

WEEKLY UPDATE OCTOBER 13-19, 2024





Wednesday, October 23rd 5:30—7:30 PM Thousand Hills Ranch 550 Thousand Hills Rd. Pismo Beach, CA

FALL FORUM

Thousand Hills Rd. is off of Price Canyon. Please use caution, as the road is somewhat hidden around a bend in the road and it comes up on you suddenly. Once on Thousand Hills Road, follow the road for approximately one mile to the red roofed barn on right!

BEER, LOCAL FINE WINES, AND HOT & COLD APPETIZERS WILL BE SERVED

Featuring:

INSURANCE CRISIS -THE REPORTS, THE REASON, AND THE REALITY...HOW DO WE FIX IT?

HEAR FROM OUR
INDUSTRY EXPERTS,
DAVE BELMONT ADLER
BELMONT GROUP,
TYLER RILEY RILEY &
RILEY, AND DARREN
CAESAR HUB.



Tyler Riley



RSVP appreciated by October 16th — there is no charge for this informative event! Email: colabslo@gmail.com or call (805) 548-0340



THIS WEEK SEE PAGE 5

NO BOARD OF SUPERVISORS MEETING

APCD HEARING BOARD MEETING

AS WE ALWAYS SAID: NO PROBLEM AT THE OCEANO DUNES

LAFCO MEETING

COUNTY TAKEOVER OF OCEANO FIRE SERVICES TO BE APPROVED

LAST WEEK SEE PAGE 9

BOARD OF SUPERVISORS

SET HEARING FOR NEW DEVELOPMENT TAX IN LOS OSOS BOS MEETING CALENDAR FOR 2025 ISSUED

BOARD TO "REPURPOSE" IRRIGATED LAND IN PASO BASIN

BOS COULD NOT CONSIDER SUPPORTING PROP. 36 (RESTORING PUBLIC SAFETY)

SUPERVISOR REQUESTS AND COMMENTS

CENTRAL COAST COMMUNITY ENERGY AUTHORITY OPERATIONS BOARD

PROVOCATIVE RISK ANALYSIS RAISES GOVERNANCE QUESTIONS WHAT IF A NEW "ADAM HILL" GETS ON THE BOARD?

PLAN FOR THE TAKEOVER OF ATASCADERO AND THE UNINCORPORATED COUNTY ARE DETAILED

CALIFORNIA COASTAL COMMISSION

DISTURBING AND MYSTERIOUS DECISION

IN A TURNABOUT, STAFF RECOMMENDED MORE LAUNCHES AIR FORCE DISCLOSED DEFENSE USES OF PRIVATE LAUNCHES AND STARLINK

HOWEVER

COMMISSIONERS REJECTED STAFF RECOMMENDATION & INVOKED ELON MUSK'S TRUMP SUPPORT AS A REASON

PLANNING COMMISSION CANCELED

ADDENDUM I - SEE PAGE 43

NOVEMBER STATE PROPOSITION RECOMMENDATIONS

EMERGENT ISSUES
SEE PAGE 28

THE DAILY CHART: HURRICANE FREQUENCY
AND SEVERITY POSTED
MAY NOT BE WHAT YOU ARE TOLD

COAL-FIRED POWER IS STILL GROWING VERY FAST. AND GUESS WHERE?

CALIFORNIA'S PROJECTION-BASED POLICYMAKING

JUSTIFYING AMBITIOUS MANDATES WITH DUBIOUS STATISTICAL PROJECTIONS, GOLDEN STATE REGULATORS CONTINUE TO HEAP COSTS ON RESIDENTS AND TAXPAYERS

> CHEVRON SENDS LETTER TO CA LEGISLATURE LAMBASTING NEWSOM'S OIL/GAS PROPOSAL

'Supply shortages are an outcome of California's regulatory policy and fail to reflect the energy industry's cyclical nature'

COLAB IN DEPTH SEE PAGE 37

WE ARE IN NEED OF RENAISSANCE PEOPLE

MODERN SOCIETY'S FOCUS ON CREDENTIALS HAS CREATED A TWO-TIERED SYSTEM, WHERE MULTI-TALENTED INDIVIDUALS ARE CRITICIZED, AND ELITES OVERSEE A DEPENDENT UNDERCLASS

BY VICTOR DAVIS HANSON

THE "FASCIST" AD HOMINEM AS AN ACT OF PROJECTION BY THOMAS J. DILORENZO

SPONSORS





TRAFFIC CONTROL SOLUTIONS LEQUIPMENT RENTALS & SALES











THIS WEEK'S HIGHLIGHTS ALL MEETINGS ARE AT 9:00 AM UNLESS OTHERWISE NOTED

No Board of Supervisors Meeting on Tuesday, October 15, 2024 (Not Scheduled)

The next meeting is set for October 22, 2024.

San Luis Obispo County Air Pollution Control District (APCD) Hearing Board Meeting of Wednesday, October 16, 2024 (Scheduled)

Item 5 - Progress report on activities called out in Stipulated Order of Abatement (Case No.17-01): In the Matter of California Department of Parks and Recreation - Off-Highway Motor Vehicle Recreation Division – Oceano Dunes State Recreation Area. Includes review and workshop addressing Provisionally Approved Annual Report and Work Plan and Advisory Group Recommendations. No action required.

- a. Introduction by SLO County APCO.
- b. Presentation by California State Parks.
- c. Presentation by the Scientific Advisory Group.
- d. Presentation by SLO County APCD.
- e. Accept public comment.
- f. Board member questions or comments.

No data or write-up was provided for this item. It will likely be PowerPoints by each of the presenting agencies.

Item 6 - Hearing to consider the Air Pollution Control Officer's application to modify the terms and conditions of Stipulated Order of Abatement (Case No.17-01): In the Matter of California Department of Parks and Recreation - Off-Highway Motor Vehicle Recreation Division - Oceano Dunes State Recreation Area. Now they realize (or admit?) that there was never a problem. The Hearing Board is a separate technical Board that has authority over violations and modifications of orders. The staff is recommending that they move to a modification of the existing order to manage the currently stable situation. Data shows that the various mitigations have lowered the particulate considerably. It is likely that the Hearing Board will agree.

The next problem will be with the Coastal Commission, because a)notwithstanding the fact that there was never a problem and b) in any case, the emissions have been lowered, the Commission just doesn't like riding on the dunes. We will stay tuned.

The initial modeling results in the 2024 ARWP indicate that ODSVRA is not in excess of naturally occurring emissions and therefore it may be appropriate for State Parks to move towards a long-term maintenance and adaptive management program to remain in compliance with the Stipulated Order of Abatement as modified

Basic Indicators Trends in basic air quality indicators all indicate major improvements in PM10 levels on the Nipomo Mesa. In 2023, the number of exceedances of the California PM10 Standard reached an all-time low at both CDF and Mesa2, the District's monitoring stations directly downwind of the ODSVRA. As shown in Figure 3, below, which is also taken from the forthcoming 2023 Annual Air Quality Report, in the years just before the SOA came into effect there were 60 to 97 exceedances each year at CDF. In 2023, there were just 23. Mesa2 saw even fewer, with only 19. Similarly, in 2023 there were only 2 hours at CDF when PM10 was above 300 µg/m3, which is an all time low—lower even than in 2020 when the park was closed to vehicles for most of the year due to COVID-19. Annual violations of Rule 1001 also reached an all-time low in 2023 with only 11. This is a substantial drop from the previous low of 30 from 2022. See Appendix B for graphs of these trends.

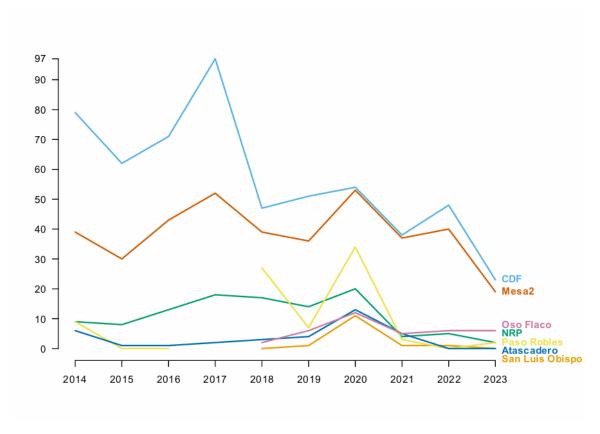
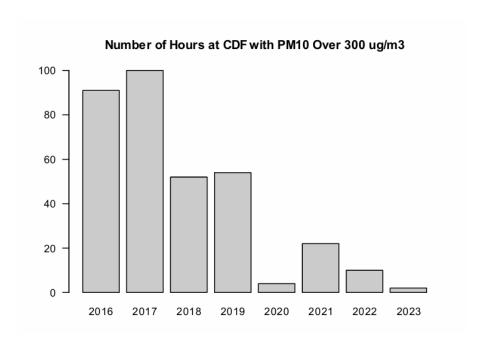


Figure 3: Exceedances of the California 24-hour PM₁₀ Standard, 2014–2023.



Local Agency Formation Commission (LAFCO) Meeting of Thursday, October 17, 2024 (Scheduled)

NOTICE: Dana Reserve Annexation not this Week:

At the September 19, 2024, LAFCO Meeting, the Commission directed the Executive Officer to reschedule the November 21, 2024, regular meeting to November 14, 2024, and to include the proposed Dana Reserve Specific Plan annexation into the Nipomo Community Services District on the agenda for that meeting.

Item B-1 - Oceano Community Services District Divestiture of Fire Protection Service and Designation of the County of San Luis Obispo as the Successor Agency for Fire Protection Service. On September 24, 2024, the Board of Supervisors approved an agreement to take over the Fire services of the Oceano Community Service District (OCSD). The final step is represented here, as LAFCO will approve the agreement, service plan, finance plans, and other requirements. The cut over will occur when certain OCSC properties related to fire service are transferred to the County. Various levels of service have been discussed. From a practical and safety standpoint it will probably be **Item 5** in the table below. The write-up states that this will initially cost the County General Fund about \$400,000 per year, as the district revenues available for transfer are only about \$1.2 million, whereas the cost is about \$1.8 million. This looks like a \$600,000 problem. Thus some clarification will be needed. See the expenditure and revenue pages below.

At the time that the Board directed staff to prepare this Plan for Service, it was estimated that the ongoing annual cost of service including both contract cost and indirect County cost, would be approximately \$1,800,000, and the annual General Fund support would be \$498,783. Due to conditions in this Plan of Service including proposed lease agreements between OCSD and the County over the next 20 years, estimated impact fee revenue, and maintenance on fire related assets to be transferred to the County, the annual operating expense is estimated to be \$1.7 million, and the annual General Fund support is estimated to be \$310,143.

	Responding Station	Increased Resources to Responding Station	Estimated One Time Cost	Estimated Ongoing Annual Cost	Response Time	Service Level Impact to Oceano & Surrounding Area Compared to Current Service Level
1	Nipomo 22	None	\$0	\$0	11-12 minutes as available	Significant Decrease
2	Nipomo 22	Increase from 2-0 to 3-0 staffing	\$360,000	\$1.4 M*	11-12 minutes as available	Significant Decrease
3	Nipomo 22	Add 2-0 engine company	\$1.9 M	\$2.1M*	11-12 minutes (dedicated engine)	Slight Decrease
4	Oceano	Add 2-0 engine company	\$3.5 M min	\$2.1 M	3-7 minutes	Significant Increase
5	FCFA AG/GB	Contract for 2- 0 staffing	\$0	\$1.8 M	AG 7-11 minutes GB 7-9 minutes	Equivalent

^{*}Assuming no change to Automatic and/or mutual aid agreements (potential to increase)

OCSD Revenue Trends

Revenue					*	**
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Property Tax	1,028,371	1,081,219	1,132,291	1,182,885	1,296,431	1,337,044
Public Facility Fees	20,061	10,158	20,528	7,878	3,863	TBD
Other Sources	147,690	144,285	150,971	149,653	TBD	TBD
TOTAL	\$1,196,122	\$1,235,662	\$1,303,790	\$1,340,416	\$1,300,294	\$1,337,044

^{*}According to County Auditor's Office.

