CALIFORNIA ENERGY COMMISSION

CALIFORNIA NATURAL RESOURCES AGENCY

California Energy Commission

**STAFF REPORT**

# Quarterly Petroleum Supply and Pricing Report

## April 2024 Through June 2024

**September 2024 | CEC-200-2024-017**

# California Energy Commission

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# ABSTRACT

California Public Resources Code Section 25358 requires the California Energy Commission (CEC) to prepare a report every quarter that summarizes and analyzes petroleum industry supply, production, transportation, delivery and distribution, demand, and prices. This report looks at information collected by the CEC through the Petroleum Industry Information Reporting Act of 1980 and the associated regulations for analyzing trends in liquid fuel production, storage, and distribution. CEC staff developed new metrics using these data to help better inform the California public on the operations of the liquid transportation fuels supply chain. In addition, staff analyzed other data sources to provide a more comprehensive discussion of California's liquid transportation fuel issues.

Topics included in this report:

- California, United States, and world crude oil prices
- Inventories of crude oil at California refineries
- Quantity of crude oil processed at California refineries
- Production of liquid transportation fuels
- Inventories of liquid transportation fuels
- Prices of liquid transportation fuels
- Import and export volumes of liquid transportation fuels for California

**Keywords**: California Energy Commission, transportation, gasoline, petroleum, diesel, liquid fuels

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# EXECUTIVE SUMMARY

This report describes the trends and relevant issues faced by California's liquid transportation fuels market. Using information from the Petroleum Industry Information Reporting Act of 1980 and associated data collection regulations, as well as from public and proprietary sources, California Energy Commission (CEC) staff details the flows of liquid fuels and volumes of the product that is being moved and produced in California. The following are key observations of market activity in the last quarter:

**Crude Oil**

- Crude oil prices for the various benchmarks, Brent North Sea, West Texas Intermediate, and California estimated refinery acquisition cost, peaked in April, declined in May, then rebounded some in June.
- The price for crude oil was roughly 10 percent higher in June 2024 than it was in June 2023 and 3.2 percent higher than the previous quarter.

**Gasoline**

- Higher crude acquisition costs increased refinery crude acquisition costs, while high supplies put downward pressure on retail prices, squeezing refiner margins.
- Production and inventories increased by 17.6 percent and 12.0 percent, respectively, over the second quarter of 2024.
- Gasoline prices peaked in April and declined for the rest of the second quarter. This situation is atypical as gasoline prices usually increase during lead up and into the summer driving season.

**Diesel**

- Diesel inventories and production were low through most of the quarter before increasing in June. Despite this, prices decreased through the quarter.
- Diesel consumption is usually highest during harvest season, so this price behavior is typical for this time of year.

# CHAPTER 1:
# Crude Oil

This chapter discusses crude oil market data changes for the quarter, including international and national prices, monthly production at California refineries, volume of crude oil stored at refineries, volume of crude oil used at refineries (referred to as "inputs"), and the movement of crude oil using data collected under Public Resources Code 25354 (a) and (f), and Public Resources Code 25357.

