

Options to Address Emissions from Oil & Gas Operations

Community Services Department

May 13, 2025 Board of Supervisors

Agenda

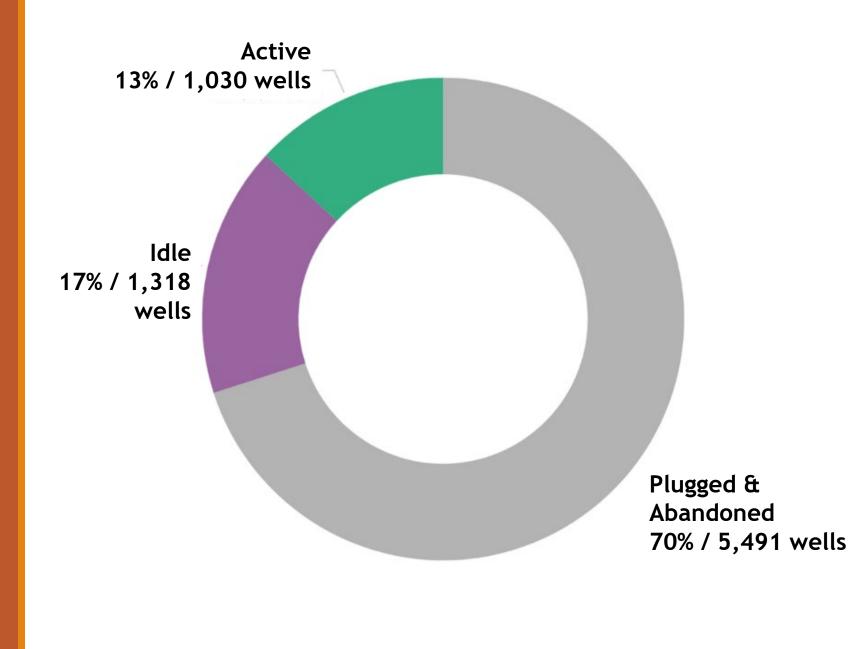
- Background
- State of Local Onshore Oil Production
- CalGEM Programs & Local Government Actions
- Policy Options
- 2030 Climate Action Plan Impacts
- Recommendations

Background

Aug 2024 - Board adopted 2030 Climate Action Plan; adopted resolution directing staff to identify viable measures to reduce emissions from oil and gas

Sept 2024 - Gov. Newsom signed AB 3233 giving local jurisdictions greater authority to impose restrictions by ordinance to prohibit oil and gas operations or development in its jurisdiction or impose regulations, limits, or prohibitions

Total Number of Active Wells are Decreasing



Onshore Oil Production Declining Since 1980s

Oil (bbl) Gross Gas (Mcf)



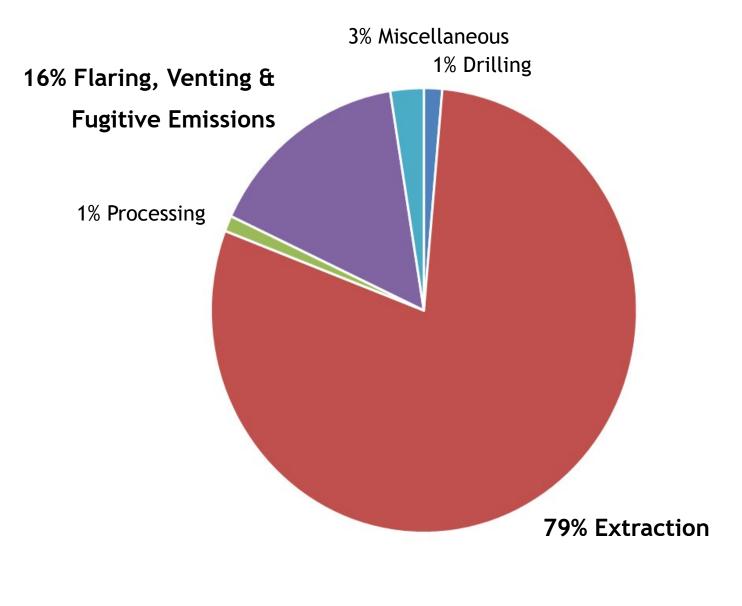
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Production has increased (in the short term) from the Baseline Year