Background: The County's September 24 report indicated that the County will start out providing a general fund subsidy of \$310,000 per year. In any case, and whatever the number is, the gap will grow as the cost escalates over the years. The cost does include a factor for the OCSD's unfunded pension liability.

Again, remember that this is a canary in the coal mine, warning as other weaker special districts and cities dissolve under the relentless pressure of cost increases that outstrip local economic growth.

On June 18, 2024, the Board of Supervisors approved the attached contract for services (Attachment 2) between the County and FCFA. The Contract maintains the level of service currently provided to the community of Oceano. The contract will become effective upon LAFCO approval of the District's divestiture, target date of January 1, 2025, and terminate on June 30, 2027, with two one year options to extend. The contract cost is \$1,706,000 each year with annual CIP increases.

As specified in the Plan for Service, the County will assume responsibility for OCSD's ongoing CalPERS unfunded actuarial accrued liability (UAAL) arising out of OCSD's participation in Five Cities Fire Authority between June 7, 2010, through June 30, 2023, in the amount equal to 19.7% of the total. The Foster and Foster actuarial report dated December 15, 2023, shows OCSD's share of UAAL as of June 30, 2022, to be \$861,741. OCSD's liability is anticipated to be reduced due to reimbursement payments made after June 30, 2022, by the City of Arroyo Grande to Five Cities Fire Authority, reducing the total UAAL of \$4,374,321 by \$982,311.

At the time that the Board directed staff to prepare this Plan for Service, it was estimated that the ongoing annual cost of service including both contract cost and indirect County cost, would be approximately \$1,800,000, and the annual General Fund support would be \$498,783. Due to conditions included in the Plan for Service, primarily proposed lease agreements between OCSD and the County, the annual General Fund support is estimated to be \$310,143.

LAST WEEK'S HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, October 8, 2024 (Completed)

^{**}For the purposes of this report, the analysis of options includes an increase in annual revenue, of which \$1,337,044 is estimated to be available to fund operations if the County were to take over fire services based on the FY 2023-24 Assessor's Values and preliminary AB8 Calculations from Auditor's Office.

Item 1 - Request 1) to approve the introduction of two ordinances relating to Los Osos community development: [a] an ordinance to amend the Growth Management Ordinance (Title 26 of the County Code) to establish new residential growth rate regulations for the community of Los Osos, establish regulations pertaining to the Los Osos Waitlist to Build, and modify growth management regulations to streamline administration of the Growth Management Ordinance (County File Number: LRP2020-00006), and [b] an ordinance to establish Los Osos Habitat Conservation Plan (LOHCP) Mitigation Fees for the implementation of the LOHCP. The ordinance was introduced without comment from the Board on a 5/0 vote. COLAB's and other speakers' comments were pretty much ignored.

The purpose of this item was to set a hearing for October 29, 2024. If the matters are approved at that hearing, the legal Los Osos Development moratorium that has existed since 1988 will be lifted. However, the number of permits will be limited to 1% of something called the 5-Year Rolling Average of Annual Basin Yield Metric, that needs some explanation. A new mitigation fee will be imposed on any development.

Other restrictions tied to the Los Osos Conservation Plan will stop progress as well. Applicants will have to deal with a complicated waiting list.

Table 1. Annual Growth Rate based on Basin Yield Metric.

5-Year Rolling Average of Annual Basin Yield Metric	Annual Growth Rate
≤80%	1.0%
>80% to 81%	0.8%
>81% to 82%	0.6%
>82% to 83%	0.4%
>83% to 84%	0.2%
>84%	0.0%

MORE ON THE NEXT PAGE

Summary of Los Osos Habitat Conservation Plan Mitigation Costs and Fees ^{1, 2}			
		Planning Level	
		Mitigation	Percentage of Total
Category	Acres ²	Total Costs (\$)	Mitigation Costs
Mitigation Cost		OBJ	
Administration (permit term)	532	16,683,835	38%
Administration (post-permit)	532	4,060,452	9%
Management and Monitoring (permit term)	386	5,892,370	14%
Management and Monitoring (post-permit)	386	6,899,673	16%
Preserve Start-Up	279	1,944,715	4%
Restoration	46	3,020,422	7%
Acquisition of Fee Title	77	4,934,145	11%
Total Cost		43,435,612	100%
		OBJ	
Mitigation Fee Summary per Acre		(OBJ	
Restoration /Management/Administration		72.425	
Fee	532	72,435	
Habitat Protection Fee	521	9,467	
Total		81,901	
Mitigation Fee Summary per Square Foot ³		OBJ	
Restoration /Management/Administration		1.66	
Fee	532	1.00	
Habitat Protection Fee	521	0.22	
Total		1.88	

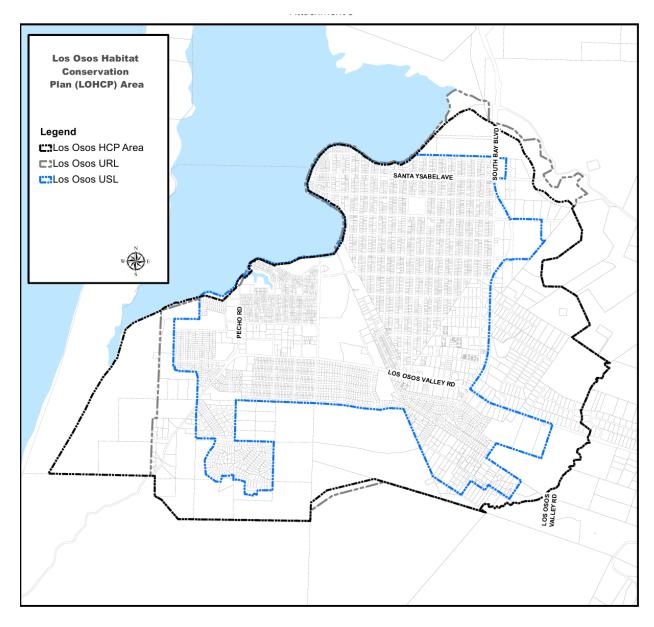
¹ The costs in this table have been updated from the December 2020 version of the LOHCP (Table 7-8). These costs are as of July 2024.

Someone will have to explain all this. But it appears that a 2,000 sq. foot house would have to pay a mitigation fee of \$3,750 on top of all the existing fees, such as the road fee, school fees, AB 1600 fees, sewer fees, Quimby fees, application processing fees, and of course all the professional consultant costs to help process your application.

Thus, after construction of a \$200 million sewer treatment plant, millions of dollars in plan development, millions for the Habitat Conservation Plan, and a 36-year moratorium, you still have a de facto moratorium except for the wealthiest people.

² Values may not appear correctly calculated due to rounding error. Total Costs includes County-wide Overhead.

³ Project fees will be charged by multiplying the area of ground-disturbing activities in square feet by the values listed here. In the text, fees are rounded to the nearest cent for ease of discussion. A 3.8% CPI Adjustment was applied to the fee amounts and updated as part of the fee hearing scheduled on October 29, 2024.



The County could have bought the whole place in 1988 for less than it has spent on all of this. It could have turned it into a wetland preserve.

Item 2 - 2025 Board Meeting Calendar. Please save this so you can plan your Tuesdays next year. It's the ones in grey.

January	February	March	April
S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S
1 2 3 4	1	1	1 2 3 4 5
5 6 7 8 9 10 11	2 3 4 5 6 7 8	2 3 4 5 6 7 8	6 7 8 9 10 11 12
12 13 14 15 16 17 18	9 10 11 12 13 14 15	9 10 11 12 13 14 15	13 14 15 16 17 18 19
19 20 21 22 23 24 25	16 17 18 19 20 21 22	16 17 18 19 20 21 22	20 21 22 23 24 25 26
26 27 28 29 30 31	23 24 25 26 27 28	23 24 25 26 27 28 29	27 28 29 30
		30 31	
May	June	July	August
S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S
1 2 3	1 2 3 4 5 6 7	1 2 3 4 5	1 2
4 5 6 7 8 9 10	8 9 10 11 12 13 14	6 7 8 9 10 11 12	3 4 5 6 7 8 9
11 12 13 14 15 16 17	15 16 17 18 19 20 21	13 14 15 16 17 18 19	10 11 12 13 14 15 16
18 19 20 21 22 23 24	22 23 24 25 26 27 28	20 21 22 23 24 25 26	17 18 19 20 21 22 23
25 26 27 28 29 30 31	29 30	27 28 29 30 31	24 25 26 27 28 29 30
			31
September	October	November	December
S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S
1 2 3 4 5 6	1 2 3 4		1 2 3 4 5 6
7 8 9 10 11 12 13	5 6 7 8 9 10 11	2 3 4 5 6 7 8	7 8 9 10 11 12 13
14 15 16 17 18 19 20	12 13 14 15 16 17 18	9 10 11 12 13 14 15	14 15 16 17 18 19 20
21 22 23 24 25 26 27	19 20 21 22 23 24 25	16 17 18 19 20 21 22	21 22 23 24 25 26 27
28 29 30	26 27 28 29 30 31	23 24 25 26 27 28 29	28 29 30 31 1 2 3
		30	4 5 6
Board Meetings	Swearing in Meeting	Board Break	CSAC Annual Conference
CSAC Leg Annual Conference	Budget Hearings	Holidays	

Item 8 - Request to approve and authorize the Chairperson to sign a professional consultant services contract with Land IQ, LLC in an amount not to exceed \$298,045 to design the Paso Robles Groundwater Basin Multibenefit Irrigated Land Repurposing (MILR) Program and develop related implementing documents. The Board approved the expenditure of \$300,000 from the Paso Groundwater management budget to hire a consultant to design a program per the quote below. The was 3/2 with Arnold and Peschong vigorously dissenting. Public speakers pointed out many problems to no avail insofar as the Board majority was concerned.

The subject of today's action relates to a portion of Component 5, namely to retain the services of a qualified firm to provide professional services as required to design the Paso Robles Groundwater Basin Multi-Benefit Irrigated Land Repurposing (MILR) Program. When fully implemented, the MILR Program will create a pathway for owners of commercially irrigated agricultural lands in the Paso Robles Basin to voluntarily reduce the volume of groundwater being pumped while protecting and preserving the integrity of the groundwater basin and improve farm operations in the future. The consultant will design the MILR Program and develop a MILR Program Implementation Plan that addresses all MILR Program elements, including without limitation: farming unit definition and eligibility criteria; program rules and regulations; enabling ordinances; California environmental Quality Act (CEQA) documentation; outreach strategies; projected program costs and funding mechanism; legal authority, and other elements as may be determined to be appropriate

It appears that the funds being appropriated are on top of the \$600,000 appropriated to the Paso Basin Cooperative Committee back on September 24 , 2024. Is this a double dip? Why is the MILR separate?

The Board letter went on:

The desired outcomes of the MILR Program may include:

- Reduced groundwater use
- Increased groundwater recharge
- Improved baseflows in rivers and streams
- Conversion of land to less intensive water uses while maintaining natural and working lands
- Creation and/or restoration of wildlife and pollinator habitat and/or migratory resources
- Improved water quality Prioritization of lands to be enrolled to maximize benefit to the groundwater basin
- Increased community outreach, involvement, and education
- Mitigation of groundwater conditions in the basin that pose risks to water adequacy and quality for domestic well users (High Priority) Protection of areas where interconnected surface water and groundwater systems and groundwater dependent ecosystems exist
- SGMA compliance
- Long-term groundwater basin sustainability

If a farmer takes land out of irrigated agriculture, what alternative uses will the County allow other than unirrigated agriculture? Could they have a country inn, camp ground, etc.? What if the property is under a Williamson Act contract? Do the properties that will cease any agriculture be reassessed under the full market value for properties in the zone?

