



WHY LOCAL OIL AND GAS PRODUCTION IS IMPORTANT TO CALIFORNIA

California's oil and gas industry evokes strong reactions on both sides of the issue from policymakers to activists, employees to consumers. Factual, scientific based information is often overlooked because of misinformation and lies that are frequently disseminated in the public realm concerning oil and gas production. This is why some believe that California's oil and gas industry is unnecessary and unwanted. Every day, activists push policies at the state and local level to shut down California oil and gas production. They assert that California would be better off if we transitioned to 100% imported oil to meet its vast energy needs.

On the surface, it may seem that transitioning to 100% imported oil is an easy position to take. But when the issue is examined in detail, many challenges and risks exist that would fundamentally harm our state's people, our economy and our values.

Here's how California's people, the economy and our values are at risk if we transition to 100% imported oil:

OUR PEOPLE

We are second chance workers, Veterans, single parents, first generation citizens and union members who work every day to support our families and our community.



LEARN MORE ABOUT CALIFORNIA ENERGY WORKERS



CALIFORNIA'S OIL AND GAS INDUSTRY SUPPORTS:
55,000 JOBS

AVERAGE ANNUAL PAY IN OIL INDUSTRY:

\$123,000

nearly double the private sector average in the state

Nearly 50% of the workforce is ethnically diverse



Able as a family with a single wage earner to afford a median priced home in California¹



PROVIDES 32,550 JOBS

in the San Joaquin Valley where unemployment rates are nearly double the statewide average. A transition to 100% imported oil will devastate the regional economy and its people.



LEARN WHY CALIFORNIA IS AN ENERGY ISLAND

1. Assuming a 10 percent down payment and an interest rate of 4.5% on a 30-year mortgage, annual payments on a \$554,760 median priced home in California (as of November 2018) would be \$30,652. After inclusion of property taxes and insurance, annual costs would be \$38,396, or 31.2% of the \$123,029 average salary in the oil and gas extraction and support industries. Source of median home sales price is California Association of Realtors. <https://www.car.org/en/marketdata/data/countysalesactivity>

OUR ECONOMY

The oil and gas industry drives our economy by providing a safe, reliable and affordable energy supply that fuels cars, heats homes, powers businesses, grows food and produces everyday products. This in turn generates billions in state and local tax revenues that funds vital community services.

\$1.7 BILLION

IN TAX REVENUES:

- K-12 schools
- Higher education
- Health
- Public Safety
- Social Service Programs



LEARN MORE:



California's Economy is Powered by Oil and Gas

“ There are ancillary benefits ... it would also cause a lot of economic disruption. The costs are not just the lost income to the producers, they are also the job disruption and the community disruption from shutting down oil production. We need to take those into account. ”

Professor Severin Borenstein, E.T. Grether Professor of Business Administration and Public Policy at the University of California, Berkeley, Haas School of Business and Faculty Director of the Energy Institute at Haas

OUR VALUES

California is committed to regulations and policies that protect our workers and our environment.



Imported oil is not produced to California's stringent safety, labor and environmental standards. Oil produced by foreign sources is not subject to rigorous environmental review, greenhouse gas mitigation, and worker safety inspections present in California. As Californians, do we feel comfortable importing more oil from countries with fewer protections for workers and the environment?

PROGRESSIVE ENVIRONMENTAL REGULATIONS

California leads the way in safe, affordable and environmentally responsible oil and gas production with the nation's strictest regulations. In California, more than 25 local, state and federal agencies oversee oil and gas production.



“ The vast majority of future oil production is likely to come from autocratic regimes with abysmal human rights records, countries where most oil profits go to wealthy oligarchs, officials, royalty and other insiders. ”

Professor Severin Borenstein, E.T. Grether Professor of Business Administration and Public Policy at the University of California, Berkeley, Haas School of Business and Faculty Director of the Energy Institute at Haas

SOURCE: Economic and Revenue Impacts of a Statewide Oil Production Ban in California, December 2018, Capitol Matrix Consulting