Oil drillers win OK for 40,500 new wells, but major farmer vows to sue

Janet Wilson | Palm Springs Desert Sun

Kern County supervisors on Monday night, over the objections of farmers and environmentalists, gave upfront, blanket environmental approval for 40,500 new oil and gas wells in the county via a single, supplemental environmental impact report and a related ordinance.

The vote allows oil producers to streamline normally lengthy reviews necessary to gauge the impact of each new project on a laundry list of issues including air quality, drinking water and wildlife.

The unique measures, developed with the state's leading oil lobbyists and backed by organized labor, augment similar approvals that were **thrown out by a state appeals court** last March.

After listening to more than 250 comments, many phoned in by opponents outside of Kern County, the supervisors, who ultimately gave the plan the go ahead in a 5-0 vote, dismissed objections as "ridiculous" and "patronizing" in some cases. The panel said they were proud of what they called the nation's toughest oil and gas regulations.

"Bottom line, this county runs on oil, and we're the best at what we do here," said board Chairman Phillip Peters.

He added that while he appreciated arguments about the need for transitioning to cleaner fuels in the future, "You can't ignore the present. The world still runs on oil. And it is giving the people of Kern County an opportunity to succeed, to make a better life."

Peters' colleagues agreed, saying the measures would add to valuable fees for clean air and water programs and other services. They believe the county's oil is cleaner than crude imported from elsewhere.

"Why would you want to trade domestically produced oil where we can realize all these benefits just to import from countries with terrible environmental records and terrible human rights records?" asked Supervisor Zack Scrivener. "This notion that if you stop drilling oil in Kern County then you stop global warming is just ridiculous."

"Today is a day to celebrate," added Supervisor Letitia Perez. "I say Kern County is a model, it has the best, cleanest and most striking regulatory regime for oil and gas in the United States and really the world."

She said that while she appreciates the passion of callers from across Southern California and elsewhere who advocated for renewables, she balked at their "at times patronizing ... concern for the downtrodden people of Kern County."



She countered that Kern County leads the nation in wind and solar energy creation and suggested that the critics focus on pushing their own elected officials to follow that example.

"Part of the soul of Kern County is the oil industry. It is totally enmeshed" here, she added, lauding how it has lifted her Latino constituents and others from the "intergenerational shame and degradation of poverty."

But the measures will likely be challenged again by environmentalists and by members of the Central Valley's other dominant power broker — the agriculture industry.

"This flippant dismissal of farmland impacts is hard to comprehend ... and we will find ourselves right back here again," said Keith Gardiner, whose family has owned King and Gardiner Farms in Bakersfield for 120 years. He successfully sued to block earlier speedy environmental approvals for thousands of more wells.

"The Board of Supervisors' vote to pass this ordinance shows they are willing to turn a blind eye to the chronic health problems, disastrous environmental impacts, and disruptions to already disadvantaged communities of color that adding tens of thousands of new wells would create," said Juan Flores, a Delano resident and a community organizer with the Center on Race, Poverty and the Environment.

"It's inexcusable and shameful, but it's not the end of the road for this movement and our communities to push back. Together, we will work to make sure the legislature understands the gravity of this issue, and pass common sense legislation to right this wrong and get to work building a future here in Kern County that is free from drilling."

His group submitted a petition with 7,000 signatures opposing the EIR and ordinance revisions to the county Planning Commission last month.

The Fifth District Court of Appeals, based in Fresno, ruled last year that the county's 2015 environmental impact report failed to disclose the full extent of drilling's potential harm, in violation of state law known as the California Environmental Quality Act. The panel found that Kern County officials ignored threats to public health from particulate soot, and impacts to drinking and agricultural water supplies, along with other deficiencies.

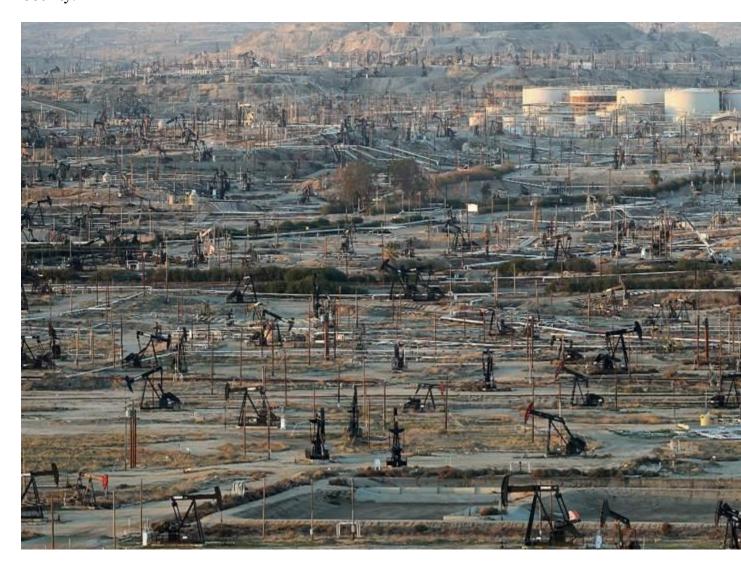
County Planning and Natural Resources Director Lorelei Oviatt said the court had not overturned the central thrust of the law, to provide streamlined permits in seven days, and that "only five parts of the environmental review were ordered to be evaluated. The rest ... is in full compliance with the law."

