

Aera retreats from coastal project

By John Cox

The Bakersfield Californian, Saturday, May 30, 2020

In another sign of the challenges racking Kern's signature industry, a Bakersfield oil producer says tough market conditions and uncertainty on permitting matters have persuaded it to walk away from a project in northern Santa Barbara County that it had worked on for about six years.

Aera Energy LLC's decision last week to withdraw its proposal for 189 new wells in Cat Canyon near Santa Maria has been hailed as a "major victory" by the environmental groups that have long opposed the project, and two others nearby, based on concerns including groundwater and air quality impacts.

The development illustrates the difficulties local oil producers face from the combined headwinds of low barrel prices and the hostile reception it often gets from environmental groups and government officials outside Kern.

Aera had given generously to nonprofits and community organizations in a coastal county where it has no operations. It substantially scaled back the project from its original, 2016 version even as the goal remained to redevelop a historic oilfield decommissioned in the 1990s.

There were to be 36 percent fewer wells than the company initially proposed, 55 percent fewer bulldozed acres, a 44 percent decline in freshwater use, an 81 percent reduction in the number of oak trees removed — and 127 percent more acres put into permanent conservation.

LARGER RETREAT

The pullback came almost two months after Aera confirmed cutbacks to development projects in several counties amid uncertainty in the global oil market and historically low barrel prices.

Aera spokeswoman Cindy Pollard said those factors combined with permitting hurdles prompted the company to call it a day.

"This was another one of those difficult decisions," she said.

Opponents were unmoved by Aera's project revisions and community contributions. They spoke out at rallies, sent postcards to government officials and made the project an issue in local elections.

"The withdrawal of Aera's application to produce more dirty oil in Santa Barbara County is a major step towards the phasing out of fossil fuels and fostering a clean renewable energy future," Tara Messing, staff attorney for the Environmental Defense Center, said in a news release Wednesday. Since 2017 the EDC has worked against Aera's project, and two others, on behalf of its clients the Sierra Club Los Padres Chapter and the Santa Barbara County Action Network.

'MAJOR VICTORY'

Los Padres Chapter Chairwoman Katie Davis, who has declared Aera's withdrawal a "major victory" for the Sierra Club, said by email the oil producer clearly faced market challenges. But she noted Aera's statement of withdrawal also cited permitting uncertainty, "and that was because (the company) faced widespread opposition and likely denial."

She noted that another oil and gas company proposing to drill wells in Cat Canyon, Bakersfield's PetroRock LLC, also backed out recently. It had proposed more than 200 new wells in the area.

The Sierra Club had many concerns about the project, Davis said. An environmental review found it would have had significant and unavoidable impacts to water resources and increased the risk of oil spills.

The project would have also meant daily trips by trucks carrying oil from the area from the site, she said, and a greater threat of fires in an area that has recently experienced petroleum production-related blazes.

Davis also expressed reservations about high-pressure steam injection work that had been proposed as part of Aera's project.

"We favor building out renewable energy instead of oil expansion," she wrote. "The Strauss Wind project (was) just started construction near Lompoc, and large battery storage projects have just been approved in Santa Barbara and Ventura counties as an alternative to building a new gas power plant."

In Aera's defense, Pollard note that Santa Barbara County's air pollution control district found the project would not exceed ambient air-quality standards. She also asserted that extensive groundwater, air and environmental protection plans, along with fire suppression and other safety measures, would have allowed the company to "safely and responsibly" produce oil at the site.

'DO NO HARM'

"Today, much of the public discourse around energy is dominated by negative bias, misinformation and calls to immediately end oil and gas production in California. We don't think that can happen anytime soon and believe to do so would be irresponsible," she wrote in an email.

"Now, more than ever," she wrote, "we should all have a 'do no harm' mindset — this is the time to enable Californians to get back on their feet, not to further disrupt the economy."

Beneficiaries of Aera's largesse in Santa Barbara County voice disappointment at the company's withdrawal.

Glenn Morris, president and CEO of Santa Maria's chamber of commerce, said Aera had been a fantastic partner, contributing financially to local organizations.

Kevin G. Walthers, superintendent and president of Allan Hancock College in Santa Maria, which has also benefited from Aera's generosity, agreed that the company had been a good community partner.

Aera said its withdraw in advance of a hearing by Santa Barbara County's Planning Commission isn't necessarily permanent. A path to approval may yet emerge, Pollard said.

[Letter to the Editor, The Bakersfield Californian, Friday, May 29, 2020](#)

Renewables vs dead dinosaurs

By David B. Thomas, Bakersfield

I'd like to give my personal data that contradicts Monday's front page article about how Californians can save on their PG&E bill if California didn't provide incentives to use clean renewable energy ("Report says removing state energy mandates would save consumers money," May 25).

I installed solar seven years ago. At that time, I was giving PG&E an average of \$300 per month just for the electricity I used. I took the money I saved on my PG&E bill and used it to pay off the loan on the solar. Without affecting my budget, I was able to pay off the solar in six and a half years. Now that electricity is free.

At the same time I bought my first totally electric car. It costs about 4 cents a mile to "fuel" with electricity off the grid or 1 cent per mile off my solar. Last year, my wife and I drove more than 40,000 miles totally electric. That saved us about \$500 per month in fuel, which covered my car payment, plus no oil changes, smog, tuneups, brakes, etc.

We have also added a Tesla Powerwall to ensure we don't get hit with those ridiculous time of use charges. This paid for itself in two years and powered us through the 29 hours when PG&E shut our power off due to high winds. We also were able to keep two neighbors' refrigerators going during the outage. If we had distributed grid scale battery storage, which is starting in Kern County this year, we would not be reliant on expensive, polluting peaker plants. This would also make a more stabile grid. Once vehicle-to-grid becomes available (expect an announcement in June) EV owners could make money off their cars by buying and selling electricity and helping to stabilize the grid.

We have reduced our PG&E bill, almost eliminated our gasoline bill and have a much more reliable electric grid at the same time. I'm sure I'm not the only one who can say this. The clean air we were seeing during the initial stay-at-home order would be an everyday thing as more people move to electric transport.

Come on, people, don't get stuck with the dinosaurs; progress into the future with clean, renewables and affordable electricity. Once again California can lead the way.