

It is frequently said that “the oil companies” are financing Prop 23. This turns out to be a bit of an overgeneralization. According to [Greenwire](#),

While some companies are supporting Proposition 23, Shell Oil Co. opposes it, Chevron Corp. is officially neutral, Exxon Mobil Corp. and BP PLC have decided not to get involved and ConocoPhillips has yet to contribute. Three oil refiners — Valero Energy Corp., Tesoro Corp. and Koch Industries — have contributed most of the \$8.2 million raised to support Proposition 23.

Shell Oil, in particular, deserves praise for its position. Shell’s climate change adviser has posted a lengthy [critique](#) of Prop 23. (As an aside, it was pretty cool to find out that Shell even has a climate change advisor who maintains a blog). He makes a very cogent point about the impact of Prop 23 on business:

The proponents of the Proposition seem to believe that the suspension of AB 32 will bring to an end the need for business to respond to such regulation. **In fact, suspension may do more harm to business than the perceived benefit of the Proposition.** Nature abhors a vacuum and so it seems do California air regulators. In place of AB 32 we may well see numerous state and local agencies, cities and counties turning their individualized attention to greenhouse gas emissions under existing authority. **Rather than working in coordination with ARB to reach the AB 32 statewide reduction goal as many of these agencies have been, individual agency actions may result in a fragmented array of inconsistent regulations with no defined goal.** Business could well find itself in a much more costly command and control environment rather than the more flexible market driven approach being developed by ARB. Local air districts could behave very differently with, say, a facility in Los Angeles facing very different regulations to one in the San Francisco area.