

## A Smarter Approach To Renewable Energy Reliance In Calif.

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This summer, Southern California will get to see firsthand how crucial oil and gas is to the region by experiencing life without a reliable energy supply. Earlier last month, five state and local agencies in Southern California issued a report warning of up to 14 days of rolling blackouts this coming summer for Southern California residents.[1]

The predicted blackouts are the result of depleted gas reserves from the leak in the storage facility above Porter Ranch and, more critically, the prohibition on new injections of gas at the crucial storage facility until all of the wells have passed strict and comprehensive tests. The state Legislature is currently considering California State Bill 380, a bill that is authored by Sen. Fran Pavley, D-Calif., who represents the residents of Porter Ranch, and is supported by a host of environmental groups.[2]

SB 380 would place a strict moratorium on injections into the facility until after it passes a “rigorous safety review” of all wells. The bill would also prohibit extractions of gas from other wells that are similar to the well that failed and that led to the Porter Ranch leak.[3] The bill has passed the Senate appropriations committee and is advancing to the Assembly floor.[4]

The continued crippling of any efforts to reopen the facility at Porter Ranch will have long-lasting impacts on the ability to provide the energy needed by Southern California’s residents and businesses to cool their homes, power their lights and operate their businesses. Yet, various environmental groups label the blackout predictions as “scare tactics” and “threats” aimed at keeping the facility open.[5] These critics overlook the area’s clear energy reliance on natural gas and the severe implications of interrupting the supply of natural gas.

Unfortunately, the pressure to close the storage facility at Porter Ranch is one example of a larger, concerted effort to damage the oil industry in California, in an effort to make it economically impossible to conduct energy operations in the state.[6] Various environmental nongovernmental organizations have put pressure against the oil and gas industry in California by filing lawsuits, supporting legislation or stirring up public opinion with misinformation. Presumably, their goal is to force Californians to use renewable energies rather than rely on oil and gas. But these organizations are premature in their efforts; and crippling the oil and gas industry will have negative consequences for ordinary Californians.



Jeffrey D. Dintzer



Dione Garlick

Put simply, California needs the oil and gas industry to continue to meet its energy demands. Renewable energy alternatives are not developed enough nor are they economically feasible to satisfy the demand for energy in California — California is the most populated state in the country, and its energy demand is second only to Texas.[7] Blackouts will harm ordinary customers. An energy blackout is more than a simple nuisance — blackouts can have lasting impacts on the daily lives of residents, resulting in damaged appliances, spoiled food and interruptions to daily economic activity. California's economy will suffer when businesses in blackout areas are forced to stop their operations because they lack power. And companies will pass on the cost of the blackouts to the consumer by raising the price of goods.

Beyond simply providing the energy used to fuel the state's needs, the oil and gas industry has an enormous economic presence in California. California is the third largest oil producer in the country and the thirteenth largest producer of natural gas.[8] And California itself is the beneficiary of this strong oil and gas production. The oil and gas industry is the source of hundreds of thousands of jobs, billions of dollars in income to Californians, and billions of dollars in tax revenue to the state.[9] Jobs in the industry pay more to their employees than the average employer in California.[10]

Because renewables are not yet a viable replacement of oil and gas, California will need to find energy from another source if environmental groups succeed in forcing the shutdown of oil and gas operations in the state. One option is coal-powered energy, which can produce much larger quantities of carbon emissions than the comparatively clean-burning natural gas. Alternatively, California can buy energy from sources outside the state, likely oil from the Middle East.

Of course, each barrel of oil brought to California from overseas ultimately has a significantly larger "carbon footprint" than oil produced in California. Further, instead of paying jobs and taxes in our own state that fund resources within the state and fuel our economy, Californians will be forced to put money into the pockets of state governments from the Middle East — many of the same governments that we know are hostile to our country, and in some instances have financially supported terrorist activity against Americans.

If these nongovernmental organizations are trying to force California to use renewable energy sources, badgering the oil and gas industry is not the way to do it. Reliance on renewable energies is an important part of the future of energy use in the U.S., as it will reduce greenhouse gas emissions and create long-term U.S. energy independence. The renewable energy industry needs more structure, more research and more legislation. Instead of forcing the shutdown of important energy sources, environmental groups should focus on lobbying for legislation to streamline the permitting process for renewable energy projects.

