



Item 8: Order Instituting Informational Proceeding – Petroleum Supply Stabilization (Docket No. 25-OIIP-02)

August 13, 2025, Business Meeting

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Benefits to Californians



Create a public form to collect data, solicit stakeholder input, and build a transparent record



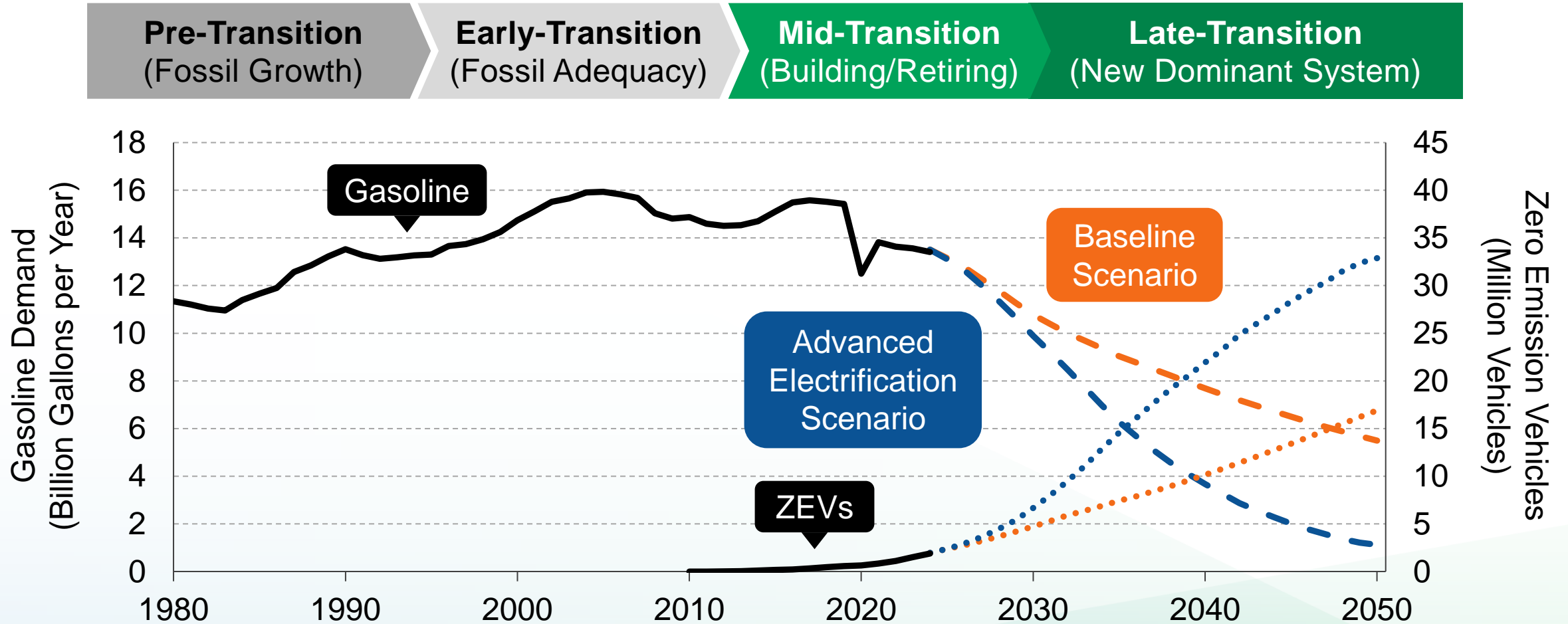
Research potential benefits and costs of supply planning tools before taking action



Develop data-driven strategies to stabilize fuel supply and reduce gasoline price volatility



Mid-Transition Context



Source: CEC Staff



Legislative Background

- AB X2-1 (2024) authorizes the CEC to adopt:
 - Minimum inventory requirements for refined transportation fuels
 - Resupply planning before maintenance/turnaround events
- Action only if benefits to consumers outweighs costs
- Must protect health and safety of workers, communities, and the public



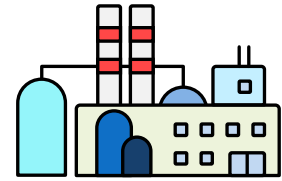
Informational Proceeding

- Build a comprehensive public record before any potential rulemaking
- Engage stakeholders early in a structured, transparent process
- Examine benefits and unintended consequences of each potential strategy
- Avoid premature regulation without robust data

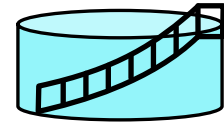


Topics to Explore

- Minimum inventory requirements – how they might work, potential benefits, and challenges
- Resupply planning requirements – ensuring fuel supply continuity during maintenance
- Other supply stabilization tools that may emerge through stakeholder input



Refinery



Fuel Storage



Resupply



How the Proceeding Will Work

- Public workshops and hearings
- Broad outreach to consumer, labor, industry, EJ, environmental, and community stakeholders and the public
- Collection of public and confidential data to inform analysis
- Collaboration with other agencies



Expected Outcomes

- Clearer understanding of the feasibility and value of minimum inventory and resupply requirements
- Identified conditions under which these tools would be effective
- Evidence-based recommendations for future regulatory consideration



Staff Recommendation

- Approve the Order Instituting Informational Proceeding.
- Direct staff to proceed with stakeholder engagement and data collection.
- First public workshop to be held on September 24, 2025.