

BizFed Bounce Back



BizFed members share stories of resilience.

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In the face of COVID19, BizFed members bounce back with perseverance, creativity and resourcefulness.

COVID-19 REMINDS CA OF IMPORTANCE OF OIL AND GAS

The COVID-19 outbreak hit the energy sector hard, slashing demand for oil while an overseas price war temporarily drove the price to historic lows.

Even though demand has since ticked up, along with the price of oil, industry advocates are concerned that it will take awhile for producers to recover the substantial losses accrued since the virus hit earlier this year.

"You can't just absorb losses like our members have had," said P. Anthony Thomas, Executive Director for the California Natural Gas Producers Association and Vice President of External Affairs for the California Independent Petroleum Association. "This isn't something that's just going to go away. There's going to be some lag time. There's still regulation we have to deal with."

Silver Lining

CIPA has approximately 500 members, including oil producers and natural gas, that represents at least 50,000 employees in one of the most diverse workforces in the state. If there is a silver lining, it's that the "essential" designation during the shutdown acknowledged how important energy and its workforce is to the state.

"If the pandemic has done anything, it's shown that oil and gas are essential," Thomas said. "It's like we are taken for

granted until we aren't there; though it's certainly tough to convince our opposition because they see us in a different manner."

Over-Regulation Still A Threat

The biggest threat to oil and natural gas in California remains over-regulation. State policymakers have for years chipped away at oil and natural gas production as part of an aggressive fight against climate change and declining air quality in certain regions.

A cumbersome permitting process has created delays and uncertainty and has been one of the primary reasons a number of major oil companies have abandoned the state over the years.

"Regulatory relief is still our Number 1 issue," Thomas said. "We should be regulated, just not over regulated."

Energy Choices Are Good For Consumers

CIPA members, who have also invested in solar and renewable energy, have sought to not only remind policymakers how integral oil and natural gas is to everyday life in the state, but to promote choices in energy as well.

In fact, CNGPA had planned an informational hearing to lay out the benefits of natural gas and to answer any questions policymakers might have, but the hearing was delayed indefinitely due to COVID-19.



P. Anthony Thomas - Vice President of External Affairs, CIPA and Executive Director for the CNGPA

"Some cities have moved towards electrification only," Thomas said. "But we think it's better to have choices, not a one-size-fits-all solution."



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