



# WHY LOCAL OIL AND GAS PRODUCTION IS IMPORTANT TO LOS ANGELES

Local oil and natural gas production in Los Angeles plays a fundamental role in sustaining the energy supply and quality of life of the County's 10.4 million residents. Oil and gas are versatile materials that generate affordable energy and products well beyond the gas pump. Angelenos depend on oil and gas to produce and deliver their food and water supply, and the countless products they use every day – cell phones, computers, medical devices, eye glasses and more. And, natural gas is the preferred energy source for heating and cooking. Those who claim we don't need oil and gas have never lived without them, and don't consider how curtailing them would hurt California's working families.

Over 70% of the oil and gas Angelenos use today is imported from places that don't follow California's stringent safety, labor and environmental standards. Those who claim we should simply import all our oil and gas ignore the chaos of energy shortages and harm from price spikes, particularly in low-income communities.



## Los Angeles Benefits from Local Production:

# ANGELENOS

Second chancers, single parents, first generation citizens, Veterans and union members are among the many who compose Los Angeles' oil and gas workforce. They live and raise their families here in Los Angeles. And, they care deeply about their community and share California's values.



**LEARN MORE ABOUT LOS ANGELES ENERGY WORKERS**



**LOS ANGELES' OIL AND GAS INDUSTRY SUPPORTS: 8,000+ JOBS**

**AVERAGE ANNUAL PAY IN OIL INDUSTRY:**

**\$108,000**

nearly double the private sector average in Los Angeles County

**Nearly 50%** of the workforce is ethnically diverse



Full-time positions with benefits to working families and opportunities for upward mobility



Important **source of blue-collar jobs**, offsetting jobs lost due to a 40 percent decline in manufacturing in the county since 2000

# ECONOMIC IMPACT

The oil and gas industry drives Los Angeles' 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 hundreds of millions in state and local tax revenues that fund vital community services.

## TAX REVENUES:

**\$205 MILLION**

IN LOS ANGELES COUNTY TAX REVENUES

**\$25 MILLION**

IN THE CITY OF LOS ANGELES TAX REVENUES

## ECONOMIC OUTPUT:

**\$2 BILLION**

ECONOMIC OUTPUT IN LOS ANGELES COUNTY

**\$275 MILLION**

IN THE CITY OF LOS ANGELES



**HUNDREDS OF MILLIONS OF DOLLARS**

## IN CITY AND COUNTY LIABILITY

Restricting local production would expose the city and county to major legal costs and liabilities to mineral rights owners and producers for taking the value of their property.

# PROGRESSIVE INDUSTRY VALUES

The industry is committed to regulations and policies that protect its workers and the environment. We support a diverse energy supply in which our local production complements renewable and imported sources to deliver affordability and reliability so that Angelenos from every background in every neighborhood can pursue their American Dream.



# STRINGENT ENVIRONMENTAL REGULATIONS

Los Angeles and California lead the way in safe, affordable and environmentally responsible oil and gas production with the nation's strictest regulations. In Los Angeles, 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

*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