## Newsom Relinquishing Control of California to China to Meet Energy Needs?



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While the economy DEMAND continues to increase for products and fuels, Newsom continues to destroy the SUPPLY of oil and refining to meet those DEMANDS — China coming to the rescue!

California's Governor Newsom has been on this planet for 57 years and has yet to publicly recognize that modern life requires the use of fossil fuels to function. California is the fourth largest economy in the world. We require the PRODUCTS and TRANSPORTATION FUELS made from fossil fuels to meet the materialistic DEMANDS of humanity and our economy. Our crude oil demand exceeds 1.8 million barrels per day — this demand has proven inelastic over time.

Valero's Benicia Refinery began operations in 1968, the same year Governor Gavin Newsom was born. More than five decades later, California still consumes over 1.8 million barrels of oil each day to meet its demands for the fuels and products made from oil. Despite advances in technology and efforts to transition toward renewable electricity, the fundamental structure of our economy remains deeply reliant on fossil fuel-derived products and transportation fuels.

From jet fuel and diesel to the thousands of petroleum-based

components in electric vehicles (EVs), wind turbines, and solar panels, fossil fuels remain essential to our daily lives. While renewable electricity plays an important role in power generation, it cannot replace the raw materials and complex hydrocarbons refined from crude oil that are vital to every sector—from hospitals and national defense to communications and transportation.

California's energy policies, particularly the mandate to phase out internal combustion vehicles and transition to EVs, addresses only a portion of our petroleum usage—namely gasoline. However, the electric vehicle itself, and its components, are manufactured using fossil fuel-based materials.

Meanwhile, demand for aviation and diesel fuels remains high:

- California consumes 13 million gallons of jet fuel per day, 16.7% of the national total to support its 145 airports, inclusive of 41 military airports and 9 international airports.
- The state uses 10 million gallons of diesel fuel daily to support its 35 million registered vehicles.
- Arizona and Nevada depend on California for 45% and 88% of their fuel needs, respectively.

Infrastructures that did not exist 200 years ago that DEMAND continuously increasing supplies of the products and fuels made from fossil fuels are:

- Hospitals
- Airports
- Military
- Medical equipment
- Telecommunications
- Communications systems
- Space programs
- Appliances

- Electronics
- Sanitation
- Heating and ventilating

Newsom wishes to "transition away from fossil fuels" but he has offered no backup plan to maintain the supply chain of products and fuels to support all the above-mentioned infrastructures.

While California policies are doing everything possible to eliminate oil production and refining out of the state with over-regulations, taxes, and environmental programs, China is ramping up its oil refinery capabilities.

This is not a partisan issue. A secure, affordable, and environmentally responsible energy future requires a pragmatic, science-based approach. We must:

- Recognize the enduring role of petroleum-based products in society.
- Ensure a stable and resilient domestic energy supply chain.
- Support innovation in both renewable and traditional electricity sectors.
- Plan responsibly for transition timelines that reflect technological and logistical realities.

As California continues to lead in climate ambition, it must also lead in practical, inclusive energy planning. The stakes—for our economy, environment, and national security—demand nothing less.

China openly supports political activism in California and is savoring the future with their many refineries coming online to meet the DEMANDS of the American society.

With the upcoming closures of the Phillips 66 Refinery in Southern California in 2025, and the Valero Refinery in Northern California in 2026, a growing national security

concern would result from our growing dependence on China to meet the humongous demands for transportation fuels by California, Arizona and Nevada. The two refinery closures represent almost 17% of the state's crude oil processing capacity to meet the materialistic demands of the States' residents, and much of the transportation fuels needs in AZ and NV.

As California intensifies regulatory and tax burdens on instate oil production and refining, other nations, particularly China, are rapidly expanding their refining capacities. At least eight new refinery projects are planned in China by 2030. These facilities will not only serve their own domestic growth but increasingly export refined products to nations like the U.S., offsetting California's declining supply.

This shift carries serious implications. Offshore refining to meet U.S. demand contributes to higher global emissions, limited domestic job creation, and increased dependence on foreign supply chains—potentially weakening our national resilience and security.

Compounding the growing need for more importation to meet the materialistic demands of society will be the West Coast port's ability to receive transportation fuels as marine facilities in California face increased congestion and dramatic vessel limits.

Our modern infrastructure—airports, hospitals, military bases, and even sanitation systems—cannot function without continuous access to petroleum-based fuels and products. Yet, California's energy strategy focuses overwhelmingly on restricting domestic supply without a clear, scalable alternative to meet persistent demand.

The reality is this: limiting the local supply of the fuels and products made from oil without reducing demand doesn't solve the climate challenge, it simply shifts environmental

and social impacts overseas, often to countries with less stringent environmental protections and labor laws.

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