Would alternative uses come up against the nuisance aspects of the Right to Farm Ordinance?

Item 29 - Any Supervisor may ask a question for clarification, make an announcement, or report briefly on his or her activities. In addition, Supervisors may request staff to report back to the Board at a subsequent meeting concerning any matter or may request that staff place a matter of business on a future agenda. Any request to place a matter of business for consideration on a future agenda requires the majority vote of the Board.

Added Item 30 - Submittal of a resolution supporting Proposition 36 - "Allows Felony Charges and increases sentences for certain drug and theft crimes. Initiative Statute", appearing on the November 5, 2024, statewide ballot. The item was never considered. A public speaker, meeting regular Eric Greening, asserted that the matter could not be discussed or voted on because the lobby of the Government Center is a polling place for the November election. Advocacy for candidates and ballot measures cannot be undertaken within 150 feet of a polling place. County Counsel Rita Neal and her staff agreed and advised the Board not to consider the matter.



It's sad that our society and institutions have lost their collective nerve and will not allow citizens to legally defend their property and their lives.

ABSENT:

RESOLUTION NO.

RESOLUTION SUPPORTING PROPOSITION 36

The following resolution is hereby offered and read:

WHEREAS, Californians statewide will be asked to vote on Proposition 36 – "Allows Felony Charge and Increases Sentences for Certain Drug and Theft Crimes. Initiative Statue" on November 5, 2024; and

WHEREAS, Proposition 36 makes several key changes related to punishments for theft and dru crimes by increasing punishment for some of these crimes, requiring courts to warn people convicted c selling or providing illegal drugs of future criminal liability, and creating a new treatment-focused cou process for some drug possession crimes; and

WHEREAS, Proposition 36 has garnered support from Crime Victims United of California, Californi District Attorneys Association, and Family Business Association of California; and

WHEREAS, this proposition, if passed, will undo some of the punishment reductions created be Proposition 47, which passed in 2014, and changed some theft and drug crimes from felonies to misdemeanors; and

WHEREAS, this proposition allows felony charges for possessing certain drugs and for thefts unde \$950, if defendant has two prior drug or theft convictions; and

WHEREAS, this proposition allows felony sentences for theft or damage of property to be lengthened by up to three years if three or more people committed the crime together; and

WHEREAS, this proposition allows some of the sentences for selling certain drugs (such as fentany heroin, cocaine, or methamphetamine) to be lengthened based on the amount sold and will general require those sentences to be served in prison; and

WHEREAS, in addition, the proposed ballot measure will:

- Require treatment for some drug possession crimes if a person has two or more paraconvictions for some drug crimes
- Require courts to warn people convicted of selling or providing illegal drugs to others the they can be charged with murder if they keep doing so and someone dies

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NOW, THEREFORE, BE IT RESOLVE	D AND ORDERED that the Board of Supervisors of t	he County			
of San Luis Obispo, State of California, does hereby support Proposition 36, "Allows Felony Charges and					
Increases Sentences for Certain Drug and Theft Crimes. Initiative Statute ".					
Upon motion of Supervisor	, seconded by Supervisor	, and on			
the following roll call vote, to-wit:					

Los Angeles Times

About 50 juveniles ransack 7-Eleven in L.A., latest in string of robberies targeting the chain

By Karen Garcia Staff Writer Oct. 7, 2024 12:16 PM PT

During a street takeover in Anaheim early Sunday morning, authorities say a mob violently forced its way into a nearby 7-Eleven, ransacked it and assaulted the store clerk.

At 1:30 a.m. on Sunday, Anaheim police officers responded to calls of an illegal street takeover at the intersection of Orange and Knott avenues.

As officers were heading to the scene, they received an additional call of a robbery at the 7-Eleven convenience store at the same intersection, said Sgt. Matt Sutter, a police spokesperson.

"There was a delay in response because all the street racers were blocking the intersection and nearby streets," Sutter said.

By the time officers reached the store, the suspects had fled.

An unknown number of people were inside the store for about two minutes, ransacked it and assaulted the store clerk, leaving him with a bloody nose, according to the Police Department.

In a video of the assault posted on Instagram, two masked men can be seen trying to forcibly pull open the 7-Eleven doors while yelling, "Watch out," to the clerk, who is holding onto the doors and trying to keep them closed.

When the men succeed in pulling the doors open, they strike the clerk in the abdomen and scuffle with him before retreating briefly.

As group then pushes into the store, the clerk tries to defend himself with what appears to be a metal rod, but he is repeatedly struck as others in the group steal merchandise, knock over displays and jump onto the cashier counter, the video shows.

At one point the clerk can be seen on the ground, yelling and holding his chest as people from the crowd are recording with their phones and laughing.

The looters stole the store's cash register and the total loss from the robbery is unknown, according to police.

Anyone with information about the assault is asked to call Orange County Crime Stoppers at (855) 847-6227.

Sutter said the street takeover and robbery were the first such incident he was aware of in the city of Anaheim, although similar episodes have been on the rise in <u>other parts of Southern</u> California.

"This is getting our full attention because this may occur in other counties, but it's new to Orange County and we're going to stop this before it gets started," Sutter said.

Central Coast Community Energy Authority (3CE) Operations Board Meeting of Wednesday, October 9, 2024. (Completed)

In general: The meeting was pretty much limited to informational items versus action items. One interesting action item is a revised document called the Energy Risk Management Policy. It seems both very strong and illustrative of the potential problems that can be encountered by a joint powers government provider of electrical services. This was particularly evident in the sections concerning the procurement and contracting of energy and energy certificates. In some respects the document serves as a code of conduct for all the officials, both at 3CE and the member cities and counties when voting on the large energy contracts.

The intro and draft policy consist of 117 pages. One sections stated:

Central Coast Community Energy (3CE), formerly Monterey Bay Community Power Authority, is a public Joint Powers Authority (JPA) located within the geographic boundaries of Monterey, Santa Cruz, San Benito, San Luis Obispo and Santa Barbara Counties. Member agencies of 3CE include the Counties of Monterey, San Luis Obispo, Santa Cruz, San Benito, and Santa Barbara, as well as certain incorporated cities located within the member counties.

And

Providing retail electric generation service to customers enrolled in the CCA program exposes 3CE, and ultimately the customers it serves, to various significant but manageable risks. The intent of this Energy Risk Management Policy (ERMP) is to provide 3CE, and by extension its customers, with a framework to identify, monitor and manage risks associated with procuring power supplies and operating in wholesale energy markets.

And

2.2 Risk Catalog This Energy Risk Management Policy addresses the following key risks:

- a) Customer Opt-Out risk
- b) Market risk
- c) Liquidity risk
- d) Regulatory risk
- e) Volumetric risk
- f) Model risk
- g) Operational risk
- h) Counterparty & Generalized Credit risk

Does the former neighborhood advocate who is elected to a city council and then ends up on the 3CE Board comprehend that he or she is responsible for accountability in a very big time high risk national game that can generate massive liability? Understand that 3CE decisions are not like deciding to update the playground equipment or fire the city manager again. Huge businesses, institutions, and more than 1.1 million people are dependent on the system's effective operation.

A SLO Scenario: Woops, what if it turns out that one of our big green energy suppliers (\$450,000,000) is actually a front for an invisible New Jersey cartel with Ukrainian ties that has fed millions into the American election process nationally and Statewide, while at the same time bribing a couple of local county supervisors? The Feds have suspended the contract, we are short energy, and the FBI is all over the place. Well I saved 4 cents per kilowatt hour (\$9/month) for the energy charge component on my bill last month and our school district got a discount on an electric school bus.

It is one thing to fool around with local cannabis shills and fake developers, for chicken feed, but this is big stuff. Are local officials, with many issues on their plates, able to devote sufficient time to the big leagues?

The Ghost of Adam Hill could be stalking this one.

Item 6 - Update on the implementation of the Community Engagement Plan for the January 2025 Enrollment of the City of Atascadero and the County of San Luis Obispo.

This was the release of the rollout plan for bringing in the City of Atascadero and the unincorporated territory of SLO County into 3CE on January1, 2025. Note that the Boards of both jurisdictions have signed all the papers and have taken all the actions necessary to join. The California Public Utilities Commission has also approved the cutover.

Enrollment Process: The two-stage formal enrollment process for Atascadero and SLO County will begin 60 days prior to the start of 3CE service ("pre-enrollment") and end 60 days later ("post-enrollment"), as required by the California Public Utilities Commission. With 3CE service for areas set to start in January 2025 (on customers' regular meter-read dates), pre-enrollment will begin in November 2024, and post enrollment will conclude at the end of March 2025.

And

The pre-enrollment process will begin with two notification mailers or emails (depending on customer preference) sent to all eligible customers in November and December 2024. As part of post-enrollment, two additional mailers or emails will be sent to all customers in February and March 2025. 3CE began outreach and engagement efforts in the summer of 2024. Direct

community engagement, paid advertising, social media, and earned media will follow in early fall 2024. Attached is the timeline of key dates and community engagement opportunities.

PG&E customers will automatically be enrolled unless they call in and request to opt out. The 3CE write-up states in part:

You may request to opt out of 3CE at any time by calling (888) 909-6227 or by visiting 3CEnergy.org/opt-out/. Please have your PG&E or SCE account information on hand to process your request. There is no fee to opt out before your 3CE service starts or within 60 days after your 3CE service starts. After that time, there is a one-time administrative fee, \$5 for residential accounts and \$25 for commercial accounts. Please be advised that if you do opt out and return to PG&E or SCE, you will not have the option to re-enroll with 3CE for a full year and will be subject to PG&E's or SCE's terms and conditions of service. For information on PG&E's or SCE's terms and conditions, visit pge.com or sce.com. Accounts will be transferred on the day the electric meter is read and cannot be transferred during the middle of a billing cycle. Opt-out requests received at least 5 days prior to a customer's meter read date will be processed for that meter read date; all other opt out requests will be processed on the subsequent meter read date. Customers who opt out or otherwise stop receiving service from 3CE will be charged for all 3CE electricity used before ending 3CE electric service.

