

**From:** anngadfly@aol.com [mailto:anngadfly@aol.com]  
**Sent:** Tuesday, May 23, 2023 11:44 AM  
**To:** CityClerk <CityClerk@longbeach.gov>  
**Subject:** Comments on Item 17, May 23, 2023 Council

**-EXTERNAL-**

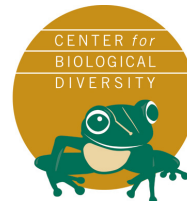
17. 23-0533 **Recommendation to request City Auditor to conduct a comprehensive audit on fiscal liabilities and economic impacts to the City of Long Beach stemming from California's transition away from crude oil and natural gas production to assist in the City's transition planning efforts, and refer findings to the Climate, Environment, and Coastal Protection Committee for input and discussion.** 17. 23-0533 MAYOR REX RICHARDSON; COUNCILMEMBER KRISTINA DUGGAN, THIRD DISTRICT, CHAIR; CLIMATE, ENVIRONMENTAL, AND COASTAL PROTECTION COMMITTEE; COUNCILMAN AL AUSTIN, EIGHTH DISTRICT Office

Thank you, Mayor Richardson and Councilmember Duggan for bringing this forward.

The Sierra Club Los Cerritos Wetlands Task Force would like to ask that the first step in transitioning away from fossil fuel production would be to **deny any new drilling** anywhere in Long Beach.

We also urge you to consider **the health effects oil production has upon the economy**. Studies show that living near oil production can make people sick; sick people cannot work. Your audit should consider not only money that the City receives from oil and gas production, but what is spent on loss work time and other health costs for the City.

Thank you for your consideration.  
Ann Cantrell and Anna Christensen, co-chairs  
Sierra Club Los Cerritos Wetlands Task Force



City of Long Beach, California  
Honorable Mayor and City Council Members  
411 W Ocean Blvd  
Long Beach, CA 90802, USA

May 23, 2023

Re: Climate Transition Impact Audit - SUPPORT, contingent on Conditions Stated Herein

Dear Mayor Richardson and Councilmembers:

The Climate Council is pleased to submit this letter in support of Item 17, Mayor Richardson's request to the City Auditor to conduct a Climate Transition Impact Audit [1].

We appreciate Mayor Richardson and Councilmembers Duggan and Austin requesting this audit, and understand that this is the first and very important step in reviewing the economic impacts to Long Beach from oil drilling. However, the City Council should direct staff to conduct a more comprehensive analysis. The Climate Council's support is contingent on the following:

1. City Council should direct a **specific timeframe for completion**, and that the report be presented to a **public meeting** of the Climate, Environment, and Coastal Protection Committee, and the information should be considered by the full City Council.
2. City Council should direct that the Audit Report team **includes the City's Health Department**, as required by the State Lands Commission (SLC) on April 12, 2023 [2]. The Health Department has domain expertise on health impacts of all types, the costs of treating illnesses, and the financial burden these costs place on the City and State budgets for treating the under-insured. The Audit Report should include published studies on impacts such as asthma, birth defects, respiratory and cardiovascular illnesses, and cancers known to be related to oil drilling chemicals. It should include the social cost of carbon, as requested by the SLC, and **assume** such illnesses are caused by oil operations, in proportion to the findings of recent scientific research.
3. Upon timely receipt of the audit results, City Council should direct Energy Resources to **comply with the language of SB 1137** [3] starting immediately, even though that 2022 state law is stayed pending a ballot referendum in November 2024.
4. Upon timely receipt of the audit results, City Council should direct that the revised **Long Beach Unit Plan reduce production** steadily year over year, not increase it; and direct a **five year timeline for phaseout** of oil production. The City's plans already call for "aggressive projections to fully fund all abandonment liability for the City by 2035, a full 10 years ahead of the State's 2045" [4]; but "aggressive" rings hollow since recent Energy Resources presentations project that 2035 is the date by which the oil fields will lose productivity anyway [5].
5. In addition to the direct costs and revenues mentioned in the memo, City Council should offer and approve a **friendly amendment to also address indirect costs** such as school days missed by children with asthma and

increased rate of cancer and heart disease, as well as lower property values, as required by the State Lands Commission memo.

