



**California Energy Commission
October 3, 2024 Business Meeting
Backup Materials for Agenda Item No. 06
Petition for Rulemaking – Public Resources Code Section 25354**

The following backup materials for the above-referenced agenda item are available in this PDF packet as listed below:

1. Proposed Order, attached below.
2. Staff Memorandum, attached below.
3. Petition for Formal Rulemaking, attached below.
4. Executive Director's Reply Letter, attached below.

For the complete record, please visit:

[California Energy Commission: Docket Log: 23-OIR-03](#)

[California Energy Commission: Docket Log: 23-SB-02](#)

To stay informed about this project and receive documents as they are filed, please subscribe to the SB X1-2 Implementation proceeding, which can be accessed here: <https://public.govdelivery.com/accounts/CNRA/signup/31719>. Subscribers will receive email notifications and direct links when documents are filed in the proceeding docket.

STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF:

Western States Petroleum Association
Petition for Rulemaking

**[PROPOSED] ORDER DENYING
PETITION FOR RULEMAKING**

I. INTRODUCTION AND PROCEDURAL HISTORY

Senate Bill (SB) X1-2 (Stats. 2023, 1st Ex. Sess. 2023, ch. 1), which took effect on June 26, 2023, amended Public Resources Code Section 25354, among other changes. SB X1-2 added new reporting requirements and enforcement mechanisms to the existing reporting framework of the Petroleum Industry Information Reporting Act (PIIRA) of 1980. Over the past year, the CEC adopted a suite of emergency regulations that implement and make specific the requirements of Section 25354, with emphasis on those sections added or amended by SB X1-2.

On October 18, 2023, the CEC instituted a rulemaking proceeding to consider, among other topics, regulations and guidelines implementing Section 25354.¹ On February 14, 2024, the CEC adopted emergency regulations regarding the spot market reporting requirements in Section 25354(l), which took effect on February 26, 2024.² On May 8, 2024, the CEC adopted the Senate Bill X1-2: California Refinery Maintenance Guidelines, which implement the maintenance reporting requirements in Section 25354(m).³ On May 8, 2024, the CEC also adopted emergency regulations regarding the marine import reporting requirements and refining margin reporting requirements located in Section 25354(j) and Section 25355, respectively, which took effect on May 20, 2024.⁴ On July 10, 2024, the CEC adopted emergency regulations regarding merchant terminal position

¹ See General Rulemaking Proceeding for Developing Regulations, Guidelines, and Policies for Implementing SB X1-2 and SB 1322, Docket No. 23-OIR-03.

² See Notice of Approval of Emergency Regulatory Action for Revised SB X1-2 Spot Market Reporting Requirements (Feb. 28, 2024), TN 254755, Docket No. 23-OIR-03.

³ See Refinery Guidelines Material (April 30, 2024), TN 256082, Docket No. 23-OIR-03; Resolution of the California Refinery Maintenance Reporting Guidelines (May 10, 2024), TN 256272, Docket No. 23-OIR-03. These guidelines are exempt from the Administrative Procedure Act pursuant to Section 25354(n)(2).

⁴ See Notice of Approval of Emergency Regulatory Action (May 21, 2024), TN 256479, Docket No. 23-OIR-03.

holder reporting requirements in Section 25354(k), which took effect on July 22, 2024.⁵ On July 12, 2024, the CEC sent a letter to industry seeking the projection data required by Public Resources Code Section 25354(c).

On September 3, 2024, the Western States Petroleum Association (WSPA or Petitioner) filed a petition requesting the California Energy Commission (CEC) institute a formal rulemaking (Petition) regarding implementation of Public Resources Code Section 25354, as amended by SB X1-2. The Petition asserts that such a rulemaking is needed to clarify terms and processes in Section 25354 and to ensure consistent interpretation and implementation of the laws.

