



**California Energy Commission
February 12, 2025 Business Meeting
Backup Materials for Agenda Item No. 6:
Emergency Rulemaking Adopting Three-month Projection Reporting
Requirements (Docket No. 23-OIR-03)**

The following backup materials for the above-referenced agenda item are available as described below:

1. Proposed Resolution, attached below.
2. Notice of Proposed Emergency Action and Express Terms, attached below.
3. Form 399, attached below.

For the complete rulemaking record, please visit Docket No. 23-OIR-03 at:
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-oir-03>.

To stay informed about this rulemaking and receive documents as they are filed, please subscribe to the SB X1-2 Implementation Topic, which can be accessed here:
<https://www.energy.ca.gov/proceeding/senate-bill-x1-2-implementation>. The Topic sends out email notifications and direct links when documents are filed in the proceeding docket.

[PROPOSED]

RESOLUTION NO: 25-0212-06

STATE OF CALIFORNIA

**STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION**

IN THE MATTER OF:

**Emergency Rulemaking
Implementing Three-Month
Projection Reporting Requirements**

Docket No. 23-OIR-03

**[PROPOSED] RESOLUTION
ADOPTING EMERGENCY
REGULATIONS**

WHEREAS, the Legislature enacted, and the Governor signed Senate Bill (SB) X1-2 (Stats. 2023, 1st Ex. Sess. 2023, ch.1), which, among other things, amended section 25354, subdivision (a) in Chapter 4.5 of Division 15 of the Public Resources Code; and

WHEREAS, to improve reporting of data to the CEC about the petroleum market that is essential for the CEC's oversight functions and for the state to develop and administer energy policies in the best interests of the state and public welfare, Public Resources Code section 25367 authorizes the CEC to adopt regulations to implement Chapter 4.5 of Division 15 of the Public Resources Code, including the proposed regulations clarifying the informational and procedural requirements for refiner and major marketer three-month projections; and

WHEREAS, Section 25367 states that the adoption of these regulations shall be considered by the Office of Administrative Law (OAL) as an emergency, and necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding any law, the emergency regulations adopted to implement this chapter shall remain in effect for two years; and

WHEREAS, Section 25367 further states that any regulation adopted by the commission under Chapter 4.5 is not a "project" for purpose of the California Environmental Quality Act; and

WHEREAS, gasoline price spikes continue to affect Californians each year, it is imperative to quickly adopt these reporting requirements to clarify and standardize the identified data to provide greater transparency into the petroleum market and provide

the information needed to better address and understand the causes of price spikes and prevent their continued occurrence; and

WHEREAS, on September 25, 2024, the CEC noticed and on November 12, 2024, the CEC held a workshop to discuss proposed changes to the regulations; and

WHEREAS, on November 6, 2024, CEC staff published the draft proposed regulation changes; and

WHEREAS, at the November 12, 2024, workshop CEC staff presented an overview of the proposed regulations and established a written comment period up to and including December 9, 2024; and

WHEREAS, the CEC received several comment letters relevant to the proposed regulations during the written comment period; and

WHEREAS, CEC staff engaged with stakeholders throughout this process and modified the proposed regulations based on feedback received; and

WHEREAS, on January 31, 2025, in the proceeding docket and business meeting webpage, the CEC provided notice that it designated February 12, 2025, as the date for the business meeting to consider adoption of the proposed emergency regulations; and

WHEREAS, on January 31, 2025, more than five working days prior to submission of the proposed emergency action to OAL, the CEC provided notice of the proposed action, which included the proposed emergency regulations, to persons who have expressed interest in this proceeding, including every person who has filed a request for notice of regulatory action with the agency; and

WHEREAS, on February 11, 2025, the CEC published and provided notice to all interested persons of a revised version of the express terms correcting a non-substantive typographical error in Sections IX and X of Appendix B of the express terms published January 31, 2025, which cross-referenced a filing requirement in section 1368. The correct cross-reference, as reflected elsewhere in the express terms and in the corrected version published February 11, 2025, is section 1366.

WHEREAS, on February 12, 2025, the CEC considered the proposed emergency regulations at its business meeting.

THEREFORE, THE CALIFORNIA ENERGY COMMISSION FINDS:

With regard to the California Environmental Quality Act (CEQA):

- These regulations are being adopted under Chapter 4.5 of Division 15 of the Public Resources Code. Therefore, this action has been statutorily deemed to not be a project under CEQA pursuant to Public Resources Code Section 25367.

With regard to the Administrative Procedure Act:

- The proposed regulations are deemed an emergency by statute, are supported by an express statement containing specific facts demonstrating the existence of an emergency, and the CEC has express statutory authority to seek approval of these regulations implementing Chapter 4.5 of Division 15 of the Public Resources Code, including the three-month projection reporting requirements, through OAL's emergency rulemaking procedures; and
- The proposed emergency regulations will impose no direct costs or savings, or direct or indirect requirements or mandates, on state agencies, local agencies, or school districts, including but not limited to costs that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code; and
- The proposed emergency regulations will result in no costs or savings in federal funding to the State of California; and
- The proposed emergency regulations will result in no nondiscretionary costs or savings to any state agencies, local agencies, or school districts.