6. The Audit Report should include **independent projections of total costs** of abandonment to include plugging, decommissioning, remediation, and subsidence control, all based on recent analyses which conclude that the oil industry's estimates are too low, and that taxpayers are likely to shoulder much larger burdens than forecast by oil operators statewide. Operations to be addressed should specifically include at minimum reworks, well deepening, new wells, and enhanced oil recovery (EOR), since that technique is mentioned in the Long Beach Unit Program Plan. [6]
7. The Audit Report should **address findings from the new Carbon Tracker report**, "There Will Be Blood: Decommissioning California's Oilfields" [7], which projects that oil companies will behave much as coal companies have over the last two decades, declaring bankruptcy as soon as operations are no longer profitable, and leaving California taxpayers responsible for decommissioning the wells they drilled and profited from. These abandoned wells will become stranded assets, and the cycle of repeated bankruptcies in the oil and gas industry will follow the same pattern as happened to the coal industry. This cycle has been described as "**vulture capitalism**": as operations become unprofitable, one company declares bankruptcy, shifting obligations from shareholders to creditors and taxpayers; and another company buys the remaining valuable parts, squeezing a few more quarters of profit, then declaring bankruptcy anew and transferring more obligations to taxpayers.
8. The Audit Report should **include consideration of Measure US** [8], whose funds were intended to address climate and racial equity issues. The most recent budget only included \$25K for climate from Measure US funds.

Outside of the Audit, the city must continue to plan for climate action. We encourage the Council to direct staff to provide a jobs report for the Climate Action Plan [9], identifying high yielding industries and career pipelines, in addition to identifying how many local jobs would be created from oil abatement. We also encourage the Mayor to work with the Governor and the Legislature to amend the laws and contracts that require Long Beach to maximize production, as discussed during the March 21, 2023 Council meeting.

Sincerely,

Sierra Club Beyond Dirty Fuels Campaign, Nicole Levin  
The Climate Council, Long Beach  
Coalition for Clean Air, Chris Chavez, Council District 7  
Center for Biological Diversity, Emily Jeffers  
Jeannine Pearce, Long Beach Councilwoman Emerita  
Rob and Ashley Craig, Long Beach Residents  
Bill Nash, Long Beach, Council District 4  
Naida Tushnet, Ph.D, Women of Long Beach, Commissioner Council District 3  
Pete and Gail Marsh, Long Beach, Council District 2  
Constance May, Long Beach, Council District 2  
Sona Coffee, Council District 3, Sustainable City Commission  
Michael Clemson, Council District 3  
Juan Paulo Panaligan, Long Beach, Council District 6

#### Endnotes:

- [1] Rex Richardson, "Climate Transition Impact Audit to Prepare for Long Beach's Transition from Fossil Fuel Production and Preserve Critical Infrastructure and City Services," Memo to Members of the City Council from Long Beach Mayor, May 23, 2023.

<https://longbeach.legistar.com/View.ashx?M=F&ID=11977403&GUID=B4FE94FD-53CD-47D4-99F4-5E42A488D0D2> (accessed May 22, 2023).