On September 17, 2024, the Executive Director certified that the petition met the filing requirements of CCR, title 20, section 1221. On September 18, 2024, CEC staff filed a recommendation that the CEC deny the Petition because, among other things, the petition did not propose specific regulatory language which, at a minimum, would be needed to satisfy the requirement that an agency immediately schedule a public hearing in conformance with Administrative Procedure Act provisions upon approval of a rulemaking petition.

Staff also recommends denial of the petition as unnecessary because the laws at issue are self-executing, the CEC has been receiving data pursuant to the statute and existing regulations with no other entity expressing the need for clarification claimed by Petitioner, and all of the topics identified by the Petitioner are within the scope of the CEC's existing proceeding on this topic (Docket No. 23-OIR-03). CEC staff explained that, through this existing proceeding, the CEC is continuously engaging with stakeholders to receive feedback on whether new or modified regulations or guidelines are needed to implement Public Resources Code section 25354 and other PIIRA provisions. The CEC considered the Petition at its October 3, 2024 Business Meeting.

II. CEC FINDINGS

Based on the entirety of the record, the CEC finds that:

- 1) The Petition, filed with the Executive Director on September 3, 2024, meets the requirements of California Code of Regulations, title 20, Section 1221.
- 2) The petition requests that the CEC initiate a formal rulemaking process to clarify and implement the reporting requirements in Public Resources Code Section 25354, including the requirements of subdivision (c) pertaining to 90-day projections and the requirements of subdivision (m) pertaining to refinery maintenance reporting. The petition does not propose new regulatory language or propose amendments to existing regulatory language, but instead seeks to initiate

⁵ See Notice of Approval of Emergency Regulatory Action (Jul. 24, 2024), TN 257974, Docket No. 23-OIR-03.

a process by which to develop such language.

- 3) Implementation of Public Resources Code Section 25354, as amended by SB X1-2, continues to benefit from an open and transparent public process with robust engagement from regulated entities. The statutory provisions for which the Petitioner requested clarification are within the scope of the CEC's existing General Rulemaking Proceeding for Developing Regulations, Guidelines, and Policies for Implementing SB X1-2 and SB 1322 (Docket No. 23-OIR-03).
- 4) Government Code section 11340.7(c) requires that the CEC, within 30 days of the petition's filing, either deny the petition and indicate why the agency has reached its decision on the merits or grant the petition and schedule the matter for public hearing in accordance with the rulemaking provisions of the Administrative Procedure Act (Gov. Code section 11346 et seq.). California Code of Regulations, title 20, Section 1221(c) interprets this provision and requires either a written denial of a petition for rulemaking, or the issuance of an appropriate order pursuant to California Code of Regulations, title 20, Section 1222 within 30 days of the filing of the petition.
- 5) To the extent that this petition requests the CEC adopt an Order Instituting a Rulemaking and adopt, amend, or repeal a regulation pursuant to Government Code sections 11340.6 and 11340.7, granting it would subject the CEC to an untenable timeline and foreclose the possibility of meaningful public participation.
- 6) Public Resources Code Sections 25213 and 25218(e) authorize the CEC to adopt rules and regulations, as necessary, to carry out its statutory duties. The CEC has further authority to implement the provisions of Chapter 4.5 of Division 15 of the Public Resources Code through Administrative Procedure Act-exempt regulations and actions pursuant to Public Resources Code Section 25354, subdivisions (n)(2) and (o), and to adopt emergency regulations and orders pursuant to Public Resources Code Section 25367.
- 7) The terms of SB X1-2 and Public Resources Code section 25354, including the specific sections identified in the Petition, are self-executing and the need for a rulemaking is not certain at this time.

III. CONCLUSION AND ORDER

- 1) For the reasons stated above, the CEC hereby DENIES WSPA's Petition for Rulemaking.
- 2) CEC staff is directed to file this Order and supporting documentation with the Office of Administrative Law in accordance with Government Code section 11340.7(d).