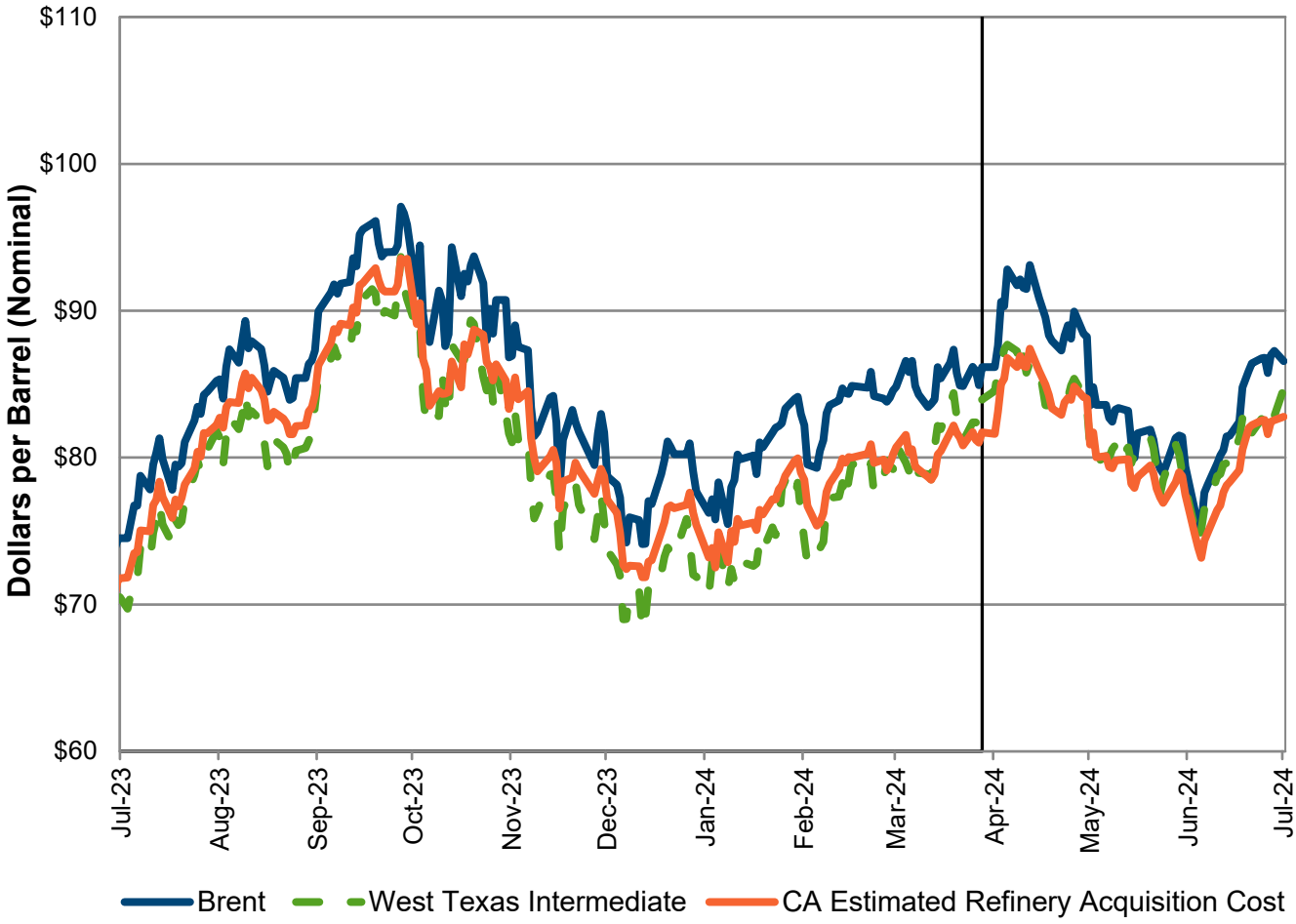
## Prices

**Figure 1** shows the daily West Coast spot crude oil prices for Brent North Sea (Brent), West Texas Intermediate (WTI), and the California estimated refinery acquisition cost (CA-RAC). Brent crude oil, an international benchmark, is the best surrogate price for foreign sources of crude oil processed at California refineries. WTI is included as it is the domestic benchmark. The CA-RAC is a weighted average of the prices of California (San Joaquin Valley) crude, Alaskan crude, and foreign crude. Alaskan crude traded lower than WTI during the second quarter, pushing the CA-RAC down.

For the second quarter of 2024:

- The Brent price peaked April 12 at $93.12. The monthly average price for June 2024 was $82.07, a 10 percent increase compared to June 2023.
- The WTI price peaked April 5 at $87.69. The monthly average price for June 2024 was $79.77, a 14 percent increase compared to June 2023.
- The CA-RAC price peaked April 12 at $87.42. The monthly average price for June 2024 was $78.63, a 9 percent increase compared to June 2023.

## Figure 1: Daily Spot Crude Oil Prices




**Note: Black vertical line on graphs indicates end of previous quarter's data. Areas to the right indicate new data since last quarter.**

Source: U.S. Energy Information Administration (EIA), Oil Price Information Service (OPIS)

## Monthly Production

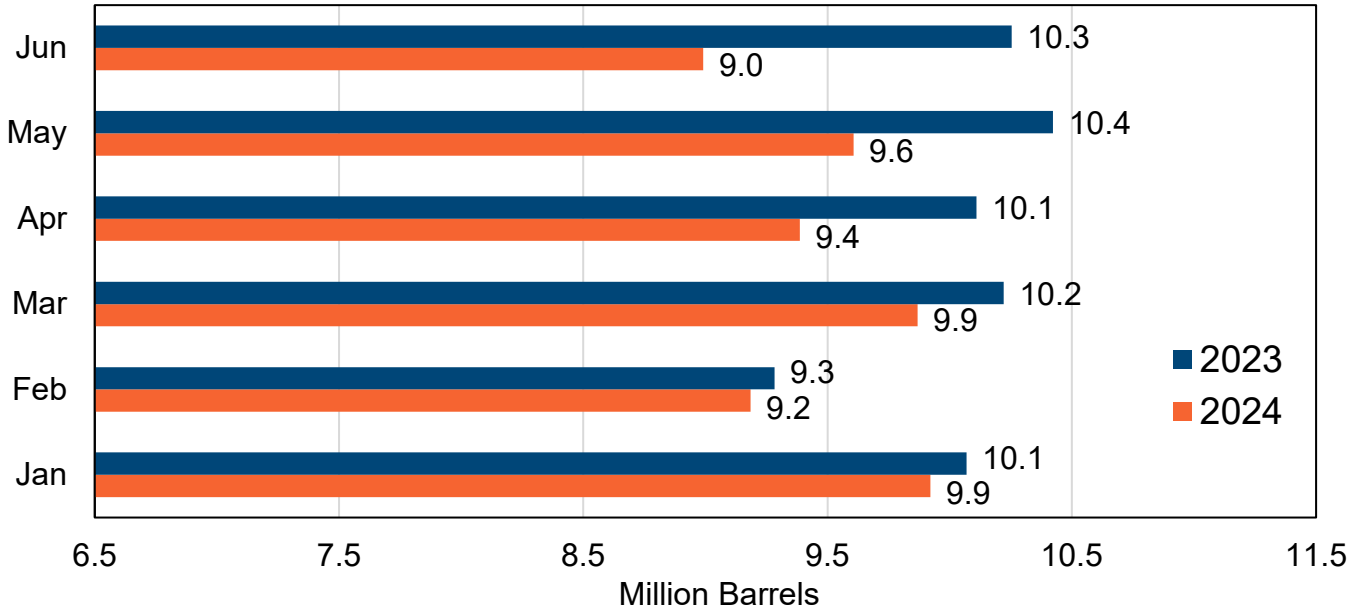
**Figure 2** shows the monthly crude oil production report as reported by the State Oil and Gas Supervisor. Monthly production during the second quarter of 2024 was 9.4 million, 9.6 million, and 9.0 million barrels, for April, May, and June, respectively. Crude oil production is less than it was during the second quarter of 2023 during all three months. Total production in the second quarter of 2024 was 28.0 million barrels, 1.0 million barrels less than the production of 29.0 million barrels during the first quarter of 2024. The year-over-year decreases observed in Figure 2 illustrate California's continued crude oil production decline. California crude oil production has been in steady decline since 1985.[1] This decline is due to the geological properties of the crude, the age of the wells, and the associated production costs. However, in-state production as a percent of crude oil processed by California refineries has increased. In 2023, 23.4 percent of crude oil processed by California refineries came from in-state crude oil production.[2] That amount increased to 24.6 percent for the first six months of 2024.[3]

1 U.S. Energy Information Administration. "Petroleum and Other Fluids," https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MCRFPCA1&f=A.

