. This is why the State is considering oil well setbacks from residences in excess of 2500 feet. The Ventura Avenue community is a prime example of oil operations intermixed with residential uses. Maps on the vcsafe.org website show active wells in or around many of the cities in the County.
 - Intensifying oil operations - Oil operators displaced from LA County and City will likely move into Ventura County and pursue their

interests under old permits whenever possible. Existing operators on old permits can sub-lease land under old permits to their brethren from the LA Basin without any governmental approval. More unregulated wells in the County is a strong reason to vote YES on Measures A&B.