IT IS SO ORDERED.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of an order duly and regularly adopted at a meeting of the CEC held on October 3, 2024.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

Kristine Banaag
Secretariat

Memorandum

To: Chair, Vice Chair, and Commissioners
California Energy Commission

From: Aleecia Gutierrez, Director
Energy Assessments Division
California Energy Commission

Date: September 18, 2024

Subject: CEC Staff Recommendation on Petition for Formal Rulemaking Regarding Implementation of Public Resources Code Section 25354

I. Summary

On September 3, 2024, Western States Petroleum Association (WSPA or Petitioner) filed a petition (Petition) requesting that the California Energy Commission (CEC) initiate a formal rulemaking to implement Public Resources Code Section 25354 (Section 25354). WSPA identified areas it felt needed further clarification but did not propose specific regulatory language that would address its concerns. Over the past year, the CEC adopted several regulations with input from industry to implement and make specific reporting requirements in Section 25354. CEC staff continue to work with industry to improve compliance with reporting requirements and identify additional areas, if any, in need of further clarification through rulemaking.

There is no impediment for regulated entities to comply with existing law by the specified deadlines as evidenced by the data the CEC currently receives pursuant to the reporting requirements identified by Petitioner. Section 25354 is self-executing and is already complemented by existing CEC regulations and guidelines. Furthermore, the CEC is already considering whether to conduct a rulemaking on many of the specific topics requested in the Petition and will be preparing to host a workshop soon to discuss. Lastly, approval of a petition for rulemaking would obligate the CEC to immediately schedule the matter for public hearing and would not allow the necessary time to discuss the issues raised by WSPA to determine if changes to regulations are warranted and, if so, what those changes should be. For the reasons provided herein, CEC staff recommends the CEC deny the Petition and continue ongoing conversations to determine whether a rulemaking on the requested topics is warranted.

II. Procedural and Factual Background

In March 2023, the Governor approved SB X1-2 (Stats. 2023, 1st Ex. Sess. 2023, ch. 1), an act to amend Sections 25354, 25355, 25362, and 25364 of, and to add Sections 25354.2, 25355.5, 25355.7, and 25367 to Division 15 of, the Public Resources Code. SB X1-2 also added Chapter 4.6 to Division 15 of the Public Resources Code.

SB X1-2 took effect on June 26, 2023 and built upon the existing reporting framework of the Petroleum Industry Information Reporting Act (PIIRA) of 1980. SB X1-2 revised existing data reporting requirements, added new data reporting requirements, and established new enforcement mechanisms, among other changes. On October 18, 2023, the CEC instituted a

rulemaking proceeding to consider, among other topics, regulations and guidelines implementing Section 25354.¹

On February 14, 2024, the CEC adopted emergency regulations regarding the spot market reporting requirements in Section 25354(l), which took effect on February 26, 2024.² On May 8, 2024, the CEC adopted the Senate Bill X1-2: California Refinery Maintenance Guidelines, which implement the maintenance reporting requirements in Section 25354(m).³ On May 8, 2024, the CEC also adopted emergency regulations regarding the marine import reporting requirements and refining margin reporting requirements located in Section 25354(j) and Section 25355, respectively, which took effect on May 20, 2024.⁴ On July 10, 2024, the CEC adopted emergency regulations regarding merchant terminal position holder reporting requirements in Section 25354(k), which took effect on July 22, 2024. On July 12, 2024, the CEC sent a letter to industry seeking the projection data required by Section 25354(c).

On September 3, 2024, Petitioner filed with the CEC's Executive Director a petition to initiate a formal rulemaking pursuant to California Code of Regulations, title 20, Section 1221. The Petition seeks to clarify terms and processes related to implementation of Section 25354, including Section 25354(c). On September 17, 2024, the Executive Director certified the Petition as complete pursuant to California Code of Regulations, title 20, Section 1221. The CEC must grant or deny the Petition within 30 days after it was filed, either stating the reason for denial in writing or directing staff to prepare an order instituting rulemaking. (Cal. Code Regs., title 20, §1221(c).)