2 Annual oil supplies to California refineries: https://www.energy.ca.gov/data-reports/energy-almanac/californias-petroleum-market/annual-oil-supply-sources-california.

3 Monthly oil supplies to California refineries: https://www.energy.ca.gov/data-reports/energy-almanac/californias-petroleum-market/annual-oil-supply-sources-california-1.

**Figure 2: Monthly Crude Oil Production Report**




Source: California Geologic Energy Management Division (CalGEM) WellSTAR data dashboard (https://www.conservation.ca.gov/calgem/Online_Data/Pages/WellSTAR-Data-Dashboard.aspx)

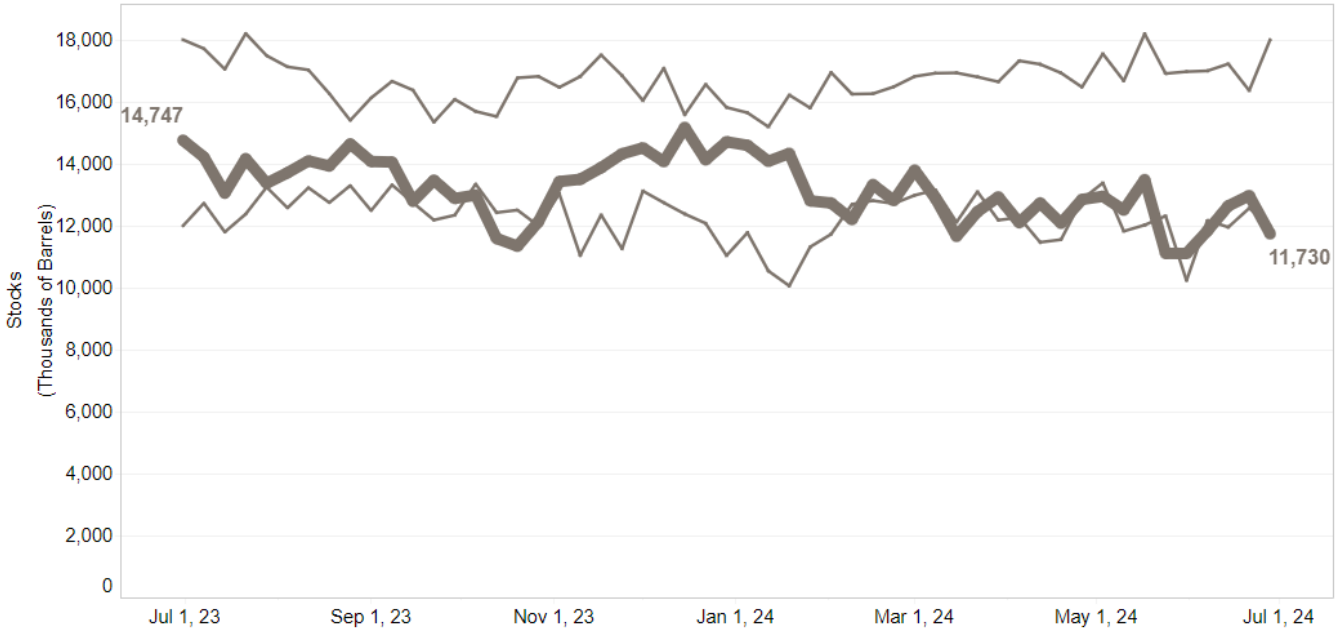
## Inventory

**Figure 3** shows the volume of crude oil inventories at California refineries. In the second quarter of 2024 (April–June), crude oil inventories started the period below the 10-year low and fluctuated around it through the quarter. Inventories were at the quarterly high of 13.5 million barrels May 17, 2.4 million barrels higher than the quarterly low of 11.1 million barrels May 31. Crude oil inventories are likely to remain near or below the 10-year low due to reduced storage capacity following recent refinery conversions , including the P66 Rodeo conversion to renewables. These refineries are no longer reporting significant quantities of crude oil inventories, which reduces crude oil inventory reporting totals.

For the second quarter of 2024:

- Crude stocks started the quarter at 12.1 million barrels, 9.1 percent lower than the previous year.
- Crude stocks ended the quarter at 11.7 million barrels, 20.5 percent lower than the previous year.