The schedule begins on the next page:

3CE 2024-25 Enrollment Timeline & Key Dates of Community Engagement Activities

TIMELINE OF KEY ENROLLMENT DATES:

October 10 County of San Luis Obispo Enrollment Check-in

October 14 FAQs to City and County Staff

October 21 City of Atascadero Enrollment Check-in November Enrollment Notification 1 of 4 sent out

November Advertising/Social Media begins

November 14 County of San Luis Obispo Enrollment Check-in

November 20 City of Atascadero Enrollment Check-in

December Enrollment Notification 2 of 4 sent out

December 12 County of San Luis Obispo Enrollment Check-in

December 18 City of Atascadero Enrollment Check-in

January Enrollment begins

January 9 County of San Luis Obispo Enrollment Check-in

January 15 City of Atascadero Enrollment Check-in
February Enrollment Notification 3 of 4 sent out
March Enrollment Notification 4 of 4 sent out

March 13 County of San Luis Obispo Enrollment Check-in

February 19 City of Atascadero Enrollment Check-in March 19 City of Atascadero Enrollment Check-in

SCHEDULED OUTREACH EVENTS:

Summer Atascadero "Music in the Park" Concert Series Sponsor (8 events)

August 2024 Atascadero "Summer Movies in the Park" Sponsor (2 events)

August 31 Atascadero "Music in the Park" concert tabling
September 28 Arroyo Grande Harvest Festival parade participant

October Outreach to media outlets begins, editorial meetings

October 1 Rotary Club of Templeton Presentation
October 2 Rise & Shine, South County" Presentation

October 3	Nipomo Business Community Meeting
October 16	Presentation at "Breakfast on the Bay"
October 17	Atascadero Octoberfest Mixer Sponsor
October 22	Electrify Your Ride Tabling Event
October 23	Rotary Club of Atascadero Rotary Presentation
October 24	Presentation to "Good Morning SLO"
October 25	Paso Robles & Templeton Chamber Corporate Cup Team Building
Sponsor	
October 27	South County Chambers' "Friendsgiving" mixer Presentation
November 1	Rotary Club of Los Osos/Baywood Park Presentation
November 13*	Enrollment Webinar #1
November 14	Kiwanis of Atascadero Presentation
November 21	Atascadero Chamber Mixer Host
November 21	Women in Business Presentation
December	Atascadero Holiday Lighting of Sunken Garden Sponsor
December 3*	Enrollment Webinar #2
December 11	Morro Bay Chamber Mixer Host
January	"Flip Your Switch" Events (dates TBD)
January 8	Home Builders Association of the Central Coast Presentation
January 29*	Enrollment Webinar #3
February 18*	Enrollment Webinar #4

TO BE SCHEDULED:

Townhalls with county supervisors

Presentations to Community Service Districts

Additional Community Service Organizations

Presentation Community Advisory Committees/Commission

Presentations to Community-Based Organizations

Lunch training with City of Atascadero Staff

Trade Organizations, including contractors and agriculture

Family Resource Organizations

Free breakfasts, free lunches, sponsored not-for-profit events, and more patronage lubricant than they distribute at a P Diddy house party are going to ease the transition. The 3CE lists the icons displayed below as its key "accomplishments."



Renewable energy and storage agreements since 2018



It's contractual debt that will have to be paid off.
Some of the contracts are 30 years long.



\$19 Million

EV charging station funds secured through CALeVIP and 3CE



Where are these?
Private Property?
Govt. Property?
How many were
installed?
How many still work?



1.1 Million

Customers Throughout the Central Coast Served by 3CE



Most of them don't even know that they were switched.



Allocated to local energy programs since 2018



Pure pork for city councilors and county supervisors to claim credit

California Coastal Commission Meeting of Thursday, October 10, 2024 (Completed)

Item Th9a - Increase Space Exploration Technologies' (SpaceX) Falcon 9 launch activities at Vandenberg Space Force Base (VSFB) from 36 to 50 per year. The Commission voted 6/4 to deny the Air Force's Federal Consistency application, even though its staff had recommended approval. The circumstances are both disturbing and mysterious. Consider the following:

- 1. For several years the Air Force and the Space Force have sought a consistency permit from the Coastal Commission to increase the number of rocket launches from Vandenberg. The current request is to go from 12 to 36 per year. It is expected that in November, the Space Force will apply for an increase from 36 to 50. In 2026 it is expected that there will be a request to increase the number from 50 to 100 or more per year.
- 2. Increased launches are good for Santa Barbara and SLO Counties, as more private firms that support a variety of involved technologies expand in the two counties, creating jobs and related economic multipliers.
- 3. During the spring of 2024, the Air Force and Space Force reached agreement with the Coastal Commission staff on a very expansive and expensive series of monitoring and mitigations that the Commission required.
- 4. Subsequently, someone complained to the Commission about sonic booms. This caused the Commission to add 3 new very lengthy and costly conditions to the draft permit that had already been proffered. During the August meeting, the Air Force declined to accept the 3 new late hit conditions. The Commission then denied the Consistency. Commissioners also rose the complain that the main contractor for launches is SpaceX, owned by Elon Musk. SpaceX launches private sector and military Starlink satellites as well as other military payloads.

- 5. Some Commissioners then began to complain that the SpaceX and other contractors should not have the benefit of having their launches approved under the Federal (Airforce) Consistency Permits. They suggested that the private sector companies should apply for regular coastal development permits as private entities.
- 6. Surprisingly, as the time approached for the October meeting, the published agenda indicated that the Air Force had changed its position and agreed to the new permit conditions related to sonic booms, and that the Commission staff and the Air Force had collaborated extensively and were signing Kumbaya. The staff recommended approval of the expanded permit that now included Sonic Boom mitigation provisions. It was expected that this would be approved at the October meeting.

At the meeting:

- 1. It became apparent that the Air Force turnabout was fostered by the highest levels. It turned out that Assistant Secretary of the Air Force, Dr. Ravi Chaudhary (a Biden appointment) had taken over management of the issue.
- 2. It is not known how Chaudhary's injection had been engineered. Chaudhary came to California and, assisted by the Vandenberg AFB Commander, agreed to the Commission's demands.
- 3. Commission Chairwoman Caryl Hart, three of the Commissioners, and Commission staff were hosted at the Base, where they toured many environmental projects. They came away very impressed. In fact, they were so effusive that they forgot to notice their ex-parte discussion with the applicant Air Force. This required them to correct on the record during the meeting.
- 4. Chaudhary is a well-spoken retired Air Force Officer who is very highly educated and slathered praise on the Coastal Commission staff. In the end (right on the floor of the meeting) the Commission proposed yet another condition tantamount to requiring that SpaceX apply separately for permits and not operate under the Air Force consistency. This was again a bridge too far and Chaudhary demurred.

Dr. Ravi I. Chaudhary is the Assistant Secretary of the Air Force for Energy, Installations, and Environment, Department of the Air Force, the Pentagon, Arlington, Virginia. Dr. Chaudhary is responsible for the formulation, review and execution of plans, policies, programs, and budgets to meet Air Force energy, installations, environment, safety, and occupational health objectives.

Dr. Chaudhary commissioned in the Air Force in 1993 upon graduation from the United States Air Force Academy. He completed 21 years of service in a variety of command, flying, engineering and senior staff



assignments in the Air Force. As a C-17 pilot, he conducted global flight operations, including numerous combat missions in Afghanistan and Iraq, as well as a ground deployment as Director of the Personnel Recovery Center, Multi-National Corps, Iraq. As a flight test engineer, he was responsible for flight certification of military avionics and hardware for Air Force modernization programs supporting flight safety and mishap prevention. Earlier in his career, he supported space launch operations for the Global Positioning System and led third stage and flight safety activities to ensure full-operational capability of the first GPS constellation. As a systems engineer, he supported NASA's International Space Station protection activities to ensure the safety of NASA Astronauts. Dr. Chaudhary is a DoD Level III Acquisition Officer and has published numerous articles in future strategy, aircraft design, business transformation and space operations.

Commissioner Hart is a longtime Democratic Party soldier with years of public service.



Caryl Hart, PhD is an attorney and expert in public lands and park policy, with over 25 years of advocacy, scholarship and administrative experience. She served for 13 years as a member of the California State Parks Commission, including seven years as Chair. In 2014, Dr. Hart was appointed by Governor Brown to serve on the Parks Forward Commission to assist in forming a sustainable path forward for the California State Park System. From 2010-2017, Dr. Hart was Director of Sonoma County Regional Parks, a system of 50 parks and regional trails including Doran, Stillwater and Gualala Pt Regional Parks on the Sonoma Coast, and Spud Pt Fishing Marina in Bodega Bay. As a native Californian, born in Los Angeles and raised in the Santa Barbara area, Dr. Hart is dedicated to the protection of our coast and ocean, and in insuring maximum public access for all Californians and visitors to our state.

Hart asked Secretary Chaudhary if "there were a change in administration," would he be replaced? He answered, "Yes." Hart then opined that only Chaudhary was trustworthy and that a Trump administration would not preserve the agreement nor would it work collaboratively. For this reason she would vote "No" on the Consistency.

5. A new Commissioner, Gretchen Newsom, (not related to the Governor) led the attack on the approval consistency, the Air Force, SpaceX, Elon Musk, and just about everything else. She was focused, organized, articulate, and a firebrand. Her anger was not flagrant but simmering hot. Separately from environmental issues, Newsom painted Musk as a corrupt and harsh employer who allows his workers to suffer from injuries and harassment. She called him the richest man in the world. She read her statement before deliberations and indicated she would oppose the Consistency. Her day job is the public relations manager for a northern California unit of the International Brotherhood of Electrical Workers.

The other Commissioners were stunned, but 5 of them plus Newsom rolled over to deny.

Watch out for her in the future. Once the Socialist takeover is complete, she will be one of the commissars sending you to the Gulag or the killing fields.



No relation to Gavin Newsom

Gretchen Newsom is a community leader and advocate of working families. As President of the Ocean Beach Town Council, she is working toward preserving and improving community resources and advocating for a sustainable local economy. Gretchen is also the Political Director for the International Brotherhood of Electrical Workers (IBEW) Local 569 and organizes efforts to invest in local goodpaying, green-collar jobs, workforce development, civic engagement, and renewable energy.

Gretchen was previously employed by a social innovation firm that creates physically, socially, and economically sustainable communities. From 2009 to 2011, Gretchen served as Special Assistant to Chairman Phil Angelides of the Financial Crisis Inquiry Commission, a bipartisan body charged with conducting the nation's official inquiry into the causes of the financial and economic crisis and reporting its findings to the President, Congress, and the American people. Gretchen was centrally involved in producing the Commission's final report, a New York Times and Washington Post best seller. Gretchen previously served as a Deputy Policy Director on a gubernatorial campaign, and conducted corporate research and drafted legislation while working at the California State Treasurer's office.

Gretchen graduated Magna Cum Laude from Humboldt State University with a degree in Government and Politics, and was awarded with the "Woman of the Year" honor. Gretchen is a graduate of the prestigious California State Executive Fellowship Program. She lives in Ocean Beach with her family.



Vandenberg Commander abases himself before the Commission



Background: Somehow, between the September meeting and today, the staff had changed its recommendation and recommended that the Commission approve the consistency application of the US Space Force and private contractors to increase the number of launches at Vandenberg. As noted above, the Commission did not agree.

Readers will remember that last month the Commission denied the application and basically invited the Federal Government to sue the Commission. Additionally, the Commissioners became angry when a Space Force Officer would not agree to their interrogation. Now, at the end of a fairly brief report that justifies issuance of the consistency determination, the recommendation states:

Therefore, Commission staff recommends that the Commission concur with DAF consistency determination No. CD-0007-24 and find that the proposed project is consistent with the enforceable policies of the California Coastal Management Program.

Reading the actual text as well as between the lines, it appears that at least the staff became educated and/or became nervous about Commission overreach. Now instead of language about violations and refusal to allow the commercial launchers to be included in the Space Force permit, the report contains some of the highlights listed below:

Objectively, the primary purpose of the proposed SpaceX launch activities is to further expand and support SpaceX's commercial satellite internet and telecommunications network, Starlink. Each rocket launch places approximately 21 Starlink satellites into Earth orbit. This network, or "satellite constellation," is now comprised of several thousand individual satellites that provide internet across the globe through a subscription service and are now equipped to support cellular phone service as well. With its Starlink satellite constellation, SpaceX owns significantly more satellites than the combined total owned by every country and other company in the world. Building and maintaining this system and leadership position is the primary purpose for launches and reason for their proposed increase, but SpaceX also periodically launches satellites and payloads under contract for a variety of federal government agencies and private companies as well.

And

Although the Commission and Commission staff have consistently rejected DAF's characterization of SpaceX launch activities – including those associated with the proposed increase - as a "federal agency activity" as defined in the Coastal Zone Management Act, DAF continues to maintain this stance in the current consistency determination, stating:

The staff then quotes Airforce (not Space Force) response in some detail

SpaceX is currently one of only two U.S. launch service providers certified to launch national security missions for the USSF's National Security Space Launch (NSSL) program, which procures launches for all the military services as well as the intelligence community...