Oil & Gas Emissions Increased Between 2018 and 2023

Year	Emissions Inventory	Metric Tons of CO2e
2018	Baseline Year	98,868
2023	5-Year Inventory	132,356

Majority of Emissions come from Extraction & Flaring/ Venting



CalGEM Programs

Idle Well Program

Operators incentivized to submit an Idle Well Management Plan to cap and abandon a percentage of idle wells each year

- If no IWMP, operators pay per-well idle fees to State Well Abatement Fund
- State defines idle as "not been used for two years or more and has not been properly plugged and abandoned"

Plug & Abandonment Program

CalGEM may order the plugging and abandonment of a well that is determined to be idle-deserted

171 of Greka's orphaned wells were recently plugged and abandoned through this program (38 wells remain to be addressed)

Local Government Actions

<u>AB 3233</u> gives local jurisdictions greater authority to impose restrictions by ordinance to prohibit oil and gas operations or development or impose regulations, limits, or prohibitions

<u>Monterey</u> County voters approved Measure Z (2016) to prohibit land use for oil and gas. Overturned in Court.

<u>Ventura County</u> (2024) updated General Plan to limit the location of new wells, use of trucking and flaring, and require electric equipment over natural gas. Sued and settled to modify language to include "if feasible." <u>Culver City</u> (2021) adopted ordinance prohibiting drilling of new wells, redrilling of existing, and required plugging and abandonment of all wells by 2029.

Los Angeles City (2023) adopted ordinance prohibiting new oil and gas extraction and required existing operations to cease within 20 years. Invalidated in LA County Superior Court.

Los Angeles County (2022) adopted a similar ordinance to LA City. County and City collaborate through a Just Transition Task Force.

Policy Options

Following factors considered when assessing viability of policy options:

- The ability of the policy to actually limit or reduce emissions through reduction/elimination of energy-intensive processes or the cessation of extraction and processing entirely; and
- The capacity or resources required from the County to enforce the proposed policy

Prohibiting New Drilling

Prohibiting new oil drilling is the most viable and the least resourceintensive to develop, adopt and implement

- Prohibiting new drilling is within the jurisdiction of the County, especially given the adoption of AB 3233.
- Could be implemented by the adoption of an ordinance that establishes an effective date by which permits for new drilling would no longer be granted.
- Requires the least amount of staff resources.
- Adopted by Culver City, City of Los Angeles and County of Los Angeles.

Evaluated but not Recommended

Other strategies to reduce emissions were evaluated but are not recommended at this time as they require additional staff capacity, and would not reduce emissions in the short term necessary to meet emission reduction goals. These strategies included:

- Prohibit cyclic steaming
- Increase the percentage of idle wells to be abandoned
- Limit the operation of existing active wells after a certain period of time

2030 Climate Action Plan Impacts

•CAP has a goal to reduce emissions communitywide (unincorporated County) 50% by 2030 (below 2018 levels), which does not include oil and gas emissions

- •If included:
 - CAP, Greenhouse Gas Inventory and Environmental Impact Report would need to be redone (9-12 months of effort)
 - County would be challenged to meet 50% reduction goal if oil & gas emissions are included

- •Greenhouse Gas Threshold (of Significance) of 1,000 metric tons of CO2e still applies to new projects
- •Staff are preparing a CAP Implementation Progress Report, 2023 Greenhouse Gas Inventory Report for the Board in Summer 2025
 - Oil & gas emissions to be included for informational purposes

Staff recommend that the Board

- a. Provide direction to staff regarding the potential actions to address emissions from oil and gas operations, which are:
 - 1. Preparation of an ordinance prohibiting new drilling, or
 - 2. Maintain status quo and allow acceptance of permits applications for new drilling;
 - 3. Provide other direction to staff, as appropriate
- b. Direct staff to continue to exclude oil and gas emissions from the 2030 Climate Action Plan and associated Environmental Impact Report; and
- c. Determine that the proposed actions are not a project pursuant to California Environmental Quality Act Guidelines (CEQA Guidelines) Section 15060(c)(2).

Extra Slides

County Emissions Trend and Forecast