**Figure 3: California Refinery Crude Oil Inventories (With 10-Year High-Low Band)**




**Note: Inventory, input, and production charts include 10-year high-low bands. These bands provide a rolling average of the highs and lows and allow comparison of the current inventory, input, or production to the highs and lows of the historical trends.**

Source: CEC Petroleum Industry Information Report Act (PIIRA) data — Weekly Fuels Watch, available at https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-stocks

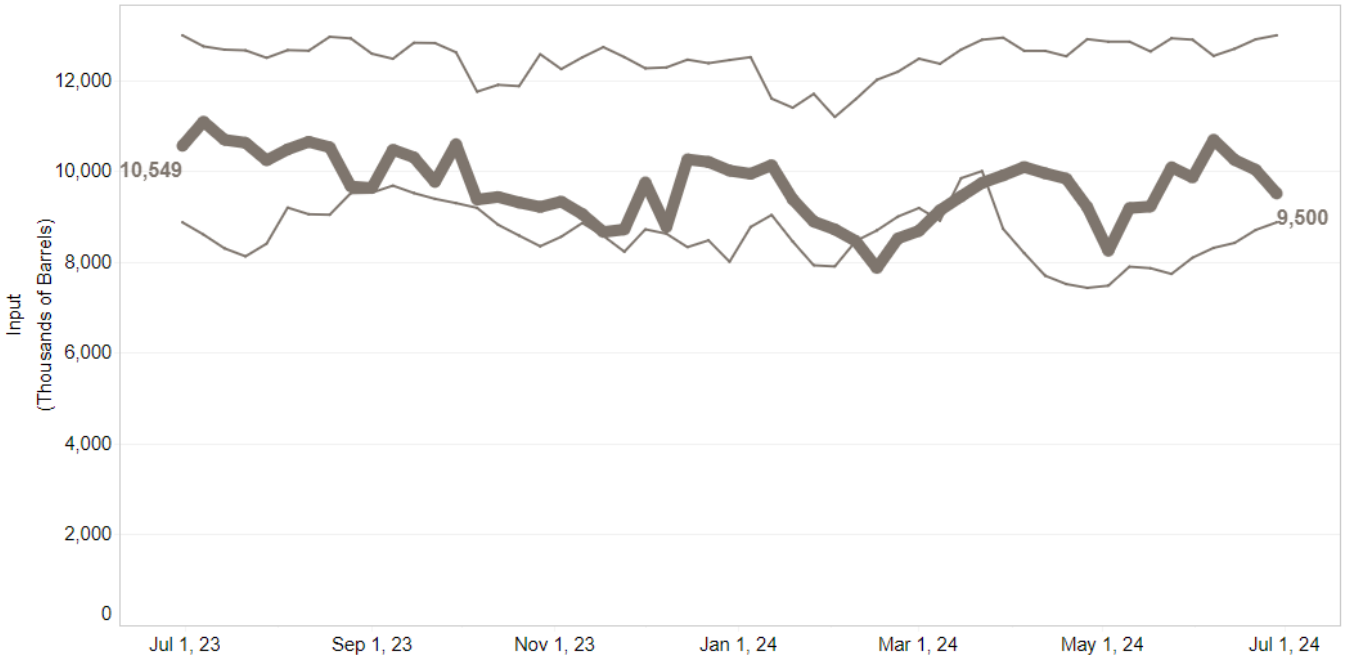
## Inputs

**Figure 4** shows the volume of crude oil used at refineries, referred to as "inputs." Crude oil inputs started the quarter above the 10-year low and stayed within the historical range for the entire quarter. The quarterly low of 8.2 million barrels occurred on May 3, while the quarterly high of 10.7 million barrels occurred on June 7.

For the second quarter of 2024:

- Inputs started the quarter at 10.1 million barrels, 11.6 percent lower than the previous year (11.4 million barrels).
- Inputs ended the quarter at 9.5 million barrels, 9.9 percent lower compared to the same quarter of the previous year (10.5 million barrels).
- Average weekly input for the quarter was 9.7 million barrels, 10.1 percent lower compared to last year's quarterly average of 10.8 million barrels per week.

**Figure 4: California Refinery Crude Oil Inputs (With 10-Year High-Low Band)**




Source: CEC PIIRA data – Weekly Fuels Watch, available at https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-inputs-and-production.

