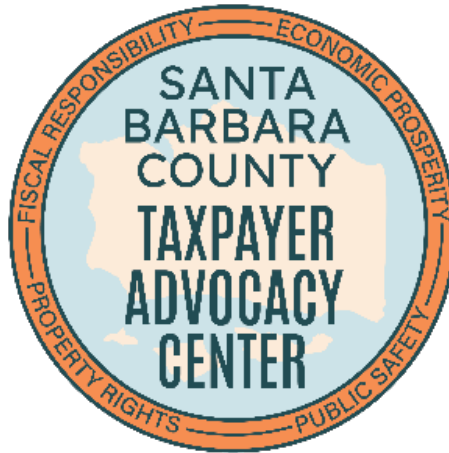




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"The SBCTAC...Fighting for the Taxpayer and Helping our Business Members Succeed!"

Dear Governor Newsom,

On behalf of the over 300 business members of the Santa Barbara County Taxpayer Advocacy Center (SBCTAC), I am writing to urge you to take the necessary steps to grant Sable the permits needed to restart the Las Flores Pipeline System.

As you know, California is in the middle of a clean energy transition, but while in that transition, we need more options to help stabilize California's petroleum market. You underscored that point in your letter dated April 1, 2025, to the Vice-Chairperson of the CA Energy Commission. In regards to the options for California, Sable is the safest, easiest, and most immediate solution.

From the beginning, Sable has been working with the State to ensure that the Las Flores Pipeline System is the safest pipeline in California and is in full compliance with all State regulations. Sable's priority is restarting the Las Flores Pipeline System and keeping the oil in California.

This is the best option for Californians. The pipeline will provide immediate economic relief to the State and will help stabilize local refineries – many of which are on the brink of closing without this oil.

With both Valero and Phillips 66 planning to close their refineries, it's more important than ever to boost in-state production. Sable's Santa Ynez Unit and Las Flores Pipeline System represent the only immediate opportunity California has to bring additional crude online.

Refineries throughout California are fully expecting the oil from Sable to be able to meet their demand. If Sable is delayed or unable to deliver to California refineries, the loss will be felt by the entire state.

Allowing Sable's onshore pipeline to resume operations will:

- Immediately increase California domestic crude supply by approximately 15%.
- Provide the only pathway to achieve your administration's goal of producing 125 million barrels per year to stabilize refineries and gas prices.
- Replace over 1 million barrels per month of foreign crude oil imports and associated transit risks and tanker emissions.
- Reduce greenhouse gas emissions by up to 1 million tons per year by avoiding additional tanker emissions

However, if the State does not allow the Las Flores Pipeline to safely transport crude oil from SYU to California's refineries, the only alternative is to pivot back to a leased Offshore Storage and Treating Vessel (OSTV) strategy, which was utilized to process and transport SYU production in federal waters from 1981 – 1994. **In 1986, as a member of the Santa Barbara County Board of Supervisors, I led the effort to bring Exxon, Sable's predecessor, onshore at Las Flores Canyon in exchange for Exxon electrifying their oil platforms and dismantling their OSTV. One of my major reasons for supporting this action was the fact that 2 oil tanker trips that navigated through the Santa Barbara Channel EVERYDAY, were eliminated.** The Las Flores Pipeline System was built as a better and safer alternative to this OSTV approach. Groups like the Sierra Club, Environmental Defense Center, and Get Oil Out! advocated tirelessly to get the Las Flores Pipeline System built to end oil barging off the Santa Barbara coast. We don't want to revert back to those days.

Transporting crude oil via pipeline is safer and cleaner than the alternative. The choice is yours. Please work with OSFM and State Parks to grant Sable the permits needed to allow the onshore pipeline to resume operating – the future of gas prices depends on it.

Best regards,

Mike Stoker

President & CEO, SBCTAC