

POLITICO California Pro: Newsom fires top oil regulator after industry ties exposed

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Gov. Gavin Newsom fired the head of the state's oil and gas regulatory agency after learning that the rate of drilling permits had accelerated while regulators held stock in petroleum companies. AP Photo/Richard Vogel

SACRAMENTO — Gov. Gavin Newsom Thursday fired the head of the state's oil and gas regulatory agency after watchdog groups revealed that agency officials have accelerated the rate of drilling permits while holding stock in petroleum companies.

Newsom's chief of staff, Ann O'Leary, told Natural Resources Secretary Wade Crowfoot in an email Thursday afternoon to fire Division of Oil, Gas, and Geothermal Resources head Ken Harris. She also told Crowfoot to continue an investigation into whether employees have stock in energy companies, and to ensure that other DOGGR employees and contractors who own stock in oil or gas companies recuse themselves from permitting and oversight decisions until the department comes up with new conflict-of-interest rules.

As first reported by The Desert Sun, Newsom ordered the firing after the newspaper reported on Consumer Watchdog and FracTracker Alliance's finding that the pace of permitting for hydraulic fracturing had more than doubled since Newsom took office.

The groups also found that one of DOGGR's top officials, David Gutierrez, held up to \$100,000 worth of stock in Exxon Mobil, whose subsidiary Aera Energy has received 448 drilling permits this year. Seven other DOGGR officials also own stock in companies they regulate, according to the groups' investigation.

Newsom, who said on the campaign trail that he supported a ban on fracking, wasn't aware that permits had increased under his administration, O'Leary said.

"The Governor has long held concerns about fracking and its impacts on Californians and our environment, and knows that ultimately California and our

global partners will need to transition away from oil and gas extraction," she said in the email. "In the weeks ahead, our office will work with you to find new leadership of DOGGR that share this point of view and can run the division accordingly."

Newsom's move won quick praise from environmental groups.

"California finally has a governor willing to take on the dirty and dangerous oil industry," said Kassie Siegel, director of the Center for Biological Diversity's Climate Law Institute, in a statement. "Overhauling this broken agency and bringing it into alignment with the state's climate goals is a great first step toward a cleaner future."

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