III. Petitioner's Requests and Assertions

The Petition requests the CEC initiate a formal rulemaking regarding implementation of Section 25354, as amended by SB X1-2. Petitioner believes a rulemaking is needed to "provide the clarity, consistency, accuracy, and qualifications needed for both the CEC and regulated entities to properly interpret and implement the recordkeeping and reporting requirements of [Public Resources Code] § 25354[.]" including the requirement to provide projection and forecast data to the CEC pursuant to Section 25354(c). Petitioner also believes the CEC should address "outstanding issues concerning the need for better definitions and guidance on the requested data elements in the CEC's proposed refinery maintenance forms."

With respect to the Section 25354(c) projection requirement, the Petitioner seeks clarity on the scope of the reporting requirement, the required timeframe, and any assumptions or qualifications that should be embedded in the data. Petitioner also asks the CEC to establish standard forms and instructions for these reports. With respect to refinery maintenance

¹ See General Rulemaking Proceeding for Developing Regulations, Guidelines, and Policies for Implementing SB X1-2 and SB 1322, Docket No. 23-OIR-03.

² See Notice of Approval of Emergency Regulatory Action for Revised SB X1-2 Spot Market Reporting Requirements (Feb. 28, 2024), TN 254755, Docket No. 23-OIR-03.

³ See Refinery Guidelines Material (April 30, 2024), TN 256082, Docket No. 23-OIR-03; Resolution of the California Refinery Maintenance Reporting Guidelines (May 10, 2024), TN 256272, Docket No. 23-OIR-03. These guidelines are exempt from the Administrative Procedure Act pursuant to Section 25354(n)(2).

⁴ See Notice of Approval of Emergency Regulatory Action (May 21, 2024), TN 256479, Docket No. 23-OIR-03.

reporting, Petitioner asks the CEC to clarify certain data elements in the reporting forms, the intent behind the reporting requirements, and certain reporting procedures.

IV. CEC Staff Recommendation

Over the past year, the CEC adopted a suite of emergency regulations that implement and make specific the requirements of Section 25354, with emphasis on those sections added or amended by SB X1-2. These regulations include new rules on daily spot market reporting, refining margin reporting, marine import reporting, and terminal position holder reporting. Each of these rules is informed both by lessons learned through staff analysis of the data and by valuable input from stakeholders, including WSPA and its members. The CEC also published standardized forms and instructions for each reporting requirement added by SB X1-2.

Petitioner identified two portions of Section 25354 that Petitioner believes require implementing regulations: the 90-day projection reporting requirements in Section 25354(c) and the refinery maintenance reporting requirements in Section 25354(m).⁵ Petitioner's assertion that the reporting requirements in Section 25354(c) cannot be implemented without regulations is misplaced. This requirement has been in place since the Petroleum Industry Information Reporting Act of 1980 and the CEC currently receives projections pursuant to this requirement. Uneven compliance in recent years prompted the CEC to issue the July 12, 2024, letter to industry regarding this requirement.

The CEC implements the refinery maintenance reporting requirements in Section 25354(m) pursuant to the Senate Bill X1-2: California Refinery Maintenance Guidelines. These guidelines are exempt from the Administrative Procedure Act. Therefore, a formal rulemaking would not be the appropriate mechanism to provide the requested clarifications.

All of the issues identified by the Petitioner are within the scope of the CEC's existing proceeding on these topics, the General Rulemaking Proceeding for Developing Regulations, Guidelines, and Policies for Implementing SB X1-2 and SB 1322 (Docket No. 23-OIR-03). CEC staff appreciates Petitioner's ongoing input regarding perceived ambiguities in the statutory language and other issues that may impact the clarity and consistency of reporting. It is not clear that any terms or processes related to these reporting requirements require clarification or implementation through regulations or guidelines at this time. However, CEC staff is already in the process of planning a public workshop to discuss many of the topics raised in the Petition.