- [2] Peter Regan, “Ordered Revision of the Long Beach Unit Program Plan (July 1, 2023 through June 30, 2028) and Annual Plan (July 1, 2023 through June 30, 2024),” State Lands Commission, memo File Ref: W 17166, April 12, 2023.
- [3] Lena Gonzalez and Monique Limón, “SB-1137 Oil and gas: operations: location restrictions: notice of intention: health protection zone: sensitive receptors.” California State Legislature, [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202120220SB1137](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1137) (accessed May 22, 2023).
- [4] [10] City of Long Beach City Manager, “Recommendation from the Sustainable City Commission,” Memo to Mayor and Members of the City Council, March 15, 2022. <https://www.longbeach.gov/globalassets/city-manager/media-library/documents/memos-to-the-mayor-tabbed-file-list-folders/2022/march-15--2022---recommendation-from-the-sustainable-city-commission> (accessed May 23, 2023).
- [5] [10] City of Long Beach Energy Resources Department, “Funding Oil Field Abandonment,” Presentation to Long Beach Sustainable City Commission, December 3, 2021. <http://longbeach.legistar.com/LegislationDetail.aspx?ID=5343042&GUID=D42D95AF-AF2A-46CC-B302-ABD866F7A629&Options=&Search=> (accessed May 23, 2023).
- [6] Mark Olalde, “It Will Cost Up to \$21.5 Billion to Clean Up California’s Oil Sites. The Industry Won’t Make Enough Money to Pay for It.,” ProPublica, May 18, 2023. <https://www.propublica.org/article/cost-of-california-oil-cleanup-exceeds-industry-profits> (accessed May 22, 2023).
- [7] Dwayne Purvis, “There Will Be Blood: Decommissioning California’s Oilfields,” Carbon Tracker, May 18, 2023. <https://carbontracker.org/reports/there-will-be-blood> (accessed May 22, 2023).
- [8] City of Long Beach, “Measure US.” <https://www.longbeach.gov/citymanager/measure-us/> (accessed May 23, 2023).
- [9] City of Long Beach Development Services Department, “Climate Action Plan” (CAP), August 2022, [https://longbeach.gov/globalassets/lbds/media-library/documents/planning/lb-cap/adopted-lb-cap\\_-aug-2022](https://longbeach.gov/globalassets/lbds/media-library/documents/planning/lb-cap/adopted-lb-cap_-aug-2022) (accessed May 22, 2023).

**From:** Sona Coffee [mailto:sonacoffee@gmail.com]

**Sent:** Tuesday, May 23, 2023 1:41 PM

**To:** Rex Richardson <Rex.Richardson@longbeach.gov>; Kristina Duggan <Kristina.Duggan@longbeach.gov>; Al Austin <Al.Austin@longbeach.gov>; Mary Zendejas <Mary.Zendejas@longbeach.gov>; Cindy Allen <Cindy.Allen@longbeach.gov>; Megan Kerr <Megan.Kerr@longbeach.gov>; Suely Saro <Suely.Saro@longbeach.gov>; Roberto Uranga <Roberto.Uranga@longbeach.gov>; Council District 9 <District9@longbeach.gov>

**Cc:** Paul Monge <Paul.Monge@longbeach.gov>; Connor Lock <Connor.Lock@longbeach.gov>; Council District 3 <District3@longbeach.gov>; CityClerk <CityClerk@longbeach.gov>

**Subject:** Support for Audit of Financial Liabilities from Fossil Fuel Transition - Item 17

**-EXTERNAL-**

Honorable Mayor Richardson and City Councilmembers,

I am writing in support of Mayor Richardson's request of an audit of the financial liabilities and economic impacts to the City from transitioning away from fossil fuel production. Having a clear understanding of the financial liabilities will help the City in planning for this transition, and I really appreciate the time Mayor Richardson took to meet with constituents and hear the concerns around oil operations from the community.

As a member of the Sustainable City Commission, I have had the opportunity to receive briefings and public presentations from the Energy Resources Department on the status of oil drilling and production in Long Beach. However, even though requested by former Mayor Garcia, we have not yet seen the plans to transition the City away from fossil fuel production, only summaries highlighting lost revenue from a decrease in oil production. Further, though a 2035 phaseout is referred to by the City and Department, we have not seen a plan to decrease production within that timeframe. Instead, what was recently submitted to the State Lands Commission was a plan that increases oil operations.

For Long Beach to live up to the Grow Long Beach and other initiatives around economic development, a strong plan of action to scale back oil operations as rapidly as is feasible, and replace that effort with continued maintenance and the growth of the clean tech and green jobs sectors, is needed.

I also request that City Council add on to the recommended action in the memo, and direct the Health Department to provide information on the other liabilities to oil operations in Long Beach – the impacts to the health and well-being of our communities, especially front-line neighborhoods. This action was also directed by the State Lands Commission action for the City to respond to.

Please direct City staff to return in a timely manner with the results of the financial audit and additional health information, and make those results available to the public at the City's Climate, Environment, and Coastal Protection Committee as requested by Mayor Richardson, and Councilmembers Duggan and Austin.

Thank you for your consideration.

Sincerely,

Sona Coffee

Sona Kalapura Coffee, MPP  
(she, her, hers)  
Sustainable City Commissioner  
City of Long Beach  
[linkedin.com/in/sona-coffee](https://www.linkedin.com/in/sona-coffee)