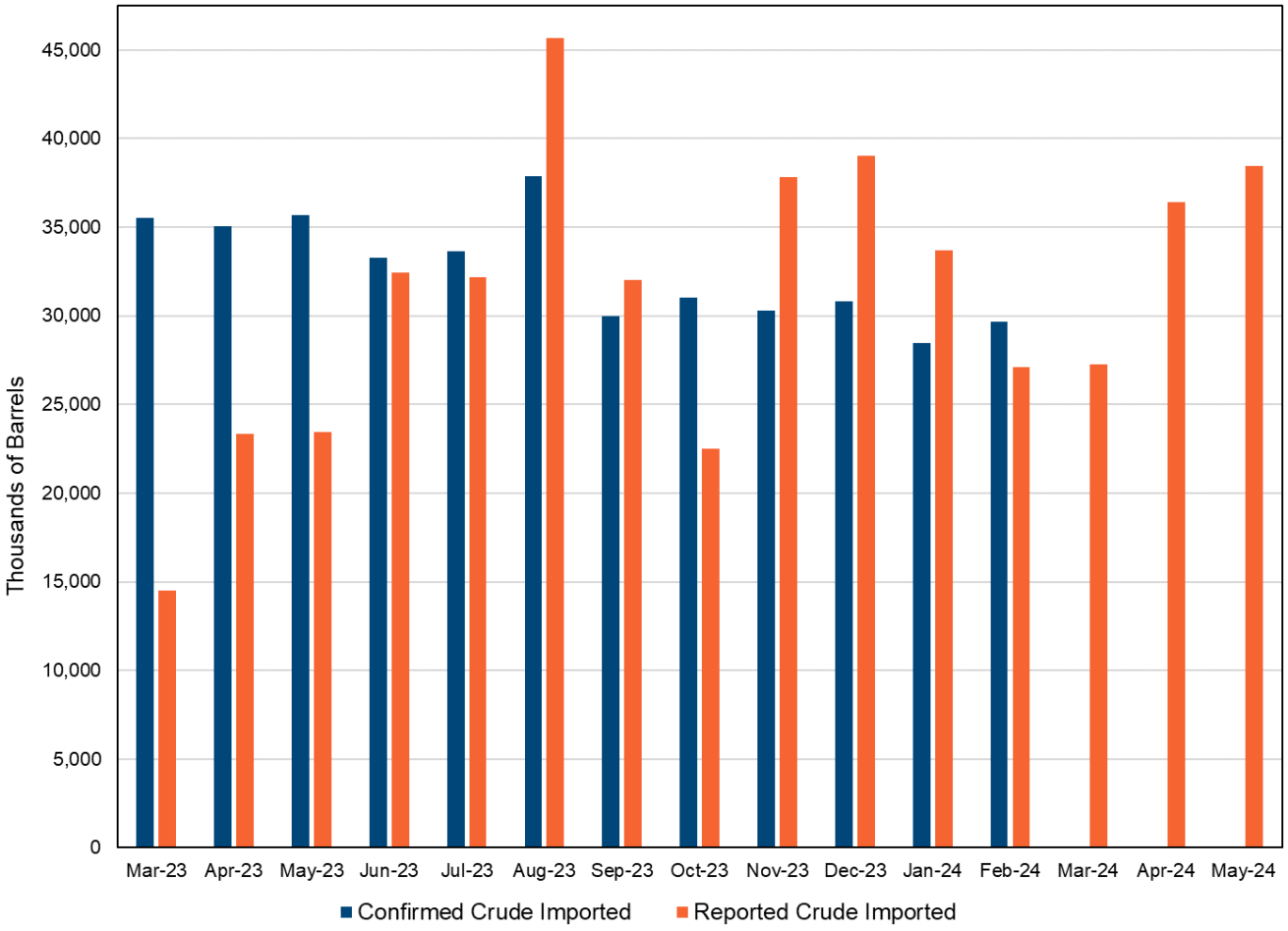
## Imports

**Figure 5** shows crude oil imports to California refineries. Imports include domestic and foreign sources received by marine and rail. Imports are shown as reported and confirmed. Reported imports are aggregated, or combined, reported raw data from a single form. Confirmed imports are data that have been cross-checked with additional sources of data and represent a more accurate estimate of imports. Further investigation is required to locate the source of the discrepancies.

For the second quarter of 2024:

- Reported crude oil imports increased from March through May. Imports in March 2024 were 27.3 million barrels, followed by 36.4 million barrels in April 2024, and 38.5 million barrels in May 2024.
- The three-month period of March, April, and May were just over the total from the previous three months. From December 2023 to February 2024, California refineries imported 99.9 million barrels of crude oil compared to the 102.1 million barrels from March to May 2024.
- Reported imports increased over this three-month period by 66.5 percent compared to the same three-month period in 2023. March 2024 imports increased by 87.8 percent, April 2024 imports increased by 55.9 percent, and May 2024 imports increased by 63.9 percent.