And

Space launch for the USSF, other DOD organizations, and the intelligence community is reliant on commercial space launch service providers, as DOD does 2 CD-0007-24 (DAF) not operate its own space launch vehicles. SpaceX supports, and is under contract for, the full spectrum of U.S. Government space mission requirements.

And

SpaceX has developed Starlink and Starshield, satellite constellations in low-Earth orbit that require numerous launches to develop and maintain the constellation. Starlink is a critical national capability that is directly utilized by DOD and the intelligence community, which contracts directly for satellite communications services important to the national defense and in support of U.S. interests abroad. Here, Starlink is a services provider for the DOD under numerous contracting vehicles...Starlink is under contract with the Federal Emergency

Management Agency, the Department of State, Department of Veterans Affairs, Department of Transportation, U.S. Coast Guard (USCG), Customs and Border Patrol, U.S. Geological Survey, U.S. Forest Service, the National Oceanic and Atmospheric Administration (NOAA), and many other government organizations at the state and local level...

And

Starlink and Starshield are critical national capabilities that are directly utilized by DOD and the Intelligence Community, who contract directly for satellite communications services important to the national defense, as well as in support of U.S. interests abroad, including in Ukraine... It is critical that CCC generally understand that the distinction between Starshield and Starlink does not exist for some U.S. Government users, and Starlink itself is the basis for exclusive and specialized U.S. Government services and capability.

It is in the national interest to continuously enhance Starlink network capacity, particularly in furtherance of U.S. Government purposes and objectives. SpaceX's rapid launch capability and continuous deployment of Starlink satellites on orbit directly correspond to improved network performance that scales directly with network growth to meet escalating demand. Starlink launches are not incidental; each individual Starlink launch is part of a deliberate, planned effort to meet capacity needs to support specific requirements or demand, including the U.S. Government. The capability of new satellites allows SpaceX to add capacity more quickly and interconnect the Starlink constellation, to serve critical U.S. Government needs around the globe, and to launch critical communication services for aviation and maritime in the U.S. and the rest of the world's most remote locations.

In other words, some of the Starlink Satellites, as well as the overall private launch capacity, are essential for the national defense. Not only that, the whole network functions as a communications shield.

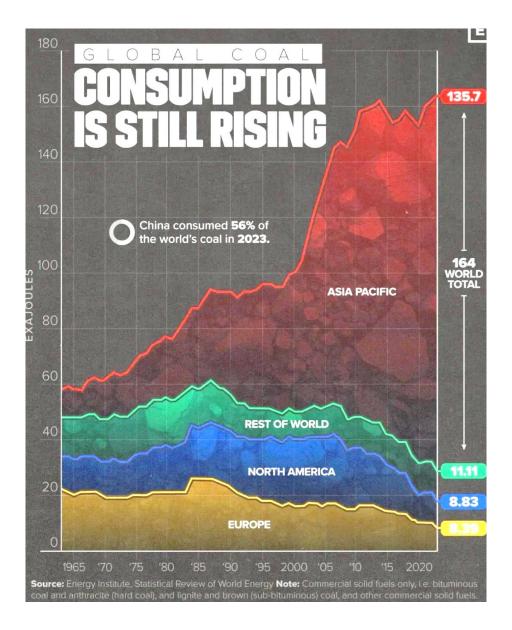
The Commission rejected its staff recommendation and reverted to its previous position. Again, the public should be outraged and should remove State elected officials who perpetuate this rogue, and now treasonous, bunch of radical environmental hacks who would jeopardize the national defense on the grounds that a few sonic booms may bother Red Legged Frogs. Perhaps they would prefer the complete annihilation of Vandenberg, Nipomo, Lompoc, Santa Maria, Los Alamos, and Santa Ynez by dual air and ground strikes by 2 Chinese or Russian atomic warheads.

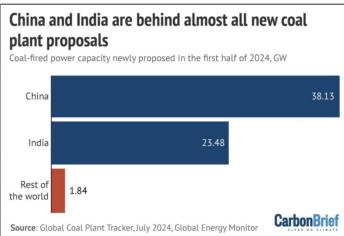
EMERGENT ISSUES

Item 1 = POSTED ON OCTOBER 7, 2024 BY STEVEN HAYWARD IN THE DAILY CHART

THE DAILY CHART: THE FUTURE OF ENERGY IS ... COAL

In the midst of all the ongoing cheerleading for "net-zero" and the fabulous "energy transition," a reality check is in order. Coal-fired power is still growing very fast. And guess where?





Item 2 - California's Projection-Based Policymaking

Justifying ambitious mandates with dubious statistical projections, Golden State regulators continue to heap costs on residents and taxpayers.

Costs are on the rise, especially in California, where they approach the astronomical. The state's residents pay \$53,170 per year for essential goods and services, more than 30 percent above the national median. They face the nation's highest median housing, second-highest transportation, and third-highest food costs. The state is also increasingly unequal, as it is home both to America's highest cost-adjusted poverty rate and to its largest number of billionaires.

How could the nation's most populous and resource-blessed state become so expensive and inequitable? One reason is that California's legislature has delegated seemingly unbounded authority to regulatory agencies, which have imposed on residents expensive mandates, often based on dubious statistical projections. Today, state climate policies, derived, in part, from such models and projections increase <u>costs</u> for poor families and shift billions of dollars to the wealthy in pursuit of carbon-emission targets.

California's building codes are a perfect example of projection-based policymaking in action. In 1980, the Golden State enacted building codes that regulators confidently predicted would <u>cut</u> residential energy use by 80 percent. But <u>according</u> to a 2016 paper published by Arik Levinson, a former Obama administration economic advisor, <u>energy savings fell "significantly short"</u> of California's estimates. He also affirmed that the reported success of these programs was almost entirely <u>based on models rather than real-world data</u>—more projections to validate the original projections. Supporters of such projection-based policymaking predictably pushed back on the study, but they did not rebut a more damning claim that Levinson later made on the Freakonomics <u>podcast</u>: that California-style regulations "don't reduce energy consumption or pollution nearly as much as promised, if even at all."

The state continues to use similar projections in its environmental policy today, despite the failure of its model-inspired building codes. Consider the plan California released in 2022 to achieve "carbon neutrality" by 2045. It includes targets for reduced personal-car use more than double those seen during the pandemic lockdowns, for electrifying home appliances, and for cutting dairy and livestock emissions with policies that will accelerate the relocation of food producers to other states and raise prices. State regulators estimated that implementing these changes would prevent future climate damages, or the "social cost" of carbon dioxide emissions, which they estimate as ranging from \$36 to \$130 per metric ton of carbon by 2050.

The state claims that the most cost-effective climate policy is to "deploy" electric vehicles (EVs) and "reduce driving demand." These measures, advocates claim, will not only be costless but also produce an average annual windfall of \$128 per ton of reduced emissions by encouraging biking and walking. But this projection is textbook model-driven policymaking. Modern combustion cars are now so clean that tire particulates caused by roadway friction are worse than tailpipe emissions—and heavier EVs have higher tire emissions. Increasing urban residential density so that more people can bike, walk, or use public transit is a sensible objective, but even the least costly new urban apartment building is unaffordable for most workers, unsuitable for most families, and economically infeasible in almost all of California. The state's supposedly cost-effective EV and reduced-driving climate policies ignore and undervalue factors that increase transportation, energy, and housing costs for already-struggling families, who need reliable and affordable shelter, energy, and transportation.

While rational climate policymakers would ensure that costs imposed today do not exceed the harms to be prevented tomorrow, California regulators seem committed to the opposite. The state

admits that efforts to "generate clean electricity" will cost, on average, \$497 for each metric ton of emissions reduced. The average annual bill for "decarboniz[ing] buildings" will be \$585 per metric ton. Regulating "sparsely vegetated lands," meantime, will reduce emissions at an astonishing cost of \$450,619 per ton.

These policies will make California even more unequal. As the state's nonpartisan Legislative Analyst's Office <u>confirmed</u> in February 2024, most of the Golden State's signature green energy and vehicle programs benefit California's wealthiest residents and impose the highest burdens on the state's poor and middle-class residents.

The state's solar program, similarly <u>based</u> on model-driven estimates of climate benefits, is particularly regressive and ineffective. In 2006, California started offering generous tax incentives and other <u>benefits</u> to consumers who installed solar panels. But despite promises of savings, California's residential electricity costs are nearly <u>double the national average</u>, and the solar subsidies <u>shifted</u> an estimated \$6.5 billion per year from residents who did not install panels, mostly renters, to residents that did, mostly homeowners.

The widespread adoption of solar panels <u>means</u> that electricity production peaks in the middle of the day, when demand is lowest. This forces the state to waste, or "<u>curtail</u>," an increasing amount of mistimed "renewable" power. California's utility regulators finally made this program more equitable earlier this year, prompting howls from climate advocates and <u>even a lawsuit</u>. Meantime, however, the state and localities continue to require solar rooftops under myriad new building <u>mandates</u>, pushing already-exorbitant housing costs <u>even</u> higher.

The dominance of this policymaking approach is not limited to California's environmental and climate policies. In 2008, voters approved construction of a high-speed line between Los Angeles and San Francisco with \$9 billion of state-bond funding, after experts assured them that it would transport 117 million riders per year in 2030, turn an annual profit of over \$1 billion, and largely be funded with federal money. In December 2008, the state listed the project in its climate plan and estimated that its completion would reduce emissions by 1 million metric tons by 2020.

Not an inch of the now-infamous project is operational. Present efforts are focused on building a line between Bakersfield and Merced that would cost up to \$35 billion—more than the entire initiative's <u>estimated 2008 cost</u>. Completing the voter-approved route is now projected to require another <u>\$100 billion</u>. Rail officials admit that planning was <u>"not based on technical and financial criteria</u>." Good to know!

California taxpayers are fed up with leaders who impose housing and other costs that residents simply cannot afford. A whopping 77 percent of California adults agree that housing affordability is a "big problem." The legislature has heard the message and has wrestled more than 100 pro-housing bills into law since 2017—and yet, housing production has hardly budged.

Why? The state's regulatory agencies make the cost of building almost anything prohibitive. California piles on cost burdens to apartments intended for low-income families, for example, with eye-popping price tags of \$1.7 million per apartment in San Francisco. Even the cost of typically much smaller apartments for the homeless has reached \$1 million per unit in Santa Monica. Federal taxpayers partly subsidize these California apartments with tax credits, even though the national average cost of building a low-income housing unit is only \$232,000, according to HUD.

Neither the governor nor the legislature have shown willingness to disentangle the state and regional bureaucracies that prioritize their own interests above those of taxpayers. Their made-to-order models, predicting wildly inflated benefits, have consistently imposed costs on California's middle- and lower-income households. It's long past time for public officials to change course and eliminate these extraordinarily intrusive regulatory burdens. Golden State officials must insist that public policies be based on clear and compelling real-world evidence—not self-serving projections that too often fail to prove out.

Jennifer Hernandez is a senior fellow at the Breakthrough Institute. This article first appeared on August 9, 2024 in the Manhattan Institute City News.

Item 3 - Chevron Sends Letter to CA Legislature Lambasting Newsom's Oil/Gas Proposal



Gas prices, Sacramento, CA, June 13, 2022. (Photo: Katy Grimes for California Globe) Chevron Sends Letter to CA Legislature Lambasting Newsom's Oil/Gas Proposal

'Supply shortages are an outcome of California's regulatory policy and fail to reflect the energy industry's cyclical nature'

By Katy Grimes, October 9, 2024

Chevron President Andy Walz sent a letter Tuesday condemning Gov. Gavin Newsom's proposal to decrease the state's gas supply, which will clearly result in even higher gas prices at the pump, saying he seeks to address "some of the inaccurate and flawed arguments made by its proponents."

