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Go-ahead for more oil wells in Kern County frustrates California's climate ambitions

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A small oil boom may be dawning in the flatlands outside Bakersfield, where many are hoping for a petroleum-led economic bump for the San Joaquin Valley, but where others see California losing its will to break away from fossil fuels.

Leaders in Kern County, the heart of the state's still-bustling oil country, approved a policy this week that will streamline the approval of drilling, and potentially allow nearly 2,700 new oil and gas wells annually. This would mean more than 30% more drill sites in California over the next 15 years.

The increase comes as Gov. Gavin Newsom praises California as a leader in the nation's shift to clean energy. The governor recently set an ambitious goal of requiring all new cars sold in the state to be electric by 2035. Still, many say Newsom needs to do more to halt fossil fuel extraction and get California to live up to its climate-friendly hype.

"This decision in Kern County completely undermines our efforts," said Hollin Kretzmann, a senior attorney for the Center for Biological Diversity, which has pushed to phase out fossil fuels in California and long battled petroleum development

in the San Joaquin Valley. "Producing this oil is detrimental to the fight against climate change."

The high emotions over the new drilling policy was evident at an eight-hour virtual meeting of the Kern County Board of Supervisors on Monday, when more than 300 people weighed in.

On one side were the state's powerful environmental groups and representatives of polluted communities near the drill sites, criticizing fossil fuels as dirty and the source of catastrophic global warming. On the other side were moneyed oil companies and supportive residents, lauding the industry's economic contributions and the delivery of locally sourced energy.

The supervisors ultimately voted to create a permitting system, supported by the industry, that gives the go-ahead to new oil and gas wells that meet a standard set of conditions. The system was praised by supporters for adding regulatory certainty and speed to the approval process and providing greater incentive for investment in Kern County's sprawling oil fields.

But while critics blasted the move as a giveaway to Big Oil, county officials described it as sound policy that actually requires a lot more of fossil fuel producers than in the past. Without the permitting system, no county-level approval was needed for new wells, only state approval, which comes with narrower guidelines, officials said, and long waits.

"The idea that oil companies are trying to evade something here is not true," Kern County Planning Director Lorelei Oviatt told The Chronicle.

Those seeking a permit for a new well, she said, must now adhere to strict, and often costly, health and environmental regulations, including paying into a fund that supports clean air programs. They also still need approval from the state, though Sacramento is likely to lean on the county for time-consuming reviews.

"Why can we not have environmentally safe drilling?" Oviatt said. "The companies have a legal right to drill. So until that changes or something else is worked out (to shift the state off oil), this permitting system is our transition plan."

Environmental and community groups say it's incumbent upon the governor to speed up California's elimination of oil, and they're calling upon him to do so.

"It's really just a massive drilling proposal we're facing in Kern County," said Alexandra Nagy, California director of Food and Water Watch. "We need the governor to step up to the oil industry in California but we're just not seeing that."

The governor's office told The Chronicle that climate change remains a top priority but that progress won't happen overnight.

"The governor is committed to achieving our climate goals in ways that continue to grow our economy while preserving and creating high-quality jobs, including in counties like Kern that currently rely on resource-intensive industries for jobs and for the overall tax base," said Lisa Lien-Mager, a spokeswoman for the Newsom administration, in a statement.

Newsom's office noted that oil production is down in California in recent decades, though it hasn't dropped as much as environmentalists say is necessary for meaningful cuts to heat-trapping gas emissions.

Kathryn Phillips, director of the Sierra Club's California chapter, said she's been pleased with Newsom's messaging on climate change but thinks his actions fall well short of his ambition.

"He and his administration have a tendency to make broad statements about what they're going to do and there seems to be a failure on the follow-through," she said.

Political experts say cracking down on oil production, or anything for that matter, should not be expected from Newsom while he's facing a recall campaign.

"Even if he wanted to do something more germane and creative about climate change or try to stop oil drilling in California, I think he feels like now is not the time to deepen or pick fights," said Jaime Regalado, professor emeritus of political science at California State University, Los Angeles. "It's part of his strategy to be safe and sound politically."

Pressure for Newsom to take more aggressive action on oil, however, is not likely to let up. A statewide ban on fracking and the implementation of buffer zones around drill sites are making their way through the Legislature, which could eventually force the governor's hand.

Meanwhile, in Kern County, the permitting policy is already facing at least two court challenges. The lawsuits take issue with an environmental impact report done to determine what actions the oil companies need to take to reduce the impacts of drilling before getting a permit. The suits say the applicants should be doing more. The permitting system is actually a new iteration of a previous system that was deemed inadequate by the courts.

Under the new policy, up to 2,697 oil and gas wells can be permitted in Kern County each year. This means close to 40,000 new wells through 2035. California currently has about 107,000 wells, including those that are active and idle. The bulk are in the southern San Joaquin Valley.

The economic impact of the industry is considerable. In Kern County, oil and gas development accounted for \$197 million in property taxes in 2019, the last year records are available, while providing more than 16,000 jobs.

Residents are well aware of the industry's financial importance and often proud of the energy being created.

"We'll continue to point out that every person in our state consumes enormous amounts of petroleum products on a daily basis," said Tracy Leach, with the group Kern Citizens for Energy. "Very simply, we should get those products right here."

The number of wells permitted under the new policy is not much more than the number of wells pursued in past years. Whether the limit will be reached, and whether more oil and gas will actually be pulled from the ground, remains largely a matter of the market.

Still, climate activists say opening the door for more petroleum production and "rubber-stamping" well approvals is not the direction California should be headed in.

"It's well past time to start transitioning to a future that's safer and cleaner than the path we're taking here," said Kretzmann, with the Center for Biological Diversity.