THEREFORE, BE IT RESOLVED that, after considering all comments received and based on the entire record of this proceeding, the CEC hereby adopts the emergency regulations implementing three-month projection reporting requirements as published on February 11, 2025, and incorporating any changes presented and adopted today. The CEC takes this action under the authority of sections 25213, 25218(e), 25354, and 25367 of the Public Resources Code, which among other powers conferred authorize the CEC to adopt emergency regulations, as reasonable and necessary, to implement Chapter 4.5 of Division 15 of the Public Resources Code; and

FURTHER BE IT RESOLVED that documents and other materials that constitute the rulemaking record can be found at the CEC, 715 P Street, Sacramento, California, 95814 in the custody of the Docket Unit and online in Docket Number 23-OIR-03, at <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-oir-03> and posted on the CEC's website; and

FURTHER BE IT RESOLVED that the CEC delegates the authority and directs CEC staff to take, on behalf of the CEC, all actions reasonably necessary to have the proposed emergency regulations go into effect, including but not limited to making any appropriate non-substantive changes to the regulations; preparing all appropriate documents; compiling and submitting the rulemaking file to the Office of Administrative Law (OAL); responding to any public comments received on the regulations after adoption; making any changes to the rulemaking file required by OAL; and filing a

notice of exemption with the Office of Planning and Research. This delegation explicitly includes authority for the Executive Director or Chief Deputy Director to sign the Form 400 on behalf of the CEC.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the CEC held on February 12, 2025.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

Kristine Banaag
Secretariat

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION
ADOPTION OF EMERGENCY RULEMAKING ACTION
Docket No. 23-OIR-03

SB X1-2 Three-Month Projection Reporting Requirements
Petroleum Industry Information Reporting Act of 1980
Chapter 4.5 of Division 15 of the Public Resources Code

NOTICE OF PROPOSED EMERGENCY ACTION

Government Code section 11346.1(a)(2) requires that at least five working days prior to submission of a proposed emergency action to the Office of Administrative Law (OAL), the adopting agency provide notice of the proposed emergency action to every person who has filed a request for notice of regulatory action with the agency. After submission of the proposed emergency action to OAL, OAL shall allow interested persons five calendar days to submit comments on the proposed emergency regulations as set forth in Government Code section 11349.6.

The California Energy Commission (CEC) intends to submit this proposed emergency rulemaking action for OAL review on **February 13, 2025**. Upon submission, OAL will have 10 calendar days within which to review and decide on the proposed emergency rulemaking action. If approved, the regulations will become effective when OAL files the regulations with the Secretary of State. Under Public Resources Code section 25367, these emergency regulations remain in effect for two years.

The submitted emergency action, including the specific language of the proposed emergency regulations, will appear on the list of “Emergency Regulations Under Review” on OAL’s website at

https://oal.ca.gov/emergency_regulations/emergency_regulations_under_review/

and is included with this notice.

Comments must be submitted in writing to **both** CEC and OAL.

For CEC:

Comments should be e-filed in Docket No. 23-OIR-03, the “General Rulemaking Proceeding for Developing Regulations, Guidelines, and Policies for Implementing SB X1-2 and SB 1322” at

<https://efiling.energy.ca.gov/EComment/EComment.aspx?docketnumber=23-OIR-03>.

For e-filing questions, contact docket@energy.ca.gov.

In the alternative, written comments may also be submitted by email. Include Docket Number 23-OIR-03 in the subject line and email to docket@energy.ca.gov.

A paper copy may be sent to:

California Energy Commission
Docket Unit
Docket No. 23-OIR-03
715 P Street, MS-4
Sacramento, CA 95814

and

For OAL:

Office of Administrative Law
300 Capitol Mall, Suite 1250
Sacramento, CA 95814
Fax: (916) 323-6826
Email: staff@oal.ca.gov

FINDING OF EMERGENCY

Transportation fuel, and gasoline in particular, is an essential commodity on which millions of Californians currently rely each day to get to work, access healthcare, conduct business, and navigate other essential aspects of daily life. Even as California transitions to more zero-emission vehicles, at present a majority of California residents rely on petroleum-based transportation fuels. As a result, transportation fuel price spikes have a direct negative impact on the peace, health, safety, and general welfare of California consumers. Rapid increases in fuel prices can force consumers to make difficult choices with little or no time to plan. These impacts disproportionately affect individuals living in disadvantaged communities, who tend to spend a larger share of their income on transportation fuels and are less likely to have access to zero-emission vehicles that could insulate them from these impacts.

The average price of gasoline spiked to record or near record levels of above \$6.00 per gallon on three occasions in the past three years. These spikes can occur at any time and often occur in the fall season due to a combination of factors including maintenance-related supply shortages, lack of imports, and possible market manipulation. The expected contraction of the California petroleum market in response to declining demand poses heightened risk that both the frequency and intensity of price spikes will continue to increase. In 2024, the Phillips 66 Rodeo refinery ceased crude oil processing and gasoline production operations, moving to renewable diesel production. In October 2024, Phillips 66 also announced that its Los Angeles-area refinery will

cease operations in 2025. These developing events further constrain local production of gasoline which adds to the potential for price spikes in the immediate future. Transportation fuel price spikes can interrupt essential services, threaten the financial well-being of small businesses and residents, and force California residents to make sacrifices with serious consequences for their health, safety, and well-being.

In response to a severe gasoline price spike in the fall of 2022, the Governor convened a special legislative session that led to the enactment of Senate Bill (SB) X1-2 (Stats. 2023, 1st Ex. Sess. 2023, ch. 1) in March 2023. The legislative findings of SB X1-2, the entirety of which are incorporated into the rulemaking record, state that during a 90-day period in 2022 coinciding with a gasoline price spike, refiners earned a record \$63,000,000,000 in profits and that refiners set record annual profits for 2022. In response, the Legislature declared that fundamental change is necessary to prevent future extreme price spikes and price gouging by oil companies and tasked the CEC with gathering and analyzing the necessary data. This data, including reporting requirements implemented through this rulemaking, will increase visibility into the supply chain and enable greater oversight by regulators. Complete and accurate information, combined with the investigative tools needed to deter and detect anticompetitive conduct and other behavior that harms California consumers, is necessary to empower regulators to fulfill the various mandates in SB X1-2 and the broader PIIRA legislative scheme.

