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Big Oil Spends \$9.4 Million Lobbying in California in the First Quarter of 2023, Putting the Industry on Pace to Exceed 2022 Lobbying Spending

Disclosures for 2023 Quarter 1 depict all-in effort to defeat price gouging legislation across supply chain and broader push against emissions transparency

Sacramento — Lobbying disclosures from Quarter 1 in 2023 for the oil and gas industry show that **Big Oil spent** <u>\$9.4 million</u> attempting to influence the California Legislature, Governor's Office, and agencies.

The dollar amount puts Big Oil on pace to greatly exceed the \$18 million it spent lobbying in Sacramento in 2022, with \$3.7 million spent in Q1 of 2022 and nearly \$10 million spent by mid-year 2022.

Leading the way in spending were Chevron at over \$4.9 million, Western States Petroleum Association at over \$2.3 million, and Aera Energy at nearly \$628,000. Oil refiners affected by the price gouging penalty legislation — Chevron, Marathon, Phillips 66, Valero and PBF Energy, spent a combined \$5.6 million.

A chart depicting the top ten top spenders can be seen below.

Company/Trade Association	Amount Spent
Chevron	\$4,913,685.69
Western States Petroleum Association	\$2,380,275.88
Aera Energy LLC	\$627,892.43
Marathon Petroleum	\$233,256.32
Phillips 66	\$207,714.92
Valero	\$134,800.00
California Resources Corporation	\$128,005.36
PBF Energy	\$127,746.82
California Independent Petroleum Association	\$131,490.35
BP America	\$94,638.38

"It's outrageous, but the fact that Big Oil is spending so much to keep control of the state legislature is a testimony to the progress that the Assembly and Senate have made," **said Kobi Naseck, coalition Coordinator of Voices in Solidarity Against Oil in Neighborhoods.** "We saw it last fall in S.B. 1137, the historic bill to pass public-health buffer zones outside of

extraction sites, and this year in SBX 1-2, which marks the end of Big Oil's price gouging of working families at the pump. The industry knows what's at stake here in California, and so do we. We will not allow the million-dollar corporate machine to undo the protective measures we've fought for on behalf of Californians on the frontline of the climate and economic crisis."

Particularly noteworthy — across the supply chain from drillers, oil storers, pipeline and oil-by-rail operators, refiners and gasoline sellers — the industry went all-in on attempting to defeat SBX 1-2.

SBX 1-2, signed by Governor Gavin Newsom at the end of the quarter, creates a regulatory process overseen by the California Energy Commission to mandate more transparency and accountability for how Big Oil prices its dirty product and sells it at the pump in California. The bill, coming after Californians faced record prices at the pump in 2022, enables the agency to implement a price gouging penalty if it finds that a refiner has engaged in predatory pricing practices harming consumers.

The mad scramble, all-hands-on-deck lobbying activity comes as the industry is increasingly under scrutiny for its climate-wrecking, community-intoxicating, consumer-harming conduct.

Marathon, one of the Big 5 refiners, also lobbied against legislation (<u>AB 1614</u>) authorizing the Energy Commission to study the prospect of phasing out gas stations as the state fulfills its mandate to move away from internal combustion engine vehicles and toward Zero Emission Vehicles (ZEVs) over the next decade.

Other exemplary bills receiving lobbying engagement by Big Oil during the quarter included:

- <u>SB 252</u> Legislation calling on state public pension systems to divest from fossil fuels, Big Oil lobbied heavily against it
- <u>SB 253</u> and <u>SB 261</u> The former calls on large California-based corporations to disclose greenhouse gas emissions, while the latter creates a mandate for companies operating in California to disclose their climate-related financial risk. Both got lobbying backlash.
- <u>AB 1167</u> Multiple companies, as well as WSPA, lobbied against this bill that would compel companies to hold financing in place for idle and abandoned wells. These wells are known to emit greenhouse gases and pollute communities.
- <u>SB1</u> and <u>AB2</u> Multiple companies lobbied to suspend motor fuels vehicle taxes, including ones that finance the Low Carbon Fuels Standard to transition the state away from gasoline and diesel-powered vehicles.
- <u>SB 674</u> WSPA and Marathon lobbied against this legislation that would mandate fenceline air quality monitoring at refineries.

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