

For Immediate Release: Feb 22nd, 2023

Contact: cniven@skdknick.com

Statement from Economic Security Project Action California Campaign Director Teri Olle on Senate's hearing on Oil Price Gouging Bill

Sacramento, CA – Today, the Senate Committee on Energy, Utilities and Communications held an informational [hearing](#) on Governor Gavin Newsom's SB X1-2, a proposed price gouging penalty on oil refining companies making exorbitant profits. This hearing is the first hearing the legislature has conducted on this bill and begins the special session that Governor Gavin Newsom called for last year.

The following is a statement from **Teri Olle, California Campaign Director of Economic Security Project** on this hearing:

"Oil and gas companies raise prices for one simple reason – because they can." said **Teri Olle, California Campaign Director of Economic Security Project Action**. "Gas prices are high because of the unchecked and concentrated power of Big Oil. In California, five companies control 98% of the top gas stations. Californians have little choice in where they buy gas, so it is no wonder these companies are free to charge what they want. Big Oil has made every excuse for the skyrocketing prices but the truth is that the top oil companies made history last year as they raked in record-breaking profits. We face exorbitant prices at the pump while four oil refiners reported 30% greater profit from California than from anywhere else in the world. They obviously don't need to charge these high prices, but they do anyway. The price gouging penalty proposal provides a much-needed check on runaway profits, forcing Big Oil to justify what they charge consumers and why – and if they can't, they pay the penalty. It's a simple measure to make sure Big Oil isn't lining its pockets with our hard-earned money. We applaud Governor Newsom for calling Big Oil's bluff and demanding accountability on behalf of Californians, thank Senator Skinner for bringing this important piece of legislation forward, and urge all legislators in Sacramento to support this much needed check against this powerful industry."

In 2022, profits of the five major oil companies "smashed" highs from the previous year as they made [\\$196.3 billion](#), a historic record and a sum that is more than the economic output of nearly [138 countries](#). Included below are the profits these companies made in 2022.

- **Exxon: \$55.7 billion** — the biggest annual profit for any U.S./European oil company *ever* bringing in \$6.3 million an hour.

- **[Chevron](#): \$36.5 billion** – doubling their 2021 profits, with executives flaunting their “outstanding results” in an earnings call,
- **[Marathon](#): \$14.5 billion** — Q4 profit of \$3.32 billion surged 331% from previous year,
- **[Valero](#): \$11.6 billion** – 866% higher than the previous year,
- **[Phillips 66](#): \$11 billion** — Q4 profit of \$1.9 billion up 46% over Q4 2021.
 - Source: [Big Oil Made Record 2022 Profits While Fleecing California Families](#)

###

[Economic Security Project Action](#) mobilizes resources and people behind ideas that build economic power for all Americans. As an ideas advocacy organization, we legitimize our issues by supporting cutting edge research and elevating champions, win concrete policy victories for the communities that need to see change now, and provoke the conventional wisdom to shift what’s considered possible. Our team of academics, organizers, practitioners and culture makers disburse grants, run issue campaigns, develop creative interventions and research products to support the field, and coordinate events to encourage investment and action from others.