## Figure 5: Crude Oil Imports

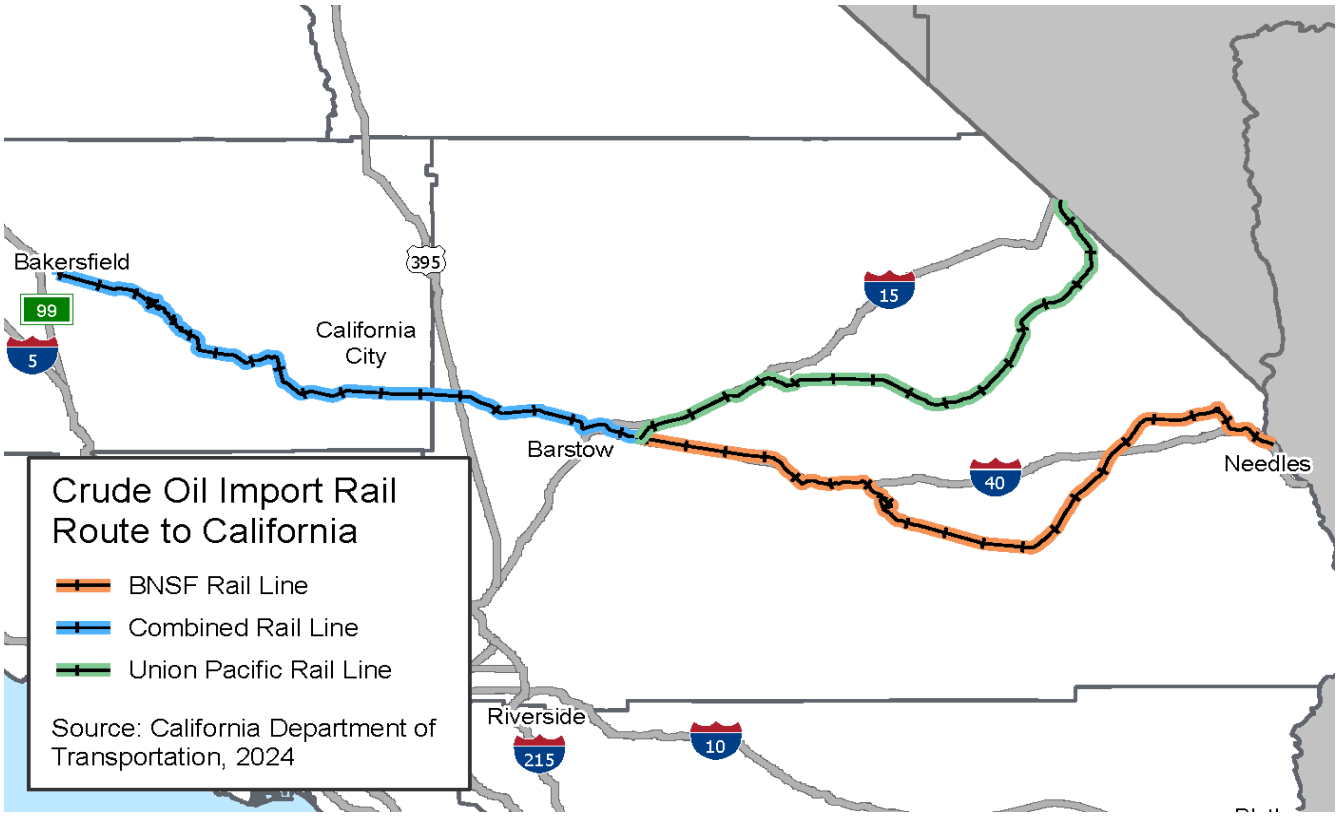



**Note: "Reported Crude Oil Imported" data are reported directly to the CEC through Form M700. "Confirmed Crude Oil Imported" is Form M700 data that are confirmed with Port Import/Export Reporting Service (PIERS), California State Lands Commission (SLC), and U.S. Energy Information Administration (EIA) data through May 31, 2024.**

Source: CEC PIIRA data — California Imports, Exports, and Intrastate Movements Monthly Report, Form M700

**Figure 6** shows the routes used to import crude oil into California by rail car. Crude-by-rail imports are driven by refinery orders, and the refineries that have recently ordered crude oil by rail are in Southern California. Crude oil is transferred from rail car to pipeline in Bakersfield to complete the journey to Southern California refineries. These rail lines are not exclusive to crude oil transport but are used to transport all commodities and ferry passengers.

**Figure 6: Crude Rail Lines of Southern California**




Source: California Department of Transportation, BNSF, CEC

**Table 1** shows the amount of crude oil imported into California by rail by route. A single rail tank car carries about 700 barrels. Since the beginning of 2023, crude oil by rail came exclusively from Arizona as crude traveling from Nevada dropped to zero.

## Table 1: Crude Oil Imports by Rail Lines of Southern California

| Date | Needles to Barstow (Barrels) | Las Vegas to Barstow (Barrels) | Barstow to Bakersfield (Barrels) |
|---|---|---|---|
| Mar 23 | 115,038 | 0 | 115,038 |
| Apr-23 | 52,871 | 0 | 52,871 |
| May-23 | 56,357 | 0 | 56,357 |
| Jun-23 | 0 | 0 | 0 |
| Jul-23 | 56,357 | 0 | 56,357 |
| Aug-23 | 58,681 | 0 | 58,681 |
| Sep-23 | 53,943 | 0 | 53,943 |
| Oct-23 | 53,943 | 0 | 53,943 |
| Nov-23 | 53,943 | 0 | 53,943 |
| Dec-23 | 55,599 | 0 | 55,599 |
| Jan-24 | 55,599 | 0 | 55,599 |
| Feb-24 | 61,095 | 0 | 61,095 |
| Mar-24 | 55,502 | 0 | 55,502 |
| Apr-24 | 60,424 | 0 | 60,424 |
| May-24 | 52,561 | 0 | 52,561 |
| Jun-24 | 64,672 | 0 | 64,672 |

*** In March 2023 imports were twice the usual volume, while in June 2023, there were no imports.**

Source: CEC PIIRA data — California Imports, Exports, and Intrastate Movements Monthly Report, Form M700

# CHAPTER 2:
# Gasoline

This chapter discusses the volume of California reformulated gasoline (CaRFG) produced at California refineries, inventories of CaRFG and blendstocks, gasoline prices, and movement of gasoline using data collected under Public Resources Code 25354 (a), (h), and (i).