SB X1-2, which took effect in June 2023, significantly expanded the information that refiners and other petroleum market participants are required to submit to the CEC under PIIRA. Among other things, SB X1-2 amended Chapter 4.5 of Division 15 of the Public Resources Code (the Petroleum Industry Information Reporting Act of 1980 (PIIRA)) and created a new independent division in the CEC, the Division of Petroleum Market Oversight (DPMO). Under PIIRA, the CEC collects data about the petroleum market that is essential for the state to develop and administer energy policies in the best interests of the state and public welfare. These regulations will clarify and refine authority given in Public Resources Code 25354(c), which will in turn enable the CEC to enhance oversight and the quiver of policy interventions authorized by SB X1-2, through enhanced monitoring of projected production and imports, to protect Californians from impending transportation fuel price spikes.

The reporting requirements in Public Resources Code 25354(c) clarified and refined by these regulations will give the CEC and the state increased insights into petroleum product production, inventories, receipts, and distributions three months ahead each month. This same type of projection report has been required by statute since 1981 , but has not been required in a standardized form in recent years. Clarifying and standardizing the informational requirements and submission procedures for refiners' and major petroleum product marketers' reporting of this three month projection information will allow for more effective analysis, planning and oversight. This is

particularly important at this time because, over the last three years, California has observed several instances of abnormally elevated market prices. In many cases, aggregate inventory levels of the petroleum product appeared barely adequate, calling into question whether refiners and marketers are acquiring the necessary supply for California. Data obtained from the report implemented via these regulations will allow the CEC to diagnose whether or how projected supply correlates with the risk of future sharp increases in the price of gasoline and other transportation fuels.

Recognizing the immediate threat posed by transportation fuel price spikes, the Legislature authorized the CEC in Public Resources Code section 25367 to implement Chapter 4.5 of Division 15 of the Public Resources Code through emergency rulemaking. Section 25367 specifically states:

Except as otherwise provided, the adoption of, or amendment to, regulations or orders implementing this chapter shall be considered by the Office of Administrative Law as an emergency, and necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding any other law, the emergency regulations or orders adopted to implement this chapter shall remain in effect for two years. Although the commission may adopt regulations to further define terms or prescribe reporting procedures or calculation methodologies pursuant to this chapter, or prescribe any other method of implementing this chapter, the provisions of this chapter are self-executing and shall not require any implementing regulation to be effective.

Therefore, in addition to the specific facts set forth above, these regulations are deemed by statute to be an emergency and necessary for the immediate preservation of public peace, health, safety, and general welfare, and the CEC has express statutory authority to seek approval of these regulations by implementing Chapter 4.5 of Division 15 of the Public Resources Code through the emergency rulemaking procedures set forth in the Administrative Procedure Act and OAL's regulations.

DOCUMENTS RELIED UPON

EIA, *Glossary*, eia.gov, <https://www.eia.gov/tools/glossary/> (last visited Jan. 8, 2025).

EIA, *Petroleum & Other Liquids: Definitions, Sources and Explanatory Notes*, eia.gov, https://www.eia.gov/dnav/pet/tbldefs/pet_pnp_unc_tbldef2.asp (last visited Jan. 8, 2025).

EIA, EIA-810 Instructions, https://www.eia.gov/survey/form/eia_810/instructions.pdf

SB X1-2 (Stats. 2023, 1st Ex. Sess. 2023, ch. 1, §1),

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320241SB2.

AUTHORITY

Public Resources Code sections 25213, 25218(e), 25354, 25354(f)(3), and 25367.

REFERENCE

Public Resources Code sections 25354, 25354(c), and 25356.

INFORMATIVE DIGEST

Existing law requires refiners and major petroleum product marketers to submit a quarterly, forward-looking projection of their existing reports each month. These regulations clarify and refine the informational and procedural requirements with respect to these refinery and major petroleum product marketer projection reports. The proposed regulations also define key terms pertaining to the reporting requirements.

The defined terms and informational requirements prescribed by these regulations are necessary to ensure consistency across reporting entities and to enable the CEC to analyze, compare, and aggregate data across reporters effectively and accurately. These changes, in turn, increase regulatory certainty for the regulated community and enhance the CEC's ability to collect and analyze this data.

The proposed regulations provide direction and consistency for this monthly reporting obligation. This will give the CEC and the state increased insights into the projected period for liquid fuel product production, receipts, and distributions of individual companies that operate in California's petroleum markets. Data obtained from the report implemented via these regulations will provide forward visibility to allow the CEC to diagnose whether the projected liquid fuel product production, acquisitions, and distributions of a particular firm or a combination of refineries and marketers contribute to increases in gasoline prices and other transportation fuel prices. This will further allow the CEC and the Division of Petroleum Market Oversight to perform market analyses to determine how California transportation fuel markets will be prepared for upcoming market stressors like reductions in supply, refinery maintenance events, natural emergencies, etc.

The proposed regulations specify how projected liquid fuel product production, acquisitions, and distributions are to be reported. They require additional information of each receipt and distribution during the reporting period by date, product types, mode of transportation, source, locations and volumes.