The CEC should consider whether to adopt regulations or guidelines, or both, on these topics and the scope of such rules, if any, following further discussions and implementation. In the meantime, CEC staff sees no impediment for regulated entities to comply with the existing statutory and regulatory requirements by the specified deadlines. Regulated entities' continued compliance with existing reporting requirements allows CEC staff to gather feedback based on concrete information to determine whether a rulemaking or other action is necessary.

⁵ On May 8, 2024, the CEC adopted the Senate Bill X1-2: California Refinery Maintenance Guidelines, which implement the maintenance reporting requirements in Section 25354, subdivision (m). These guidelines are exempt from the Administrative Procedure Act pursuant to Section 25354, subdivision (n)(2).

For these reasons, CEC staff recommends the CEC deny the Petition.⁶ CEC staff believes it is unnecessary at this time to grant the Petition and staff encourages the CEC to conduct a rulemaking process regarding its ongoing implementation of Section 25354 if gained experience with further implementation informs the need for regulations to interpret or make specific the statute. The CEC is authorized to adopt emergency regulations as necessary to implement Chapter 4.5 of Division 15 of the Public Resources Code, including section 25354. (Public Resources Code § 25367(a).) However, the provisions of Section 25354 are self-executing and implementing regulations are not required to give effect to the statutory requirements.

⁶ Denying the present Petition would also be consistent with a recent decision of the Office of Administrative Law (OAL), in which OAL noted that it may not be feasible for an agency, especially a commission-led agency like the CEC, to meet the deadlines for notice and other actions stipulated in the Government Code, including Article 5 of the Administrative Procedures Act, upon granting a petition for rulemaking. Office of Administrative Law, Notice of Decision re: California Gambling Control Commission Petition (Dec. 2022), available at <https://oal.ca.gov/wp-content/uploads/sites/166/2022/12/Petition-Decision-for-GamblingControl-Commission-Petition-12-22-2022.pdf>.



Catherine H. Reheis-Boyd
President and CEO

September 3, 2024

Mr. Drew Bohan
Executive Director
California Energy Commission
1516 9th Street
Sacramento, CA 95814

PETITION FOR FORMAL RULEMAKING REGARDING IMPLEMENTATION OF PRC § 25354

Dear Executive Director Bohan,

On behalf of the Western States Petroleum Association (WSPA), I am hereby petitioning the California Energy Commission (CEC), pursuant to Title 20, Section 1221 of the California Code of Regulations, to initiate a formal rulemaking regarding implementation of Section 25354 of the California Public Resources Code (PRC). WSPA strongly believes that a formal rulemaking is necessary to ensure that the CEC's newest request for projection and forecast data will provide the clarity, consistency, accuracy, and qualifications needed for both the CEC and regulated entities to properly interpret and implement the recordkeeping and reporting requirements of PRC § 25354. We also believe that this rulemaking should address outstanding issues concerning the need for better definitions and guidance on the requested data elements in CEC's proposed refinery maintenance reporting forms.

REQUEST FOR FORMAL RULEMAKING

The CEC is tasked with implementing recent amendments to PRC § 25354 made by Senate Bill (SB) X1-2 (2023). As amended, PRC § 25354(a) requires refiners and major marketers to submit to the CEC monthly information in a variety of areas, including on feedstock inputs, imports and exports of finished products and blendstocks, and refinery stocks and inventories. PRC § 25354(c) requires refiners and major marketers to "submit a projection each month of the information to be submitted pursuant to [PRC § 25354](a) for the quarter following the month in which the information is submitted to the commission." Importantly, PRC § 25354 anticipates that the commission will need to prescribe various regulations to define the scope of requirements contained in this and other sections of SB X1-2.¹

Specific Reporting Examples that Require Guidance

In your letter dated July 12, 2024, you requested that refiners and major marketers "provide the projection *and forecast* data required by [PRC § 25354](c) when you submit the PRC

¹ See, e.g., PRC § 25354(b)(1), (e), (i), (n)(2).