California's own Chevron Oil Company announced in August their corporate relocation to Houston Texas from the Bay Area, where it has been based since 1879, the latest big business to flee the Golden State. And Walz said of the 36 states in which they work, only California has the highest gas prices.

That is the argument the Globe has made for some time now: "If the 'Big Oil' companies are so greedy, why are they only greedy in California and not greedy in every state?"

In the Chevron letter, Walz said:

Chevron is concerned by the recent Committee and Assembly passages of ABX2-1 and seek to address some of the inaccurate and flawed arguments made by its proponents. As the Senate prepares to vote, it is crucial that it makes a fact-based decision. The political posturing that has characterized these proceedings must stop, including baseless and frankly ridiculous claims that the industry is engaging in price gouging. Let us have a balanced, fact-grounded conversation about the state of California's fuels marketplace, a marketplace weakened by misguided policy decisions, driven by misleading rhetoric.

Across the three dozen states in which we work, the California government remains unique in its focus on marketplace interference with negative effects on consumers resulting in the highest U.S. gasoline prices. California has investigated the industry numerous times for price gouging and come up with no evidence or charges. Chevron has been a trusted partner to California consumers for 140 years. We value that trust as we strive to reliably provide ever-cleaner fuel to Californians and our neighbors.

Chevron's move and now the letter comes as no surprise to anyone watching California Governor Gavin Newsom deflect from his own debacles and radical policies to the oil and gas industry, demonizing producers and refiners as evil polluters and price gougers, even filing a lawsuit last year against five of the largest oil companies, including Chevron.

Except, Newsom is wrong. Newsom claims that the state's highest-in-the-nation gas taxes and prices are not what led to dramatically spiking gas/oil prices but because of <u>price gouging by the oil industry</u>. In May, <u>Newsom even signed a gas price gouging law into place</u>. Walz challenges Gov. Newsom's falsehoods and says:

...the claim that regulation is justified because "price spikes are profit spikes" is misleading.

and

the claim that "refiners did not adequately prepare for [planned maintenance events] by increasing inventories and imports," while we do not speak for other refiners, we believe this to be uninformed and not how we operate.

The Governor's proposal, ABX2-1, will give the California Energy Commission more authority to impose new mandates for oil storage requirements on oil refineries in California, even as California is on the verge of an energy crisis with the push for electrification by 2035, as John Kabatek, California State Director, National Federation of Independent Business recently warned. "The regulation requirements in ABX2-1 will artificially create a fuel shortage crisis due to limiting the distribution of fuel."

As the Globe <u>reported</u>, California Governor Gavin Newsom called for a special legislative session after accusing California's oil refineries of price gouging – a clear sign that he is economically illiterate.

Chevron appears to agree.

Economic fundamentals force prices up when demand outstrips supply. This signals the need to bring in more expensive finished gasoline or blending components. These statements about price

spikes also overlook that supply shortages are an outcome of California's regulatory policy and fail to reflect the energy industry's cyclical nature.

While we do not purport to speak for the industry, quite apart from the unfounded allegation of price gouging, there are many instances where net refining margins are negative, causing refineries to operate at a loss.

Walz continues, addressing Newsom's price-spiking allegations:

The suggestion that refiners mishandle inventory prior to shutdowns is likewise an ill-informed generalization. We have contractual obligations to supply our customers and go to great lengths to meet them.

California's oil and gas industry is perhaps the most regulated industry in the state.

As we <u>reported</u> in March, the California Governor, Legislature and State Air Resources Board are working hand in glove to restrict the availability of oil and gas and increase the cost of gas at the pump so severely, middle class and working class drivers will be making choices between groceries and fuel for the car.

The California Air Resources Board, which has targeted the oil and gas industry for many years, is mandating an additional 50 cents per gallon be added to the price of gas in California. This is all part of the goal to force California's drivers out of their cars, and/or into electric vehicles. But ultimately, the Democrats' goal is to ban petroleum-powered internal combustion engines by 2035 and gas-powered vehicles.

Notably, the California Air Resources Board is made up of unelected career political appointees. They are not legislators, nor should they be making law.

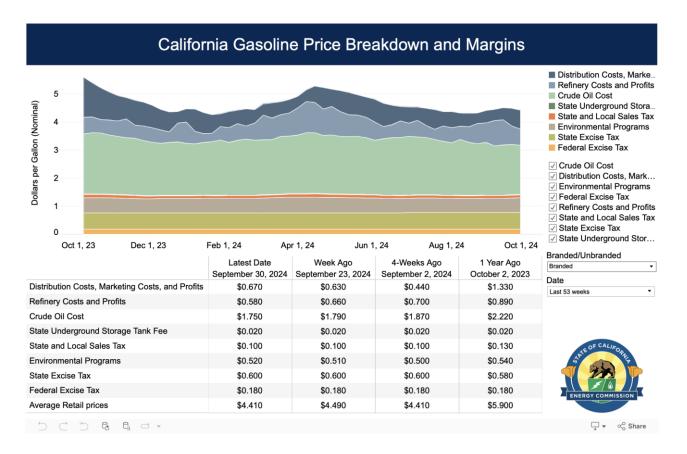
It is important to note that all tax increases are required to be voted on by the California Legislature. But the CARB has been bypassing the Legislature for years and passing their own "clean air" and "climate change" taxes – obviously with the implicit approval of the Legislature and governor.

Walz addresses California's increasing taxes and regulations:

Without investment in the critical energy infrastructure that allows California consumers to live their daily lives, your body will

ensure these products become more expensive and less reliable. The California gasoline marketplace is constrained, and government manipulation will only increase prices.

According to the <u>California Energy Commission</u>, California's gas tax breakdown totals \$1.77, which gives us the highest prices for a gallon of gas in the nation of \$4.68:



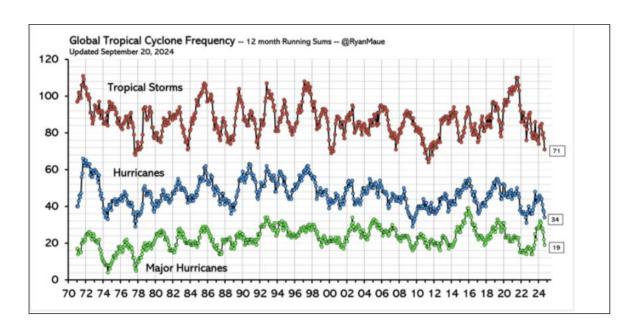
Chevron President Andy Walz's letter to the California Legislature is attached as Addendum II on page 45.

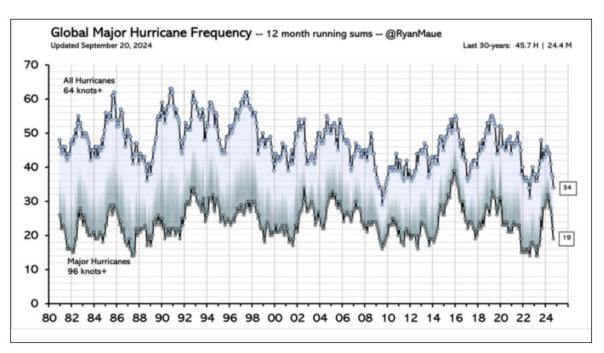
Item 4 - THE DAILY CHART: HURRICANE FREQUENCY AND SEVERITY POSTED ON OCTOBER 9, 2024 BY <u>STEVEN HAYWARD</u> IN <u>THE DAILY CHART EDIT THIS</u>

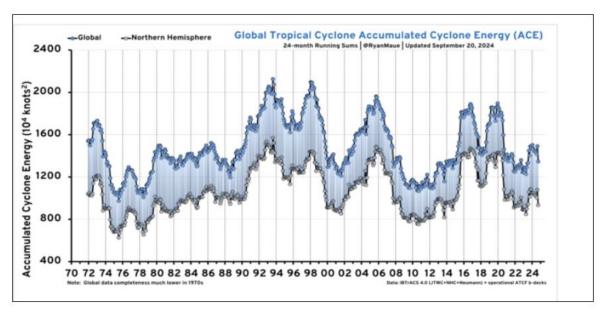
With Hurricane Milton bearing down on Tampa Bay right now, the usual chorus of climate change fanatics are using the occasion once again to throw up the familiar unfounded claims. The UN's IPCC climate change project repeatedly says scientists are unable to attribute frequency or intensity of hurricanes, tornadoes, or other extreme weather events to climate change or greenhouse gas levels. Here's Roger Piekle Jr's. able short summary of the matter: When it comes to many types of extreme events the IPCC has for decades been unable to conclusively detect changes in their frequency or intensity. For instance, the IPCC has reported increases in heat waves and in heavy precipitation, but not tropical cyclones (including hurricanes), floods, tornadoes or drought.

This will not slow down the climatistas for one second. On three: Load up your soup cans for art museums and yellow vests to block traffic. One, two. . .

Meanwhile, the estimable Ryan Maue (follow him on Twitter/X here) offers us actual actual data showing that hurricane frequency and intensity show no increasing trend over the last 54 years:







For more on this subject, see my pal Ben Zycher, "Are Hurricanes Getting Worse?"

COLAB IN DEPTH

IN FIGHTING THE TROUBLESOME LOCAL DAY-TO-DAY ASSAULTS ON OUR FREEDOM AND PROPERTY, IT IS ALSO IMPORTANT TO KEEP IN MIND THE LARGER UNDERLYING IDEOLOGICAL, POLITICAL, AND ECONOMIC CAUSES

WE ARE IN NEED OF RENAISSANCE PEOPLE

MODERN SOCIETY'S FOCUS ON CREDENTIALS HAS CREATED A TWO-TIERED SYSTEM, WHERE MULTI-TALENTED INDIVIDUALS ARE CRITICIZED, AND ELITES OVERSEE A DEPENDENT UNDERCLASS.

BY VICTOR DAVIS HANSON

The songwriter, actor, country/western singer, musician, U.S. Army veteran, helicopter pilot, accomplished rugby player and boxer, Rhodes scholar, Pomona College and University of Oxford degreed, and summa cum laude literature graduate, Kris Kristofferson, recently died at 88.

Americans may have known him best for writing smash hits like "Me and Bobby McGee" and "For the Good Times," his wide-ranging, star-acting roles in A Star is Born and Pat Garrett and Billy the Kid, his numerous solo albums, especially with then-spouse and singer Rita Coolidge, and the country group super-quartet he formed with Johnny Cash, Waylon Jennings, and Willie Nelson.

In other words, Kristofferson was a rare Renaissance man who could do it all in an age of increasingly narrow specialization and expertise.

At certain times throughout history at particular locales, we have seen such singular people from all walks of life.

Classical Athens produced polymaths like Aristotle—tutor to Alexander the Great, logician, student of music, art, and literature, educator, think-tank founder, biologist, philosopher, and scientist. Later Greeks like Archimedes and Ptolemy, as men of action, mastered six or seven disciplines and applied their abstract knowledge in ways that made life easier for those around them.

The late Roman Republic was another cauldron of multitalented geniuses. It produced the brilliant stylist, historian, politician, and consummate general Julius Caesar, as well as his republican archrival Cicero—politician, philosopher, orator, master stylist, lawyer, and provincial governor.

Turn-of-the-century Victorian Great Britain produced giants like Winston Churchill—prime minister, statesman, essayist, historian, orator, strategist, and wartime veteran. As Britain's war leader, between May 10, 1940, and June 22, 1941, he, almost alone, resisted the Axis powers and prevented Adolf Hitler from winning the war.