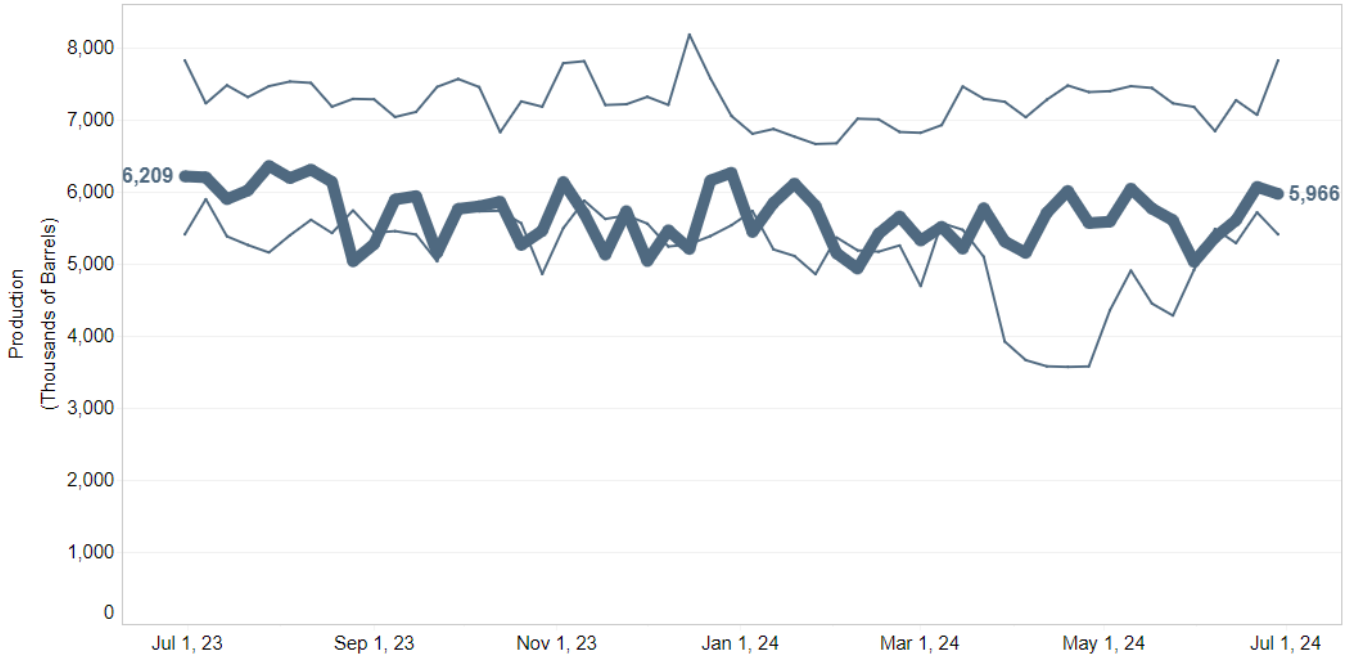
## Production

**Figure 7** shows California reformulated gasoline (CaRFG) production for the previous year with the 10-year high-low band. CaRFG production fluctuated throughout the quarter, ending higher than it started, with peaks on April 19, May 10, and June 21 and lows on April 5 and May 31. Part of the reason for these lows is the Phillips 66 Rodeo facility conversion from conventional fuel production to renewable fuels in the first quarter of 2024, which has reduced refining capacity and lowered overall gasoline production.

For the second quarter of 2024:

- CaRFG production peaked for the quarter at 6.1 million barrels the week ending June 21.
- The quarterly low of 5.0 million barrels occurred the week ending May 31.
- CaRFG production began the quarter at 5.1 million barrels, 22.8 percent less than the previous year’s second quarter start of 6.7 million barrels.
- CaRFG production ended the quarter at 6.0 million barrels, 3.9 percent less than the previous year's second quarter close of 6.2 million barrels.

**Figure 7: CaRFG Production (With 10-Year High-Low Band)**




Source: CEC PIIRA data — Weekly Fuels Watch available at https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-inputs-and-production

## Inventory

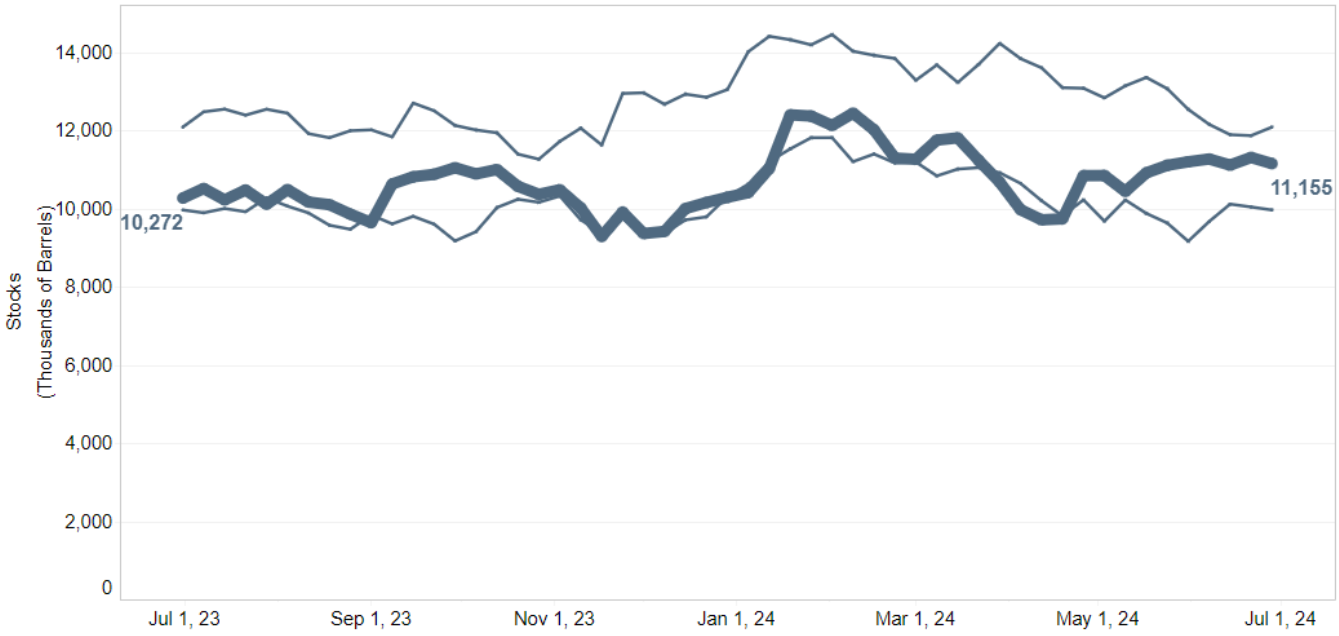
**Figure 8** shows the CaRFG and blendstock inventories for the previous year with the 10-year high-low band. At the start of the quarter, CaRFG and blendstock inventories were below the 10-year low. Inventories rose to a quarterly high of 11.3 million barrels on June 21, 1.6 million barrels higher than the quarterly low (9.7 million barrels) on April 12.