§ 25354(a) reports.” (emphasis added). As a preliminary matter, we are concerned that this goes beyond the express language of PRC § 25354(c), which mandates only that reporting entities provide a “projection” of the § 25354(a) data, not a “forecast,” a term addressed in other parts of § 25354. Section 25354(d) allows the CEC to require two types of “forecasts:” (1) annual industry forecasts for Petroleum Administration for Defense, District V; and (2) “California-specific forecasts only if the Commission finds them necessary to carry out its responsibilities.” PRC § 25354(d). Section 25354 does not contain a provision allowing for monthly “forecasts,” and it is unclear what the CEC means by this term separate and apart from the monthly “projections” required by statute. We believe this needs to be clarified by guidance provided via regulation.

In addition, your July 12 letter would mandate that reporting entities provide projections “for June 2024 by July 31, 2024,” and that entities provide “projection and forecast data that was due on July 1, 2024 by July 26, 2024.” This appears to misconstrue the requirements of the statutes. PRC § 25354(c) requires that reporting entities “shall submit a projection each month of the information to be submitted pursuant to subdivision (a) **for the quarter following the month in which the information is submitted to the commission**” (emphasis added). This would require reporting entities’ monthly projections to be focused on the upcoming **quarter**, not the upcoming **month**. So, for example, the monthly projection due in June 2024 should be a projection of data to be submitted in the third quarter of 2024 (*i.e.*, July-September 2024), and the monthly projection due in July 2024 would be a projection of data to be submitted in the fourth quarter of 2024 (*i.e.*, October-December 2024). Again, we urge the CEC to clarify this potential misunderstanding by adopting clarifying regulations.

In any event, the CEC must recognize the significant and inherent limitations in any one company’s ability to provide either forecasts or projections involving any globally traded commodity. Making such predictions about the future direction of the market inherently involves a wide range of assumptions among private competitors, each of which operates with an incomplete set of data on the market and the decisions and priorities of other competitors. Thus, such prognostications are of questionable usefulness – even if the data is aggregated – and could potentially be harmful to individual companies’ competitive position.

It is therefore critically important that the CEC establishes by regulation clear guidance with standardized reporting formats, that it is informed by good faith consideration of input from regulated entities, and that the data gathered is appropriately qualified as projections or predictions about future events, subject to inherent uncertainty. A formal rulemaking will also help ensure uniform compliance, provide appropriate contextual parameters in data usage, and will therefore likely help limit the potentially harmful usage of data projections. Without further clarity and appropriate context, we are concerned that attempting to ascertain future market circumstances based on the estimation or speculation of reporting entities can result in inconsistent or misleading interpretations at best, and misguided policymaking at worst. Relying on inherently uncertain predictions in implementing PRC § 25354 – and potentially imposing severe financial “penalties” or taxes based on those predictions – is particularly troublesome and frustrates the purpose of the statute in obtaining accurate and reliable information from reporters.

To help address these issues and to acknowledge differing variables and interpretations of them, the CEC should commence a rulemaking that, at a minimum, establishes clarity on the following matters:

- a) The CEC should provide standardized forms with clear instructions and specific definitions for regulated entities.
- b) Reporting entities should be directed to communicate the degree of uncertainty in any future data projections, clarify that their predictions are forward-looking statements based on current expectations and assumptions, and note that projections or forecasts are subject to risks and uncertainties that could cause actual results to differ materially.
- c) The CEC should clarify acceptable assumptions for initial data sets that may be construed as projections or forecasts, such as using engineering or planner's judgment.
- d) The CEC should offer guidance to regulated entities on what DPMO and the CEC considers "conservative." Is the intent to provide a worst-case or best-case scenario for inventory? Does this apply to all data elements or only specific ones?
- e) The CEC should offer guidance concerning how reports should discuss categories of required information where data is unavailable, and situations where a projection is currently "unknown" or based on subjective information.
- f) The CEC should offer all other necessary specific instructions for completing each form, with cell-by-cell instructions that include expected sources of information and the acceptable formatting of data in each cell