Existing law and regulations directly related to the proposed action include:

- Public Resources Code sections 25350-25367 contain all reporting requirements related to PIIRA.
- Public Resources Code section 25370 contains selected definitions applicable to PIIRA reporting requirements.
- California Code of Regulations, title 20, chapter 3, article 3 (section 1361 *et seq.*) contains the CEC's regulations for Petroleum Information Reports.
- California Code of Regulations, title 20, sections 1363.1 and 1363.2, contain the definition of terms used for reporting purposes under PIIRA.
- California Code of Regulations, title 20, section 1366, identifies which entities are subject to the specific requirements to comply with PIIRA.

The proposed regulations are not inconsistent or incompatible with existing regulations. Pursuant to Chapter 4.5, section 25354 Division 15 of the Public Resources Code, these regulations implement the monthly reporting of projections of the quarter following the month requirement in section 25354(c). The specific information reporting requirements addressed by these regulations augment the CEC's existing regulations for Petroleum Information Reports to accommodate and implement statutory reporting requirements. Similarly, the definitions added or amended by these regulations augment, but do not conflict with, existing definitions.

DOCUMENTS INCORPORATED BY REFERENCE

None.

OTHER MATTERS PRESCRIBED BY STATUTE

Public Resources Code section 25367(c)(1) provides that any regulation adopted by the CEC under Chapter 4.5 of Division 15 of the Public Resources Code "is not a "project" for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000))." These regulations are being adopted under Chapter 4.5 of Division 15 of the Public Resources Code. Therefore, this action has been statutorily deemed to not be a project under CEQA pursuant to Public Resources Code Section 25367.

LOCAL MANDATE DETERMINATION

The CEC has determined that the proposed changes do not impose a mandate on local agencies or school districts.

FISCAL IMPACT

The CEC does not anticipate any costs or savings to itself or other state agencies as a result of this emergency rulemaking action. The proposed emergency regulations refine, clarify, and make incremental additions to existing statutory reporting requirements in addition to adding more specificity to existing procedures. To the extent that new or additional information is obtained through the proposed regulations, the CEC will use existing staff resources, including resources gained at the passage of SB X1-2, to analyze and process that information. Additionally, the CEC is developing new processes to ingest and analyze larger datasets that are critical to inform policy decisions, with improved efficiency. Updates to filing requirements are increasingly requiring machine-readable data submissions, allowing the CEC to process the data more efficiently and at a lower cost. Therefore, the CEC does not expect the proposed regulations to result in additional costs or savings to the agency.

The proposed regulations will not result in any reimbursable costs to local government agencies, school districts, nondiscretionary costs or savings to local government agencies, or costs or savings in federal funding to the state.

NONDUPLICATION

These regulations do not duplicate or serve the same purpose as any existing state or federal statute or regulation (Gov. Code, § 11349(f); Title 1, Cal. Code Regs., § 12). The statutory provisions governing petroleum regulation are lengthy and complex; in some instances it was determined that to ensure the regulations are straightforward and provide comprehensive direction for data submittals, it was necessary to insert some statutory language within the regulatory provisions. All instances where existing statutes or regulations are referenced in the regulations have been determined to be necessary for the clarity of the regulations and consistent with the standard for permissible duplication contained in California Code of Regulations, title 1, section 12(b)(1).

NECESSITY

The following demonstrates the need for the proposed regulations to effectuate the provisions of Chapter 4.5 of Division 15 of the Public Resources Code being implemented, interpreted, or made specific and to address the demonstrated emergency. The emergency regulations support and effectuate the purpose of addressing unusually high gasoline price spikes and support the Division of Petroleum Market Oversight in monitoring and analyzing California's gasoline markets. In addition, under Public Resources Code section 25356, the CEC is authorized to gather, analyze and interpret the nature, cause, and extent of any petroleum or petroleum products shortage or condition affecting supply. Furthermore, Public Resources Code section 25354(c) requires California refiners and marketers to report projections of the

information submitted to the CEC pursuant to Public Resources Code section 25354(a). These regulations clarify reporting requirements to ensure the CEC has the information needed to appropriately monitor California's gasoline markets and fulfill its obligations under Public Resources Code sections 25354 and 25356, including as amended by SB X1-2 and recently enacted AB X2-1 (Stats. 2024, 2nd Ex. Sess. 2023-2024, ch. 1). To accurately analyze this data, including aggregate data across multiple reporters and compare data submitted by individual reporters, the data submitted must be consistent across reporting entities. These regulations provide the necessary consistency by providing precise definitions of key terms, specifying reporting procedures, and prescribing the informational requirements.

California Code of Regulations, Title 20, Division 2, Chapter 3, Article 3 Petroleum Information Reports

§ 1363.2 Definitions. Specific Definitions for the Purposes of Reporting.

Amendments to this section are necessary to clarify terms pertinent to refinements made to the statutory reporting requirements, improve reporting compliance, and promote understanding among the regulated public. By clearly articulating definitions, industry participants can more efficiently and consistently satisfy reporting requirements, and the CEC can more efficiently and accurately analyze the provided information.