California could benefit from legislation that would revamp existing energy grids and facilitate integration with renewable energy projects. Environmental groups could help facilitate studies to understand the environmental and economic effects of emissions targets, which would allow the state to set realistic goals for renewable energy reliance. These meaningful contributions to renewable energy would allow the economic and energy needs of the state to be met and still actively move toward energy independence. And the best part is that we can all still keep our refrigerators running while it happens.

—By Jeffrey D. Dintzer and Dione Garlick, Gibson Dunn & Crutcher LLP

*Jeffrey Dintzer is a partner and Dione Garlick is an associate in Gibson Dunn's Los Angeles office. Dintzer is a member of the firm's environmental litigation and mass tort practice group.*

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[1] Alice Walton, Paige St. John and Corina Knoll, Southern California braces for summer blackouts due to Porter Ranch gas leak (April 5, 2016), available at <http://www.latimes.com/local/lanow/la-me-ln-aliso-canyon-blackouts-20160405-story.html> (last accessed April 20, 2016).

[2] Senator Fran Pavley, Fact Sheet: SB 380 (April 4, 2016), available at <http://sd27.senate.ca.gov/porter-ranch-gas-leak> (last accessed April 21, 2016).

[3] Sharon McNary, Porter Ranch: California legislators consider Aliso Canyon moratorium (89.3 KPCC, Feb. 22, 2016), available at <http://www.scpr.org/news/2016/02/22/57841/porter-ranch-california-legislators-consider-aliso/> (last accessed April 21, 2016).

[4] Sharon McNary, Bill to keep Porter Ranch gas field offline advances to Assembly floor (89.3 KPCC, April 13, 2016), available at <http://www.scpr.org/news/2016/04/13/59547/bill-to-keep-porter-ranch-gas-field-offline-advanc/> (last accessed April 21, 2016).

[5] Ivan Penn, 'This is a threat. This is not a report.' Critics call blackout warnings a scare tactic to keep Aliso Canyon open (Los Angeles Times, April 12, 2016), available at <http://www.scpr.org/news/2016/04/13/59547/bill-to-keep-porter-ranch-gas-field-offline-advanc/>

[6] Jonathan Berman, Sierra Club demands action on Porter Ranch gas leak, (Jan. 9, 2016), available at [http://angeles.sierraclub.org/news/blog/2016/01/sierra\\_club\\_demands\\_action\\_porter\\_ranch\\_gas\\_leak](http://angeles.sierraclub.org/news/blog/2016/01/sierra_club_demands_action_porter_ranch_gas_leak) (last accessed April 20, 2016); Kassie Siegel and Dan Jacobsen, California continues to be at risk of gas leaks (The Sacramento Bee, March 1, 2016), available at <http://www.sacbee.com/opinion/oped/soapbox/article63281947.html> (last accessed April 21, 2016).

[7] U.S. Census Bureau, US Census 2010, Interactive Population Map; U.S. Energy Information Administration, State Energy Data System, Table C10, Energy Consumption by End-Use Sector, Ranked by State, 2013.

[8] Christine Cooper and Shannon Sedgwick, The Oil and Gas Industry in California: Its Economic Contribution and Workforce 2013 (Los Angeles County Economic Development Corporation, June 2015), available at [http://www.wspa.org/sites/default/files/uploads/2015%20O&G\\_Industry%20and%20Workforce.pdf](http://www.wspa.org/sites/default/files/uploads/2015%20O&G_Industry%20and%20Workforce.pdf) (last accessed April 19, 2016).

[9] Christine Cooper and Shannon Sedgwick, The Oil and Gas Industry in California: Its Economic Contribution and Workforce 2013 (Los Angeles County Economic Development Corporation, June 2015), available at [http://www.wspa.org/sites/default/files/uploads/2015%20O&G\\_Industry%20and%20Workforce.pdf](http://www.wspa.org/sites/default/files/uploads/2015%20O&G_Industry%20and%20Workforce.pdf) (last accessed April 19, 2016).

[10] Christine Cooper and Shannon Sedgwick, The Oil and Gas Industry in California: Its Economic Contribution and Workforce 2013 (Los Angeles County Economic Development Corporation, June 2015), available at

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