

Opening Statement
Chairwoman Katie Porter
Oversight and Investigations and Energy and Mineral Resources
Subcommittees
U.S. House Committee on Natural Resources
“Southern California Oil Leak: Investigating the Immediate Effects on
Communities, Businesses, and the Environment”
October 18, 2021

First, I want to thank the Irvine Ranch Water District for hosting this hearing today. Christine Compton and her colleagues have been so helpful throughout the process of bringing this together.

The oil leak off the Southern California coast has dumped into the ocean tens of thousands gallons of oil so thick, it can't be washed off with dishwashing detergent. Hundreds of yellow vested volunteers have dotted our coasts in an attempt to prevent as much damage as possible from the operations of Amplify Energy. As of October 10, workers had recovered 250,000 pounds of “oily debris” and 14 barrels of tar balls from Orange County shorelines. That's a small fraction of the oil that was released, most of which is being distributed throughout the ocean, making its way into the food chain, or falling to the ocean floor. Some of the oil is now heading south. Many beaches have reopened. Fishing is still shut down.

The exact cause and circumstances surrounding the leak are still under investigation by various federal and state agencies. This Committee is investigating as well. Early evidence points to one or more strikes from anchors in an area heavily trafficked by cargo ships. We will wait for the agencies to complete their investigation before talking about accountability. The first step toward accountability is to understand the damage. We need to hear directly from the community about what they are seeing.

In May of this year, my subcommittee held a hearing about the federal subsidies that oil and gas companies get. We considered whether they were a good use of taxpayer money. They are, in fact, a horrific use of your money.

The witnesses today will reveal a different kind of subsidy for oil and gas companies. And its involuntary.

When a locally owned business, like Mr. Breneman's, that has been in the family for 4 generations loses tens of thousands of dollars because of the leak, that's his subsidy for oil and gas.

When a hotel loses its bookings overnight, that's its subsidy for oil and gas.

When the fragile, decades-long effort to recover a species under the endangered species act is finally showing progress as of 2017 but an oil spill puts it all at risk, that's an oil and gas subsidy too.

These subsidies and so many others are the reason that uneconomic oil wells like the ones behind this leak are still active. Get rid of the subsidies, get rid of the problem.

I am grateful for the excellent work of Chairman Lowenthal whose subcommittee has put forward a number of viable solutions. The Build Back Better Budget will prohibit new oil and gas leases in federal waters off the Pacific and Atlantic coasts, as well as the Eastern Gulf of Mexico.

The Build Back Better Budget would also address the aging oil and gas platforms and pipelines that are already out there. It would stop propping up the industry by allowing them to pay low royalty rates on the oil they take from taxpayers. We can stop oil and gas companies from using shell corporations to get rid of their cleanup obligations by abusing the bankruptcy process. I think we're going to hear more about that as this investigation unfolds.

These common-sense solutions will put us on the path to the energy of tomorrow, instead of throwing good money after bad at an industry whose

time is up. They will help us compete with other countries who are already ahead of us. And they will help us protect our own communities from the predictable and preventable devastation like that from the massive leak we are here today to understand.