The purpose of amending the definition for the terms "Major Petroleum Products Marketer" and "Major Marketer" is to more precisely define terms used in the reports specified in subsection (x) of section 1366 and in Appendix B. This amended definition for these terms ensures these terms align to stakeholders identified through the existing use of "Major marketer" found in Public Resources Code section 25354(a). Changing the exclusion for service stations and truck stops from plural to singular widens the potential sphere of entities subject to the reports specified in section 1366, subsection (x). Increasing the volume threshold for sales activity from 20,000 barrels to 50,000 barrels narrows the sphere of reporting entities classified as major marketers. This is necessary to distinguish major marketers from minor entities with smaller market influence, by including entities that are networks of service stations and truck stops and that consistently sell more than 50,000 barrels of product per month. Other minor entities that sell less lack sufficient information on regional distribution and receipts. Defining these terms and threshold is necessary to exclude from this reporting requirement both low-volume marketers and singular retail fuel sale locations that have high volume sales with limited geographical influence. This allows the CEC to identify the types of transportation fuel product receipts and distributions relevant to this definition for reporting purposes, and to thereby ensure accurate and consistent reporting.

The purpose of defining "Refinery Inputs" is to assign specific meaning to a term used in the reports specified in subsection (x) of section 1366 and in Appendix B. This definition

is necessary to ensure use of this term aligns to common commercial usage as well as the existing use of “feedstock inputs” found in Public Resources Code section 25354(a). This allows the CEC to identify the types of “feedstock inputs” as “refinery inputs” relevant to this definition for reporting purposes, and to thereby ensure accurate and consistent reporting with existing data collection.

§ 1366. Requirement to File. The purposes of amendments to this section are to specify the statutory reporting requirements, as refined by this rulemaking, alongside the other specified petroleum information reports, to clarify the entities subject to the reporting requirements, and to identify the reporting period. These amendments are necessary to streamline the reporting process and to ensure the CEC obtains accurate and consistent information from reporters.

The purpose of adding subsection (x) and renumbering subsections (y) through (bb) is to specify a particular class of entities required to file the monthly California Refiner’s Projections Report and monthly Major Marketer Projections Report. The proposed amendments add a requirement to file clause to this section requiring reports specified in Appendix B, Sections IX and X, which outline the informational requirements of the refiner and major marketer report, respectively. These amendments also establish the monthly reporting cadence and define the projection period to be three calendar months. This is necessary to ensure consistent reporting and to align the information with other monthly reports for efficient and effective analysis.

Appendix B: Section IX. Refiners’ Projections Report

The purpose of adding this section is to specify the informational requirements for the refiners’ projections report, including information on all transportation fuel products produced and held at refineries subject to this reporting requirement. This report will standardize the informational requirements written in Public Resources Code Section 25354(c) for refineries operating within California. This information is necessary to enable CEC to perform its statutory obligations, including to assess the nature, cause, and extent of any petroleum or petroleum products shortage or condition affecting supply. As supply outages for planned refinery maintenance grows in influence, the information provided in these projections will allow the CEC to analyze supply operations and planning at refineries in the months leading to a maintenance event, during an event, and after an event.

The purpose of subsection A is to require reporting on the volume of crude oil and petroleum product received from outside sources for each refinery. This is necessary in order to determine on a monthly basis the quantity of crude and product available in each refinery and assess any conditions affecting supply of crude oil and petroleum products.

The purpose of subsection B is to require reporting on the volume of refinery inputs for each refinery. This is necessary in order to determine on a monthly basis the quantity of crude and other products available and compare utilized production capacity for each refinery, allowing the CEC to assess any conditions affecting supply of crude oil and petroleum products.

The purpose of subsection C is to require reporting on the volume of production during each month of the projection period for each refinery. This is necessary in order to determine on a monthly basis the quantity of product produced in each refinery, allowing the CEC to assess any conditions affecting supply of petroleum products.

The purpose of subsection D is to require reporting on the volume of shipments during each month of the projection period input for each refinery. This is necessary to determine on a monthly basis the total quantity of product distributed from each refinery and to assess any conditions affecting supply of petroleum products.

The purpose of subsection E is to require reporting on the volume of stocks held at the end of each month of the projection period for each refinery. This is necessary in order to determine on a monthly basis the quantity of product available and compare utilization of storage for each refinery and assess any conditions affecting supply of petroleum products.

Appendix B: Section X. Major Marketer Projections Report

The purpose of adding this section is to specify the informational requirements for the major marketers' projections report. This is necessary to ensure complete and consistent reporting to inform CEC's analysis.

The purpose of subsection A is to specify the information that must be reported for receipts of foreign and domestic crude oil, motor gasoline, aviation fuels, distillate, renewable fuels, ethanol, residual fuel oil, and gasoline blending components at the end of each month of the projection period for each major marketer.

This subsection identifies the types of sources from which receipts must be reported, which is necessary to define the scope of this reporting requirement and allow the CEC to assess the impact of receipts on supply.

This subsection requires reporting of volume, product type, and, if known, both product name and product code. This ensures the CEC will obtain sufficient product detail for each projected month to perform meaningful analysis while also recognizing that product name and product code information is usually specified close in time to the actual sale or transfer event.

This subsection requires the year, month, and, if known, the day of receipt to ensure sufficiently granular information on the date of projected receipts for each projected month while recognizing that the exact projected day for a receipt is usually specified close in time to the actual sale or transfer event.

This subsection requires the mode of transportation, source, source location, receiving region, and, if known, both the vessel name and receiving port or location to align with existing CEC reports and ensure sufficient information on product movement for each projected month while recognizing that the vessel name and receiving port or location are often specified close in time to the date of shipment.

By allowing certain information to be reported on an as-known basis, this subsection recognizes the information gaps that may (or may not) exist in a three-month projection horizon while ensuring the CEC obtains reports with the maximum feasible level of detail as early as possible in the three-month projection horizon, thereby enabling the CEC to perform effective and timely analysis. The information specified in this subsection is necessary for the CEC's planning and tracking, as well as for alignment with existing CEC forms. This information is also necessary to determine on a monthly basis the quantity of product available to each marketer and assess any conditions affecting supply of petroleum products.

