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Protect your health.

January 5, 2023

Governor Gavin Newsom
1021 O Street, Suite 9000
Sacramento, CA 95814
Leg.unit@gov.ca.gov

RE: Gas Price Gouging and SBX1-2 (Skinner)

Dear Governor Newsom:

The Environmental Working Group (EWG) strongly supports the effort you started late in 2022 to get the issue of gas price gouging by the oil companies before the public and to do something about it. We previously signed onto a letter in October supporting this effort and will be supporting legislative efforts in the Special Session on this matter.

Oil companies took advantage of California consumers by charging prices for gasoline that were way out of line. At the hearing held by the California Energy Commission on November 29, 2022, evidence brought forth by the CEC staff made it clear – there is no way that the pump prices increases could be explained by normal business and refining practices. Californians were simply ripped off. The oil companies were invited to that hearing but refused to attend and testify, citing the need to protect their confidential business information. But, the real reason they hid from public view is that they know that they cannot justify what they did.

Consideration of Senator Skinner's bill, SBX1-2 is a good way to continue to expose what happened last year and to prevent it from happening again. We have reviewed the justification for establishing a penalty for this behavior and agree that it sufficiently avoids the "tax" issue that oil companies will be sure to raise.

EWG looks forward to working with you on to bring transparency, reasonableness, and safeguards to this enormously important issue.

Sincerely,

Bill Allayaud
California Director of Government Affairs
Environmental Working Group

cc: Senator Nancy Skinner