But we associate the idea of a "Renaissance man" mostly with Florence, Italy, between the 15th and 16th centuries. In that brief 100 years, the Florentine Republic hosted multi-talented geniuses like Leonardo De Vinci—master painter, sculptor, architect, scientist, engineer, and inventor—best known for the *Mona Lisa* and *Last Supper*.

The multifaceted talents of his younger contemporary Michelangelo were as astounding, whether defined by his iconic sculptures *David* and *Pietà*, his stunning painting on the ceiling of the Sistine Chapel, or as the master architect of the Vatican's St. Peter's Basilica.

The American Revolution was a similar embryo of Renaissance men. Thomas Jefferson was perhaps the most famous example of unchecked abstract and pragmatic genius displayed in almost every facet of late 18 and early 19 century life—main author of the Declaration of Independence, third U.S. President, founder of the University of Virginia, inventor, agronomist, architect, and diplomat.

But Benjamin Franklin may best approximate the model of the Florentine Renaissance holistic brilliance—journalist, publisher, printer, author, politician, diplomat, inventor, scientist, and philosopher.

Franklin's life was one of perpetual motion and achievement. In one lifetime, he helped to draft the Constitution, invented everything from the lightning rod to bifocals, founded the American postal service, and successfully won over European countries to the nascent American cause. Theodore Roosevelt—president, historian, essayist, conservationist, naturalist combat veteran, battle leader, explorer, and cowboy—exemplified the idea of an American president as the master at almost everything else.

The history of our own contemporary Renaissance people often suggests that they are not fully appreciated until after their deaths—especially in the post-World War II era.

Why?

We have created a sophisticated modern society that is so compartmentalized by "professionals" and the credentialed that those who excel simultaneously in several disciplines are often castigated for "amateurism," "spreading themselves too thinly," "not staying in their lanes," or not being degreed with the proper prerequisite letters—BA, BS, MA, PhD, MD, JD, or MBA—in the various fields that they master.

But specialization is the enemy of genius, as is the tyranny of credentialism.

Because the Renaissance figure is not perfect in every discipline he masters, we damn him for too much breadth and not enough depth—a dabbler rather than an expert—failing to realize that his successes in most genres he masters and redefines is precisely because he brings a vast corpus of unique insights and experience to his work that narrower specialists lack. The Greek poet Archilochus first delineated the contrast between the fox who "knows many things" and the hedgehog who "knows one—one big thing." We have become a nation of elite hedgehogs, whose narrow expertise is not enriched by awareness of or interest in the wider human experience.

Renaissance people often live controversial lives and receive 360-degree incoming criticism, not surprising given the many fields in which they upstage specialists and question experts—and the sometimes overweening nature of their personalities that feel no reason to place boundaries and lanes on their geniuses and behavior or to temper their exuberances.

The best American example of the current age is the controversial Elon Musk, a truly Renaissance figure who has revolutionized at least half a dozen entire fields.

No one prior had broken the Big Three auto monopoly of GM, Ford, and Chrysler.

Musk did just that. He exploded all three companies' dominance with his successful creation of the first viable electric vehicle, Tesla, whose comfort, drivability, reliability, safety, and power rivaled or exceeded the models of all his competitors.

His spin-off battery storage and solar panel companies allowed thousands of families to go off the grid and stay self-sufficient in power usage.

Musk's revolutionary Starlink internet system—a mere five years old—provides global online service to over 100 countries. Through its some 7,000 satellites, Starlink brings internet service to remote residents far more effectively and cheaply than do their own governments. When natural disasters overwhelm utilities or war disrupts the normality of peace, all look to Musk to restore online reconnections to the outside world.

Musk, almost singlehandedly, transformed the U.S. space program from a NASA 60-year-old government monopoly to an arena of fervent private-public competition. His Space Exploration Technologies Corporation (SpaceX) created a rocket and spacecraft program that has kept the

U.S. preeminent in space exploration and reliable satellite launches. When NASA and old aerospace companies falter, the government looks to Musk to bail them out.

Musk, at great personal cost, radically transformed the old Twitter—poorly managed, censorious of ideas and expressions not deemed progressive, and mired in scandal for partnering with the FBI to silence news deemed possibly injurious to Democratic candidates and left-wing campaigns.

His new X replacement is an unfettered platform for free expression. And the more the left abhors their loss of the monopolistic old Twitter's ideological clearing house, and vows to flee X and start their own new left-wing, censorious Twitters, the more they stay on X.

Musk's newest companies have now entered the convoluted, little-understood, radically competitive, and dangerous field of artificial intelligence (OpenAI) and the emerging discipline of bonding the natural brain to the electronic online world (Neuralink). To the degree Musk is successful, America will lead these areas of intense international rivalry that involve the gravest issues of national security and survival.

Overspecialization has helped make vulnerable and sometimes doomed complex top-down societies from the Mycenaeans to the Aztecs to the Soviets. A tiny credentialed and often incestuous elite manages the lives of a vast underclass whose daily lives are scripted by top-down master planners—as an autonomous and skeptical middle class disappears.

America is increasingly becoming a bifurcated, two-tiered society of a specialized government-corporate-media-political-credentialed class of degreed overseers and managers who attempt to micromanage an increasingly less well-educated, dependent underclass.

The overclass cult lacks sufficient common sense and pragmatic expertise outside their narrow areas of specialization to direct society, and the masses are often without the education, money, and power to challenge them or the esoteric complexity of their modern society. And the result is often disastrous, as we see everywhere, from the trivial to the existential—from our currently paralyzed state space station program and inability to build a floating pier in Gaza, to ineffectual and insensitive state responses to natural disasters like Hurricane Helene and an increasingly dangerously incompetent Secret Service.

Renaissance people provide a link to the proverbial people, as they master almost anything they attempt while keeping themselves attuned to the practical effect of their achievement among the people.

The Renaissance physicist Richard Feynman once explained to the entire nation why the Space Shuttle 1986 *Challenger* catastrophically imploded shortly after launch. A polymath Albert Einstein explained to America why it had to begin the Manhattan Project and beat Nazi Germany to the acquisition of an atomic bomb. Theodore Roosevelt used his expertise as a politician, conservationist, outdoorsman, explorer, and writer to help establish and preserve 230 million acres of public lands.

So, we should occasionally pause and reflect on the Kristoffersons and Musks in our midst. They play a vital role in enriching culture and civilization for the many without becoming part of the

narrow few. And we owe these people, who belong to a rare and hallowed caste of the ages, for making our lives richer, more enjoyable, easier, and safer.

Victor Davis Hanson is a distinguished fellow of the Center for American Greatness and the Martin and Illie Anderson Senior Fellow at Stanford University's Hoover Institution. He is an American military historian, columnist, a former classics professor, and scholar of ancient warfare. He has been a visiting professor at Hillsdale College since 2004, and is the 2023 Giles O'Malley Distinguished Visiting Professor at the School of Public Policy, Pepperdine University. Hanson was awarded the National Humanities Medal in 2007 by President George W. Bush, and the Bradley Prize in 2008. Hanson is also a farmer (growing almonds on a family farm in Selma, California) and a critic of social trends related to farming and agrarianism. He is the author of the just released New York Times best seller, The End of Everything: How Wars Descend into Annihilation, published by Basic Books on May 7, 2024, as well as the recent The Second World Wars: How the First Global Conflict Was Fought and Won, The Case for Trump, and The Dying Citizen. This article first appeared in the American Greatness of October 7, 2024.

THE "FASCIST" AD HOMINEM AS AN ACT OF PROJECTION BY THOMAS J. DILORENZO

A definition of "projection" is when one baselessly accuses others of doing something unsavory, immoral, or illegal that he is actually doing. For example, a thief who, without proof, accuses others of being thieves. This is what socialists do when they call their intellectual and political opponents "fascists" or compare them to Hitler. Fascism is socialism, as Lew Rockwell recently reminded us in an essay entitled "National Socialism Was Socialist." Socialists calling opponents of socialism fascists and Hitler-like is a classic example of projection.

Socialists started out claiming that their goal was forced egalitarianism with the means being government ownership of the means of production. Then, according to Ludwig von Mises, it also came to be defined as government *control* of the private means of production through pervasive government regulation, controls, and regimentation. The ostensible goal was still egalitarianism but the means were different. In the 1976 edition of *The Road to Serfdom* F. A. Hayek wrote that by that time socialism also meant the pursuit of egalitarianism by yet another means – income redistribution through the institutions of the welfare state and the progressive income tax.

Today socialism is defined by its self-described "woke" practitioners as "diversity, equity, and inclusion" (DEI), a synonym for egalitarianism, along with comprehensive central planning through regulation in the name of "fighting climate change" (i.e., the "Green New Deal"). What these definitions of socialism have in common is that they would all require totalitarian governmental power and the further abolition of property rights, the rule of law, civil liberties, constitutionalism, and economic freedom in general, all in the name of "equity," the new buzz word for socialist egalitarianism.

Today's socialists see Donald Trump and his political followers as their main obstacle, so naturally they relentlessly label them as fascists and Hitler-like. A typical *Washington*Post headline was "How Trump's Rhetoric Compares with Hitler's." Another one was "Yes, It's OK to Compare Trump to Hitler." National Public Radio's web site had a headline announcing that "Donald Trump Used Language in a Speech that Echoed Hitler." Joe Biden once publicly announced that "Trump echoes language you heard in Nazi Germany." "Calling Trump Hitler has become part of the routine" of the Biden campaign, wrote POLITICO in early 2024, before it became "part of the routine" of the Harris campaign.

In reality it is today's "woke" cultural Marxists in government, universities, the so-called "media," the entertainment industry, and much of corporate America – including the people and institutions quoted above – who are the real fascists. They are the political children of the early twentieth century Italian communist Antionio Gramsci, who taught them that the road to socialism should proceed with a "long march through the institutions." Their socialist long march as been concluded with the capture of all of the above-mentioned institutions. They are now busy rigging elections, "cancelling" anyone who disagrees with them, using "lawfare" to imprison their political opponents, and using the powers of government to try to destroy the First Amendment. Hillary Clinton, the widely acknowledged instigator of the "Russia Hoax," the biggest political lie in memory, recently proposed *prison sentences* for anyone spreading "misinformation" (i.e., criticizing her political agendas) on the internet. Talk about projection on steroids.

Fascism IS Socialism

Benito Mussolini, who ruled over fascist Italy, called himself an "international socialist" before he relabeled himself as a "national socialist," which is what a fascist was defined as in the nineteenth century. Private enterprise was permitted in fascist Italy but was regulated and controlled with an iron fist by fascist politicians. As such, it was socialism as Mises explained.

The 2007 edition of *The Road to Serfdom*, published by the University of Chicago Press, included an appendix that was an essay by F.A. Hayek entitled "Nazi Socialism." "The socialist character of National Socialism has been quite generally unrecognized," wrote Hayek. This is remarkable on its face: Why would something called "national socialism" not be considered socialism?! (Hint: Because socialists understand that Hayek was right when he wrote in *The Road to Serfdom* that under socialism "the worst rise to the top" in politics. Hitler, Lenin, Stalin, Mao, Pol Pot, Castro, Ceausescu, and the rest were not just aberrations).

"Pervasive anti-capitalism was at the heart of national socialism," Hayek said. The Nazi Party Platform "was full ideas resembling those of the early socialists" including "a fierce hatred of anything capitalistic – individual profit seeking, large-scale enterprises, banks, joint-stock companies, department stores, international finance and loan capital, the system of 'interest slavery."

Hayek described German national socialism as "a violent anti-capitalist attack" with "The End of Capitalism" being its slogan. "All of the leading men" of German and Italian fascism "began as socialists and ended as Fascists or Nazis," he wrote.