The purpose of subsection B is to specify the information that must be reported for distributions of motor gasoline, aviation fuels, distillate, renewable fuels, ethanol, residual fuel oil, and gasoline blending components, at the end of each month of the projection period for each refiner and major marketer.

This subsection identifies the types of destinations to which distributions must be reported, which is necessary to define the scope of this reporting requirement and allow the CEC to assess the impact of distributions on supply. This subsection requires reporting of volume, product type, and, if known, both product name and product code. This ensures the CEC will obtain sufficient product detail for each projected month to perform meaningful analysis while also recognizing that product name and product code information is usually specified close in time to the actual sale or transfer event.

This subsection requires the year, month, and, if known, the day of distribution to ensure sufficiently granular information on the date of projected distributions for each projected month while recognizing that the exact projected day for a distribution is usually specified close in time to the actual sale or transfer event.

This subsection requires the mode of transportation, purchaser, distribution region, and, if known, both the vessel name and distribution port or location to align with existing CEC reports and ensure sufficient information on product movement for each projected

month while recognizing that the vessel name and receiving port or location are often specified close in time to the date of shipment.

By allowing certain information to be reported on an as-known basis, this subsection recognizes the information gaps that may (or may not) exist in a three-month projection horizon while ensuring the CEC obtains reports of projected distributions each month with the maximum feasible level of detail as early as possible in the three-month projection horizon, thereby enabling the CEC to perform effective and timely analysis. The information specified in this subsection is necessary in order to determine on a monthly basis the quantity of product distributed by each marketer and assess any conditions affecting supply of petroleum products.

EXPRESS TERMS

California Code of Regulations
Title 20. Public Utilities and Energy
Division 2. State Energy Resources Conservation and Development Commission
Chapter 3. Data Collection
Article 3. Petroleum Information Reports

Proposed new language appears as underline (example) and proposed deletions appear as strikeout (~~example~~). Existing language appears as plain text. Three dots or “...” represents the substance of the regulations that exists between the proposed language and current language.

§1363.2. Definitions: Specific Definitions for Purposes of Reporting Requirements

...[Skipping “1/1/1” through “Major Crude Oil Transporter”]

"Major Petroleum Products Marketer" or "Major Marketer" means a firm that sells or sold ~~20~~50,000 barrels or more of petroleum products during any month of the current or preceding calendar year, excluding an individual service stations or truck stops. An electric utility shall not be considered a major petroleum products marketer unless it has sold or otherwise disposed of, other than through its own consumption, ~~20~~50,000 barrels or more of petroleum products per month during any four months of the current or preceding calendar year.

...[Skipping “Major Petroleum Products Storer” through “Refinery Fuel Use and Losses During the Month”]

“Refinery inputs” means the raw materials and intermediate materials processed at refineries to produce finished petroleum or renewable fuel products. Refinery inputs include, but are not limited to, crude oil, products of natural gas processing plants, unfinished oils, other hydrocarbons and oxygenates, motor gasoline and aviation gasoline blending components and finished petroleum products.

...[Skipping “Refinery Storage Facility” through “U.S.C.”]

§1366. Requirement to File.

...[Skipping subdivisions (a) through (w)]

(x) Each refiner and major petroleum products marketer, as defined in Section 1363.2, shall file each month projections containing all of the information specified in Appendix B, Sections IX and X, respectively. Projections shall contain the specified information for

each of the three months following the reporting month. Refiners' and major petroleum products marketers' projections shall contain all of the information specified in Appendix B, Sections IX and X, respectively.

(~~xy~~) Unless otherwise indicated, if a company, by its various activities, satisfies two or more of the definitions in Section 1363.2, it shall file a separate report for each such activity.

(~~yz~~) Any company required by this article to submit Petroleum Information Reports, which company contains divisions, departments, or subsidiary companies, shall report on behalf of all such divisions, departments, or subsidiaries, provided that such divisions, departments, or subsidiaries would otherwise be required to report pursuant to the provisions of this article.

(~~zaa~~) All reports required by this section shall be on such form and in such format as the Executive Director may require, except as provided below.

(~~aabb~~) Any person required by this article to submit Petroleum Information Reports may in lieu thereof, submit a report made to any other government agency, provided that the requirements of Public Resources Code Section 25354(g) are satisfied, provided that the Executive Director of the CEC approves in writing to the applicant that the alternative submittal of substitute report information is acceptable and provided that such substitute report is expressed in identical units to those required by this article.

(~~bccc~~) Any person or company required by this article to submit Petroleum Information Reports in a specific form designated by the CEC may in lieu thereof, electronically submit the required information in a different format, provided that the Executive Director of the CEC approves in writing to the applicant that the alternative format of submittal is acceptable.

NOTE: Authority cited: Sections 25213, 25218(e), 25354 and 25367, Public Resources Code. Reference: Sections 25354, 25355, and 25356, Public Resources Code.

Appendix B Information Requirements for Monthly Reports

...[skipping sections I through VIII]

IX. Refiners' projections required by Section 1366 shall contain projections of all of the following for crude oil, still gas, motor gasoline, aviation fuels, distillates, liquified petroleum gases, renewable fuels, residual fuel oil, and gasoline blending components, in thousands of barrels:

- A. Receipts by product name and product code for each month of the projection period;
- B. Refinery inputs by product name and product code for each month of the projection period;
- C. Production by product name and product code for each month of the projection period;
- D. Shipments by product name and product code for each month of the projection period;
- E. Stocks by product name and product code for the end of each month of the projection period.

