

Monterey Ballot Vote Is Rare Victory for Anti-Fracking Movement in Oil Country

Measure Z bans fracking and new wells in California county

Amy Harder, Wall Street Journal, 11-10-16

The national anti-fracking movement scored a victory in California this week as voters in Monterey County approved a ballot measure to ban fracking in one of the state's biggest oil-producing counties.

Two counties bordering Monterey, San Benito and Santa Cruz, had banned the contentious extraction method, although neither had a sizable oil industry. Monterey's San Ardo oil field, in contrast, has been churning out crude for nearly 70 years, making Monterey the fourth-largest oil-producing county in California.

Measure Z, an initiative on Monterey County's ballot, bans fracking and new wells and restricts how oil companies use water byproducts. The measure passed Tuesday by a 56%-44% margin

While Monterey doesn't have any actual fracking—a process by which sand and chemicals are injected underground to unlock oil and gas—the term has become a proxy to encompass all oil and gas drilling.

Industry officials warned that Measure Z would shut down Monterey's oil production, with its ban on new wells and its requirement that companies to stop using wells and ponds to dispose of water produced as a drilling byproduct.

The Monterey vote represents a rare win for the anti-fracking movement in oil country. Of the hundreds of anti-fracking and similar measures across the U.S., almost all were enacted in places where there is little or no oil or gas production. Vermont banned fracking in 2012, despite having no commercial natural gas or oil resources, and New York followed suit in 2014. While New York doesn't have a sizable oil industry, the ban did head off any potential growth of the sector there.

Where fossil fuels are produced in any significant quantity by any method, such measures have generally failed. In Colorado, activists couldn't gather enough signatures to get two anti-fracking measures on the ballot this year. Voters in Denton, Texas, passed a binding measure against fracking, but the state quickly passed a law prohibiting local bans. Texas is the nation's largest producer of oil and natural gas, according to the U.S. Energy Information Administration.

As for the Monterey ban, "it's clearly significant because it's not theoretical," said Amy Myers Jaffe, executive director for energy and sustainability at the University of California, Davis.

Environmentalists and some other residents living close to wells worry about water contamination from fracking, and they are also concerned about the broader climate change impacts of oil and gas drilling.

The Monterey ballot initiative fight was closely watched by national groups on both sides. Supporters received donations and other help from national environmental groups.

Monterey County for Energy Independence, which opposed the measure, outspent backers roughly 30 to 1, according to election filings through Oct. 22, spending nearly \$5.5 million. That group is funded almost

entirely by Chevron Corp. and Aera Energy LLC, a joint venture between Exxon Mobil Corp. and Royal Dutch Shell PLC.

Anti-fracking groups applauded the measure's passage this week.

"We congratulate the people of Monterey County for banning fracking and protecting California's water, agriculture and public health," said Adam Scow, California director for Food & Water Watch. "This campaign proves that everyday people can defeat Big Oil's millions, even in a place where it is actively drilling." Mr. Scow said he hoped Monterey's action generates momentum for a statewide ban.

A spokeswoman for the industry-funded campaign against the measure said it could hurt the county's economy.

"Hundreds of local jobs and millions of dollars in local revenue have been put at risk," Karen Hanretty said. "It is unfortunate that proponents of Measure Z were not forthcoming about the real intent of Measure Z and its impact on 70 years of safe and responsible oil production in Monterey County."

Ms. Hanretty didn't comment on whether the companies would sue, but one of the arguments put forth by the group during the campaign was that lawsuits against the measure could bankrupt the county.

A spokeswoman for Chevron said the company was evaluating its options "to protect our rights in Monterey County." A spokeswoman for Aera Energy, the other major operator in the San Ardo oil field, said the firm was also exploring legal options.