Mussolini wrote in his book *Fascism: Doctrine and Institutions* that "The fascist conception of life stresses the importance of the State and accepts the individual only in so far as his interests

coincide with the State. It is opposed to classical liberalism." "If classical liberalism spells individualism," said the fascist dictator, "Fascism spells government." Mussolini announced with great bombast that the twentieth century was "the collective century, and therefore the century of the State." What socialist would not approve of that?

The Italian and German fascists adopted both kinds of socialism that Mises described: They nationalized many industries, more than half in Germany, and the rest were *de facto* nationalized with pervasive government regulatory control and regimentation.

Nazi apologist Paul Lensch was a self-professed Marxist, a member of the Reichstag who praised the "war socialism" of World War I, and the author of *Three Years of World Revolution*. In it he followed Mussolini in denouncing "English liberalism" and especially individualism (i.e., respect for all individuals) and called for replacing these "inherited political ideas" with "Socialism," which "must present a conscious and determined opposition to individualism." Accordingly, the fundamental philosophical plank of the "25-Point Program of the Nazi Party" was "The Common Good Comes Before the Private Good," with of course the state defining what "the common good" is. A classic definition of collectivism.

As good socialists the Nazis in their platform demanded that capitalist "usurers and profiteers [bankers and entrepreneurs] . . . must be punished with death." The media were to be under strict government control to eliminate "known lies" about fascism, essentially identical to Hillary Clinton's recent proposal to imprison spreaders of "misinformation" about her political preferences.

As with all twentieth-century socialist regimes the Nazis demanded monopolistic, centralized governmental power and the abolition of federalism, states' rights, and decentralization. "We demand the formation of a strong central power in the Reich" and "unlimited authority of the central parliament over the whole Reich." That of course is exactly what today's "woke" cultural Marxists want with their election rigging, censorship, lawfare, and calls to abolish the Constitution, the Supreme Court, the electoral college, and anything else that would stand in the way of "unlimited authority" in the central government. They know exactly what they are doing because they are, after all, fascists.

Thomas DiLorenzo is president of the Mises Institute. He is a former professor of economics at Loyola University Maryland and a longtime member of the senior faculty of the Mises Institute. He is the author or co-author of eighteen books including The Real Lincoln; How Capitalism Saved America; Lincoln Unmasked; Hamilton's Curse; Organized Crime: The Unvarnished Truth About Government; The Problem with Socialism; and The Politically-Incorrect Guide to Economic . This article first appeared in the Mises Wire of October 8, 2024.

ADDENDUM I

NOVEMBER STATE PROPOSITION RECOMMENDATIONS

Proposition	VOTE	WHAT IS IT?	WHY?
Prop 2	NO	Piles on \$20 Billion to existing out-of-control State Debt	Additional State Debt on top of existing current fiscal year debt of \$40 Billion and \$10 Billion in Local Debt for new school construction also on the ballot,
Prop 3	NO	Repeals Prop 8 same sex marriage ban	Unnecessary in view of federal court ruling
Prop 4	NO	Piles on another \$20 Billion to State Debt	See comment above on Prop 2.
Prop 5	NO!	Guts Prop 13's key 2/3ds vote	Adds housing and "infrastructure" projects to local bond measures that would be subject to lower 55% approval threshold.
Prop 6	NO!	Severely restricts requiring prison inmates to work	Slavery was prohibited after 1863. This would allow prisoners to refuse work requirements.
Prop 32	NO!	State minimum wage of \$18/ hour. Job killer that will bankrupt many small businesses.	State minimum wage is currently \$14.50/hour. State law imposing \$25/hour minimum wage for restaurant and health care workers already is killing jobs as well as bankrupting the restaurant industry and public and private hospitals.
Prop 33	NO!	Will destroy rental housing industry, worsen current state housing shortage, and put middle class home ownership out of reach.	Eliminates current state law exceptions to statewide and local rent control laws.
Prop 34	YES	Prevents Foundation that uses federal drug subsidies from misusing funds to promote apartment rent control	AIDS Health Care Foundation has spent hundreds of millions on sponsoring unrelated state and local rent control initiatives.
Prop 35	NO	Eliminates Legislature's discretion to use MediCal tax funds to cover general fund budget deficits	Permanently allocates existing tax from use for low income medical care.
Prop 36	YES!	Tough measures to combat retail theft and fentanyl possession and sales.	Also mandates fixed prison sentences for retail theft crimes based on property and mandates drug treatment for multiple offenses and higher penalties if treatment is rejected.

ADDENDUM II



Andy Walz President, Downstream, Midstream and Chemicals

October 8, 2024

The Honorable Cottie Petrie-Norris Chair, Assembly Committee on Petroleum and Gasoline Supply 1021 O Street, Suite 4230 Sacramento, CA 95814

The Honorable Senator Steven Bradford Chair, Senate Committee on Fuel Supply and Price Spikes 1021 O Street, Suite 7210 Sacramento, CA 95814

Dear Senator Bradford and Assemblymember Petrie-Norris

Chevron is concerned by the recent Committee and Assembly passages of ABX2-1 and seek to address some of the inaccurate and flawed arguments made by its proponents. As the Senate prepares to vote, it is crucial that it makes a fact-based decision. The political posturing that has characterized these proceedings must stop, including baseless and frankly ridiculous claims that the industry is engaging in price gouging. Let us have a balanced, fact-grounded conversation about the state of California's fuels marketplace, a marketplace weakened by misguided policy decisions, driven by misleading rhetoric.

Across the three dozen states in which we work, the California government remains unique in its focus on marketplace interference with negative effects on consumers resulting in the highest U.S. gasoline prices. California has investigated the industry numerous times for price gouging and come up with no evidence or charges. Chevron has been a trusted partner to California consumers for 140 years. We value that trust as we strive to reliably provide ever-cleaner fuel to Californians and our neighbors.

Two propositions ostensibly justifying the emergency regulations are wrong. First, the claim that regulation is justified because "price spikes are profit spikes" is misleading. Second, the claim that "refiners did not adequately prepare for [planned maintenance events] by increasing inventories and imports," while we do not speak for other refiners, we believe this to be uninformed and not how we operate.

Economic fundamentals force prices up when demand outstrips supply. This signals the need to bring in more expensive finished gasoline or blending components. These statements about price spikes also overlook that supply shortages are an outcome of California's regulatory policy and fail to reflect the energy industry's cyclical nature. While we do not purport to speak for the industry, quite apart from the unfounded

allegation of price gouging, there are many instances where net refining margins are negative, causing refineries to operate at a loss¹.

The suggestion that refiners mishandle inventory prior to shutdowns is likewise an ill-informed generalization. We have contractual obligations to supply our customers and go to great lengths to meet them. It is common sense that refiners use the available tankage infrastructure to store as much product as they can, so that they have inventory on hand to meet California's high demand, particularly during the summer driving season.

Ill-considered regulation on top of 20 years of bad policy is risky under normal order; to do so under the rush of special session is folly. California's policy choices have led to a gasoline shortage by driving suppliers away. We have a shortage of incentivizing policy for additional refiners and supply. California, stop making consumer conditions worse.

Now that we have addressed the rhetoric behind this action, let's discuss the bill's specific issues. The bill still shifts maintenance safety standards to bureaucrats who lack refining experience, taking it away from knowledgeable experts and regulatory agencies responsible for protecting refinery workers and our community. This undermines the decades of expertise our teams maintain for ensuring safety in refining operations.

Prior to the Assembly's vote, you asked industry to present a case to refute the alleged costs savings of billions of dollars for consumers - claimed by the policy advocates. We contend that enforcing a mandatory minimum inventory requirement will likely result in two negative outcomes: an increased frequency and duration of supply shortages, and a permanent rise in gasoline prices for consumers. Both risks extend beyond California, which should create the need for the legislature to proceed with caution, as policies that raise prices for the state could also affect neighbors in Arizona and Nevada.

How does this bill potentially exacerbate shortage events long enough to form lines at gas stations? We ask this because DPMO and CEC have not analyzed the existing capacity constraints available to refiners. The graph² that DPMO presented as their sole evidence of viable refiner inventory footprint ignores the potential capacity constraints related to fuel specification seasonality, available marine shipment capacity and blending tank working capacity³. These capacity constraints may reduce storage available during higher demand months. Furthermore, mandatory inventory thresholds remove significant supply from the market that refiners would otherwise sell, creating an economic fundamental of driving up wholesale prices. When refiners build and maintain inventories, it reduces the quantity available for immediate sale, thus restricting supply.⁴

How does this bill create permanent gasoline costs to consumers? There is significant cost involved in building and sustaining a mandatory inventory threshold that is not included in the proponents' cost analysis. Costs to consumers can occur either by

¹ Chevron Response to RFLMaximum Gross Refining Margin and Penalty Docket 23-OIIP-01 March 3 2024; see "It ignores operating costs" for more information on Volume-Weighted Gasoline Refining Net Margin

² See Figure 1 in Appendix A; DPMO A Seller's Market: Resupply and Minimum Inventory Requirements Presentation to ABX2-1 Assembly

³ See Figure 2 in Appendix A for more details on a typical mogas systems.

⁴ See Appendix B for more details on the economic fundamentals.

creating the shortage of supply which shifts the marketplace fundamentals as described in Appendix B or because refiners must secure additional storage. For example, just 20 cents per gallon in carrying costs leads to billions of dollars per year in extra expenses for Californians and our neighbors⁵. Costs to hold extra inventory would be on top of the prices paid during the price volatility seen when demand outstrips supply.

That ABX2-1 lacked additional amendments, despite extensive stakeholder feedback during the hearings, demonstrates that the Assembly chose to act based on politics—under the veil of a thinly studied basis fabricated by CEC and DPMO.

Assemblymembers shared concerns regarding the bill's language. They provided critical feedback and recommendations such as addressing safety concerns by removing the CEC's authority to limit timing for planned maintenance; ensuring a robust process for drafting regulations; ensuring a shorter timeline for requirement sunset; and establishing an independent review panel to participate in regulatory decision-making. These suggestions and other opportunities for improvement were ignored. This bill makes bad policy worse—it suffers from the dearth of debate and informed analysis needed to address the complexity of the issue.

I leave you with final thoughts to consider. Without investment in the critical energy infrastructure that allows California consumers to live their daily lives, your body will ensure these products become more expensive and less reliable. The California gasoline marketplace is constrained, and government manipulation will only increase prices⁶. To boost supply and reduce consumer costs, we need to rethink the policies that limit supply. We urge consumers in California, Arizona and Nevada to contact their governments to ask about the cost of any new or amended energy policy. We will do our part to ensure California consumers are informed about your role in shaping policies making life even more unaffordable.

Responsible refiners make investment decisions every time equipment becomes closer to their end-of-life and requires routine maintenance to sustain safe and reliable production capacity, for example Chevron spends nearly \$800 million dollars in annual capital to maintain our refining facilities. These policy decisions can cause the idling of units as refiners consider whether to reduce the on-going capital needed to maintain capacity infrastructure or pursue opportunities to expand production and capacity in other states. Voters will hear about how you've made the state "uninvestable" by reducing refiners' incentive to invest the annual capital needed to maintain the fuel production capacity needed to keep California, Arizona and Nevada energy costs affordable, reliable and ever-cleaner.

Sincerely,

Andy Walz

President, Downstream, Midstream and Chemicals

⁵ Assumes annual gasoline consumption of 13.3 billion gallons in 2024-25

⁶ See Appendix B for more information on the economic fundamentals and the bill risks to supply and price



ANNOUNCEMENTS

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Donations/Contributions do not require membership though it is encouraged in order to provide updates and information. Memberships and donation will be kept confidential if that is your preference. Confidential Donation/Contribution/Membership				
PAYMENT METHOD: Check □ Visa □ MasterCard □ Discover □ Amex NOT accepted.				
Cardholder Name: Signature:				
Card Number: Exp Date: Billing Zip Code: CVV:				
TODAY'S DATE:				