NOTE: Authority cited: Section 25213, 25218(e), and 25367, Public Resources Code. Reference: Sections 25354(c), 25354(f)(3), and 25356, Public Resources Code.

X. Major Petroleum Products Marketers' projections required by Section 1366 shall contain projections of all of the following for foreign and domestic crude oil, motor gasoline, aviation fuels, distillate, renewable fuels, ethanol, residual fuel oil, and gasoline blending components, in thousands of barrels:

- A. Receipts by product type, product name (if known), and product code (if known), including the year, month, day (if known), mode of transportation, vessel name (if known), source, source location, receiving region, receiving port or location (if known), and volume for those receipts during each month of the projection period from:
 - 1. California refineries
 - 2. Other California sources
 - 3. Domestic sources (United States outside of CA)
 - 4. Foreign sources
- B. Distributions by product type, product name (if known), and product code (if known), including the year, month, day (if known), mode of transportation, vessel name (if known), purchaser, distribution region, distribution port or location (if known), and volume during each month of the projection period to:
 - 1. California Purchasers
 - 2. Non-California: Foreign
 - 3. Non-California: Domestic (United States outside of CA)
 - 4. Own consumption: Within California
 - 5. Own consumption: Outside of California

NOTE: Authority cited: Sections 25213, 25218(e), and 25367, Public Resources Code. Reference: Sections 25354(c), 25354(f)(3), and 25356, Public Resources Code.

**ECONOMIC AND FISCAL IMPACT STATEMENT
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

ECONOMIC IMPACT STATEMENT

DEPARTMENT NAME California Energy Commission	CONTACT PERSON Ross Daley	EMAIL ADDRESS Ross.Daley@energy.ca.gov	TELEPHONE NUMBER 916-980-7949
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400 Three-month Projection Reporting Requirements			NOTICE FILE NUMBER Z

A. ESTIMATED PRIVATE SECTOR COST IMPACTS *Include calculations and assumptions in the rulemaking record.*

1. Check the appropriate box(es) below to indicate whether this regulation:

- | | |
|--|---|
| <input type="checkbox"/> a. Impacts business and/or employees | <input type="checkbox"/> e. Imposes reporting requirements |
| <input type="checkbox"/> b. Impacts small businesses | <input type="checkbox"/> f. Imposes prescriptive instead of performance |
| <input type="checkbox"/> c. Impacts jobs or occupations | <input type="checkbox"/> g. Impacts individuals |
| <input type="checkbox"/> d. Impacts California competitiveness | <input type="checkbox"/> h. None of the above (Explain below): |

***If any box in Items 1 a through g is checked, complete this Economic Impact Statement.
If box in Item 1.h. is checked, complete the Fiscal Impact Statement as appropriate.***

2. The _____ estimates that the economic impact of this regulation (which includes the fiscal impact) is:
(Agency/Department)

- ☐ Below \$10 million
- ☐ Between \$10 and \$25 million
- ☐ Between \$25 and \$50 million
- ☐ Over \$50 million *[If the economic impact is over \$50 million, agencies are required to submit a [Standardized Regulatory Impact Assessment](#) as specified in Government Code Section 11346.3(c)]*

3. Enter the total number of businesses impacted: _____

Describe the types of businesses (Include nonprofits): _____

Enter the number or percentage of total
businesses impacted that are small businesses: _____

4. Enter the number of businesses that will be created: _____ eliminated: _____

Explain: _____

5. Indicate the geographic extent of impacts: ☐ Statewide
☐ Local or regional (List areas): _____

6. Enter the number of jobs created: _____ and eliminated: _____

Describe the types of jobs or occupations impacted: _____

7. Will the regulation affect the ability of California businesses to compete with
other states by making it more costly to produce goods or services here? ☐ YES ☐ NO

If YES, explain briefly: _____

**ECONOMIC AND FISCAL IMPACT STATEMENT
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

ECONOMIC IMPACT STATEMENT (CONTINUED)

B. ESTIMATED COSTS *Include calculations and assumptions in the rulemaking record.*

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? \$ _____
 - a. Initial costs for a small business: \$ _____ Annual ongoing costs: \$ _____ Years: _____
 - b. Initial costs for a typical business: \$ _____ Annual ongoing costs: \$ _____ Years: _____
 - c. Initial costs for an individual: \$ _____ Annual ongoing costs: \$ _____ Years: _____
 - d. Describe other economic costs that may occur: _____

2. If multiple industries are impacted, enter the share of total costs for each industry: _____

3. If the regulation imposes reporting requirements, enter the annual costs a typical business may incur to comply with these requirements.
Include the dollar costs to do programming, record keeping, reporting, and other paperwork, whether or not the paperwork must be submitted. \$ _____
4. Will this regulation directly impact housing costs? ☐ YES ☐ NO
If YES, enter the annual dollar cost per housing unit: \$ _____
Number of units: _____
5. Are there comparable Federal regulations? ☐ YES ☐ NO
Explain the need for State regulation given the existence or absence of Federal regulations: _____

Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: \$ _____

C. ESTIMATED BENEFITS *Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. Briefly summarize the benefits of the regulation, which may include among others, the health and welfare of California residents, worker safety and the State's environment: _____

2. Are the benefits the result of: ☐ specific statutory requirements, or ☐ goals developed by the agency based on broad statutory authority?
Explain: _____
3. What are the total statewide benefits from this regulation over its lifetime? \$ _____
4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: _____

D. ALTERNATIVES TO THE REGULATION *Include calculations and assumptions in the rulemaking record. Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not: _____

**ECONOMIC AND FISCAL IMPACT STATEMENT
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

ECONOMIC IMPACT STATEMENT (CONTINUED)

2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:

Regulation: Benefit: \$ _____ Cost: \$ _____

Alternative 1: Benefit: \$ _____ Cost: \$ _____

Alternative 2: Benefit: \$ _____ Cost: \$ _____

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives: _____

4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technologies or equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs? ☐ YES ☐ NO

Explain: _____

E. MAJOR REGULATIONS *Include calculations and assumptions in the rulemaking record.*

California Environmental Protection Agency (Cal/EPA) boards, offices and departments are required to submit the following (per Health and Safety Code section 57005). Otherwise, skip to E4.