She outlined changes to address the concerns, including noise reduction plans, no new oil wastewater ponds on farmland, slightly increased mandatory setbacks from homes, schools and major shopping areas in some areas, and reducing the number of new wells allowed per year from about 3,700 new wells to about 2,700. Unused permits also could no longer be carried over to the next year.

In exchange for speedy permits, companies would continue to pay fees for clean air and water projects, which have already generated more than \$136 million for retrofitted school buses, firefighters and other projects.

Western States Petroleum Association President and CEO Catherine Reheis-Boyd, whose organization lobbies for the state's large oil producers, said the measures create

"a comprehensive streamlined permitting system for oil and gas activities in Kern County."



She said the changes were "restrictive and costly," and come atop 87 requirements in the original plan that will remain in effect. "Nevertheless, WSPA strongly supported them, and continues to support them ... In our view, the Oil and Gas Permitting Program has been highly successful, helping to further responsible oil and gas development, while at the same time safeguarding the county's environmental resources."

Rock Zierman, CEO of the California Independent Petroleum Association representing hundreds of smaller oil and gas producers and related businesses, agreed.

"It's been a very heavy lift, but it is a major step forward for environmental protection, for energy security, and economic prosperity in Kern County," he said. "It assures the public that energy is produced here locally under the toughest environmental protections on the planet ... our state demands 1.8 million barrels of oil every day. And if we go away tomorrow, the demand for our product will not."

He said his members support both new and traditional energy, not one or the other.

"No other industry is better poised with the research and development of innovative methods that will significantly lower emissions and potentially permanently remove carbon from our atmosphere," he said.

But Gardiner, the longtime Bakersfield farmer, said the new version was worse than the original because it eliminated conservation of farmlands in exchange for new oil drilling and contained other "huge loopholes."

His attorney said the board had wrongly issued a "statement of overriding considerations" by ignoring economic impacts to multiple farmers, and also refusing to require clean up of junk oil equipment on farmlands, some of it decades old.

"Agriculture is a pillar of Kern County's tax base," said Kevin Bundy of Shute, Mihaly & Weinberger. "And a far greater portion of agricultural revenues remain in Kern County, as opposed to dollars from oil companies that flow out."



County planner Oviatt said just 12 acres per year of farmland had been lost under the previous ordinance, and that officials were no longer legally allowed to use conservation easements as mitigation for new oil projects.

State oil regulators relied on the 2015 blanket approvals before they were overturned, and have indicated they will again rely on the county approvals to speedily issue required state drilling permits. Prior to this week's vote, issuance of new permits had ground to a halt.

The state is also <u>facing a lawsuit</u> alleging inadequate upfront environmental reviews for thousands of new oil and gas permits, filed by the Center for Biological Diversity in February.

Hundreds of people from across the county and the state commented during a live public hearing and via recorded telephone messages. Supporters, including company executives and employees, stressed the industry's good-paying jobs and critical funds for county public services, including law enforcement and school bonds. Opponents decried the region's notorious air and water pollution and high rates of cancer, asthma, birth defects and other health impacts, as well loss of habitat and farmlands.

The vote in the heart of California's largest oil production patch highlights growing discord over the future of the fossil fuel industry. Production has declined steadily here since the mid-1980's, but the Golden State is still the nation's seventh largest producer, and three quarters of the state's oil is extracted from Kern County.

"Oil is not just a sector of our economy, it's part of the region's DNA," said Nick Ortiz, head of the Kern County Chamber of Commerce, which supports the measures. "and it's an important part of not just the area economy, but the entire state. Oil moves the produce we grow, and it moves many other products ... Our region is a linchpin, providing resources that many take for granted."



Foes say with an estimated 38,000 premature deaths from air pollution impacts per year in California, and eight million deaths globally, it is past time to phase out oil and gas and replace it with cleaner renewables. While scores of speakers opposed to the measure phoned in recorded comments from Santa Cruz to the desert.

"We cannot tolerate more fumes and toxics coming from oil and gas drilling and processing," said Kim Floyd of Palm Desert. "It's important to me that we stop the drilling and we leave the oil in the ground."

Many also spoke from Arvin, Lost Hills and Delano, largely low income, Latino communities in Kern County with oil wells near homes and schools that are afflicted with high asthma rates and other issues.

One caller, a mother from Arvin said she, her neighbors and their children suffer regularly from oil and gas fumes, which results in dangerous air pollution. "My children can't go outside and play...schoolchildren near these oil wells can't go outside and play on their break, and that's not fair."

Some newcomers to the county aren't happy either.

Melissa Blair said she's lived in Bakersfield in a year, and "not only do we need to look to the future instead of old, outdated methods of energy, (but) you can taste the pollution in the air here. The air is disgusting. The fact that there are even considerations to add even more toxins ... even more filth to the air is astounding. I absolutely oppose this ordinance."