This list excludes other concerns (such as regulatory compliance costs) and is just a sampling of the multitude of issues that need clarification through a formal rulemaking, where California citizens and all stakeholders will have an equal opportunity to provide input. This will allow for an iterative discussion on how the required data will be used and who it will be made available to. Other important considerations include avoiding any future misunderstandings or misuse of the data.

Finally, WSPA would note that outstanding issues still exist with respect to adequately defining the requested data elements on the CEC's proposed refinery maintenance reporting forms.

Those issues are detailed again below, and still must be addressed by the CEC:

1. The CEC should clearly define the data elements found under the Inventory & Supply Adjustment tab, "Quantity of Contractual Supply Obligations-Related to the Event."
2. The CEC should clarify the intent behind certain requested data categories so reporters can provide the right data. Questions include but are not limited to:
 - Is the CEC expecting regulated entities to provide values to report planned or possible reductions on contractual obligations per event?
 - Is the CEC expecting regulated entities to provide values to report the efforts to minimize reductions, or to display the full range of possible reductions for the event?
3. The CEC should indicate if regulated entities should consider unforeseen circumstances or use their judgment based on their experience.
4. The CEC should clarify whether it is acceptable to enter zero in this column when there are no expected impacts.

In summary, the request contained in your July 12 letter lacks the necessary specificity to be implemented without a formal rulemaking and could result in inconsistent and unfair interpretation and application of the SB X1-2 statutes. WSPA members are making every effort

to comply with the laws and regulations and provide data that will provide accurate reporting that will be useful for the CEC's analysis. For the foregoing reasons, we request that the CEC initiate a formal rulemaking pursuant to California Code of Regulations § 1221 regarding implementation of SB X1-2 by issuing an order instituting rulemaking to initiate such a proceeding.

Thank you for your consideration of this important matter. We look forward to working with the CEC to provide input through a formal rulemaking to ensure that our members and other regulated entities have the instructions and materials needed to properly comply with the requirements in SB X1-2. My address and phone number are included in the footer of this document should you have any additional questions for me or for Tanya DeRivi on my staff, who can be reached at (916) 325-3088 or by email at tderivi@wspa.org.

Sincerely,



Catherine H. Reheis-Boyd
President and CEO

Cc: The Honorable David Hochschild, California Energy Commission, Chairman
The Honorable Siva Gunda, California Energy Commission, Vice Chair



CALIFORNIA ENERGY COMMISSION



September 17, 2024

Via Email

Catherine H. Reheis-Boyd
Western States Petroleum Association
1415 L Street, Suite 900
Sacramento, California 95814
creheis@wspa.org

Dear Catherine Reheis-Boyd:

Thank you for your letter dated September 3, 2024, which requests, on behalf of Western States Petroleum Association (WSPA), that the California Energy Commission (CEC) initiate a formal rulemaking regarding implementation of Public Resources Code section 25354, as amended by Senate Bill (SB) x1-2 (Stats. 2023, 1st Ex. Sess. 2023, ch. 1).

Under California Code of Regulations, title 20, section 1221(b), I certify that your petition contains the information required by California Code of Regulations, title 20, section 1221(a)(1)-(4). This certification does not constitute approval of your request for a rulemaking hearing. Your petition will be considered at a regularly scheduled business meeting.

The agenda and backup materials for the business meeting will post at <https://www.energy.ca.gov/proceedings/business-meetings> prior to the meeting. The agenda contains information on how to participate in the meeting. For more information, please email Chad Oliver, staff counsel, at Chad.Oliver@energy.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Drew Bohan".

Drew Bohan
Executive Director