1. Will the estimated costs of this regulation to California business enterprises **exceed \$10 million**? ☐ YES ☐ NO

***If YES, complete E2. and E3
If NO, skip to E4***

2. Briefly describe each alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:

Alternative 1: _____

Alternative 2: _____

(Attach additional pages for other alternatives)

3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:

Regulation: Total Cost \$ _____ Cost-effectiveness ratio: \$ _____

Alternative 1: Total Cost \$ _____ Cost-effectiveness ratio: \$ _____

Alternative 2: Total Cost \$ _____ Cost-effectiveness ratio: \$ _____

4. Will the regulation subject to OAL review have an estimated economic impact to business enterprises and individuals located in or doing business in California exceeding \$50 million in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented?

☐ YES ☐ NO

If YES, agencies are required to submit a [Standardized Regulatory Impact Assessment \(SRIA\)](#) as specified in Government Code Section 11346.3(c) and to include the SRIA in the Initial Statement of Reasons.

5. Briefly describe the following:

The increase or decrease of investment in the State: _____

The incentive for innovation in products, materials or processes: _____

The benefits of the regulations, including, but not limited to, benefits to the health, safety, and welfare of California residents, worker safety, and the state's environment and quality of life, among any other benefits identified by the agency: _____

**ECONOMIC AND FISCAL IMPACT STATEMENT
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

FISCAL IMPACT STATEMENT

A. FISCAL EFFECT ON LOCAL GOVERNMENT *Indicate appropriate boxes 1 through 6 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

- ☐ 1. Additional expenditures in the current State Fiscal Year which are reimbursable by the State. (Approximate)
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ _____

- ☐ a. Funding provided in _____

Budget Act of _____ or Chapter _____, Statutes of _____

- ☐ b. Funding will be requested in the Governor's Budget Act of _____

Fiscal Year: _____

- ☐ 2. Additional expenditures in the current State Fiscal Year which are NOT reimbursable by the State. (Approximate)
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ _____

Check reason(s) this regulation is not reimbursable and provide the appropriate information:

- ☐ a. Implements the Federal mandate contained in _____

- ☐ b. Implements the court mandate set forth by the _____ Court.

Case of: _____ vs. _____

- ☐ c. Implements a mandate of the people of this State expressed in their approval of Proposition No. _____

Date of Election: _____

- ☐ d. Issued only in response to a specific request from affected local entity(s).

Local entity(s) affected: _____

- ☐ e. Will be fully financed from the fees, revenue, etc. from: _____

Authorized by Section: _____ of the _____ Code;

- ☐ f. Provides for savings to each affected unit of local government which will, at a minimum, offset any additional costs to each;

- ☐ g. Creates, eliminates, or changes the penalty for a new crime or infraction contained in _____

- ☐ 3. Annual Savings. (approximate)

\$ _____

- ☐ 4. No additional costs or savings. This regulation makes only technical, non-substantive or clarifying changes to current law regulations.

- ☒ 5. No fiscal impact exists. This regulation does not affect any local entity or program.

- ☐ 6. Other. Explain _____

**ECONOMIC AND FISCAL IMPACT STATEMENT
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

FISCAL IMPACT STATEMENT (CONTINUED)

B. FISCAL EFFECT ON STATE GOVERNMENT *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

☐ 1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ _____

It is anticipated that State agencies will:

☐ a. Absorb these additional costs within their existing budgets and resources.

☐ b. Increase the currently authorized budget level for the _____ Fiscal Year

☐ 2. Savings in the current State Fiscal Year. (Approximate)

\$ _____

☐ 3. No fiscal impact exists. This regulation does not affect any State agency or program.

☒ 4. Other. Explain This regulation implements and makes specific existing statutory requirements and does not result in costs or savings independent of existing statutory requirements.

C. FISCAL EFFECT ON FEDERAL FUNDING OF STATE PROGRAMS *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

☐ 1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ _____

☐ 2. Savings in the current State Fiscal Year. (Approximate)

\$ _____

☒ 3. No fiscal impact exists. This regulation does not affect any federally funded State agency or program.

☐ 4. Other. Explain _____

FISCAL OFFICER SIGNATURE

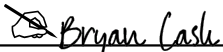


DATE

1/28/2025

The signature attests that the agency has completed the STD. 399 according to the instructions in SAM sections 6601-6616, and understands the impacts of the proposed rulemaking. State boards, offices, or departments not under an Agency Secretary must have the form signed by the highest ranking official in the organization.

AGENCY SECRETARY

 Bryan Cash

DATE

1/28/2025

Finance approval and signature is required when SAM sections 6601-6616 require completion of Fiscal Impact Statement in the STD. 399.

DEPARTMENT OF FINANCE PROGRAM BUDGET MANAGER



DATE