For the second quarter of 2024:

- CaRFG and blendstock inventories experienced moderate fluctuations during the quarter.
- CaRFG and blendstock inventories ended the quarter higher (11.2 million barrels) than they began (10.0 million barrels).
- CaRFG and blendstock inventories were roughly 883,000 barrels higher than they were a year ago (10.3 million barrels).

**Figure 8: CaRFG and Blendstock Inventories**

**(With 10-Year High-Low Band)**




Source: CEC PIIRA data — Weekly Fuels Watch, available at https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-stocks

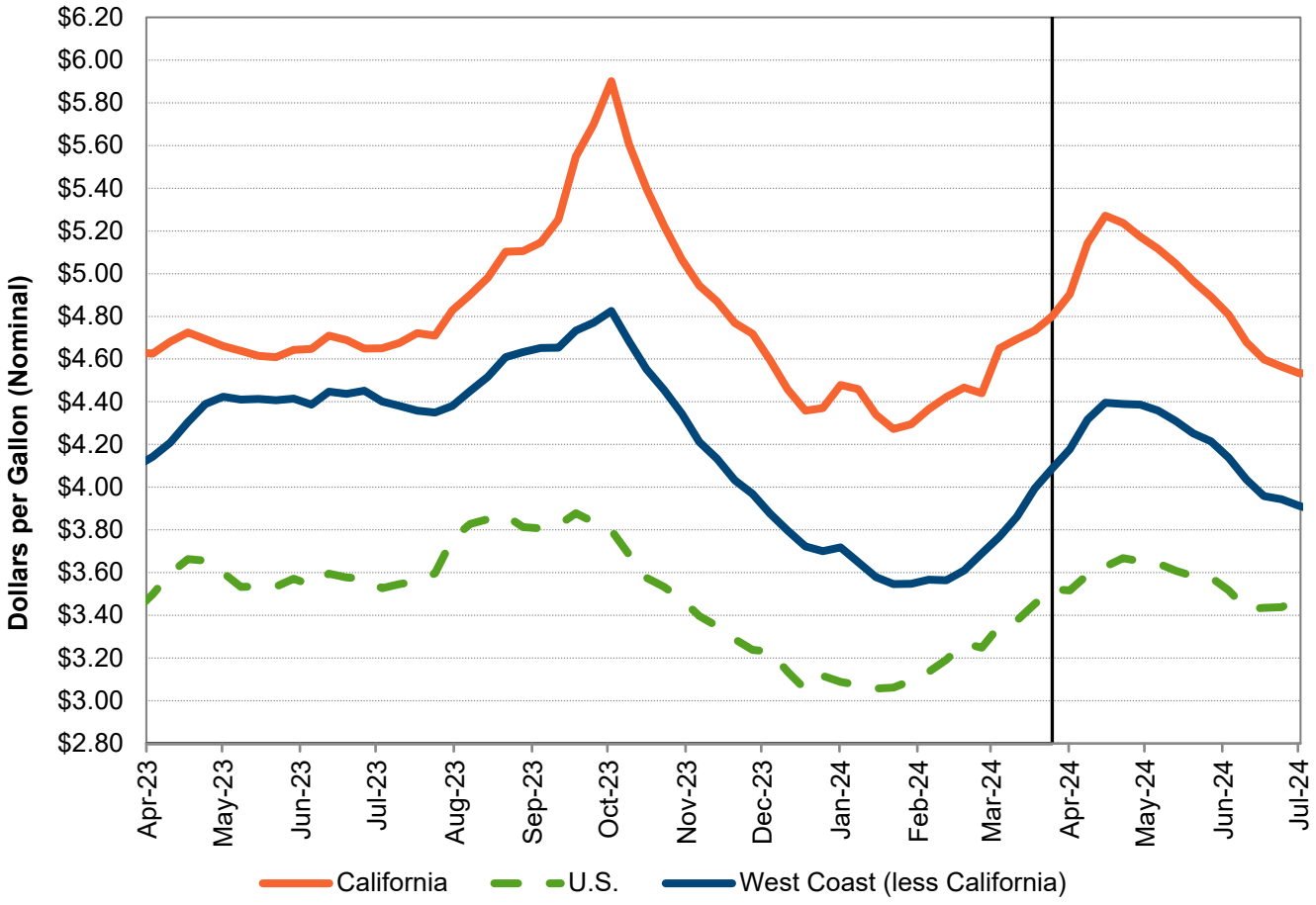
## Prices

**Figure 9** shows regular grade gasoline retail prices through the second quarter. Since CaRFG differs from gasoline sold nationally, all gasoline prices refer to regular grade regardless of specification. Gasoline prices across the United States increased at the start of the second quarter before declining. California prices peaked highest and first in the middle of April. West Coast (less California) had a less severe peak around the same time and plateaued through the second half of April before declining. U.S. prices peaked at the end of April before declining to a low in the middle of June before increasing at the end of the quarter.

For the second quarter of 2024:

- The U.S. price averaged $3.55 during the second quarter, ranging from a high of $3.67 on April 22 to a low of $3.43 on June 10. The price difference between California and the United States shrank from $1.39 on April 1 to $1.05 by July 1.
- The California price averaged $4.92 during the second quarter, ranging from a high of $5.27 on April 15 to a low of $4.53 on July 1. This average is $0.40 higher than the previous quarter's average, and $0.26 higher than the 2023 second quarter average.
- West Coast (less California) retail prices trended downward, decreasing $0.27 from $4.18 on April 1 to $3.91 on July 1.

**Figure 9: Regular Grade Gasoline Retail Prices, California vs. West Coast vs. United States**




Source: U.S. EIA

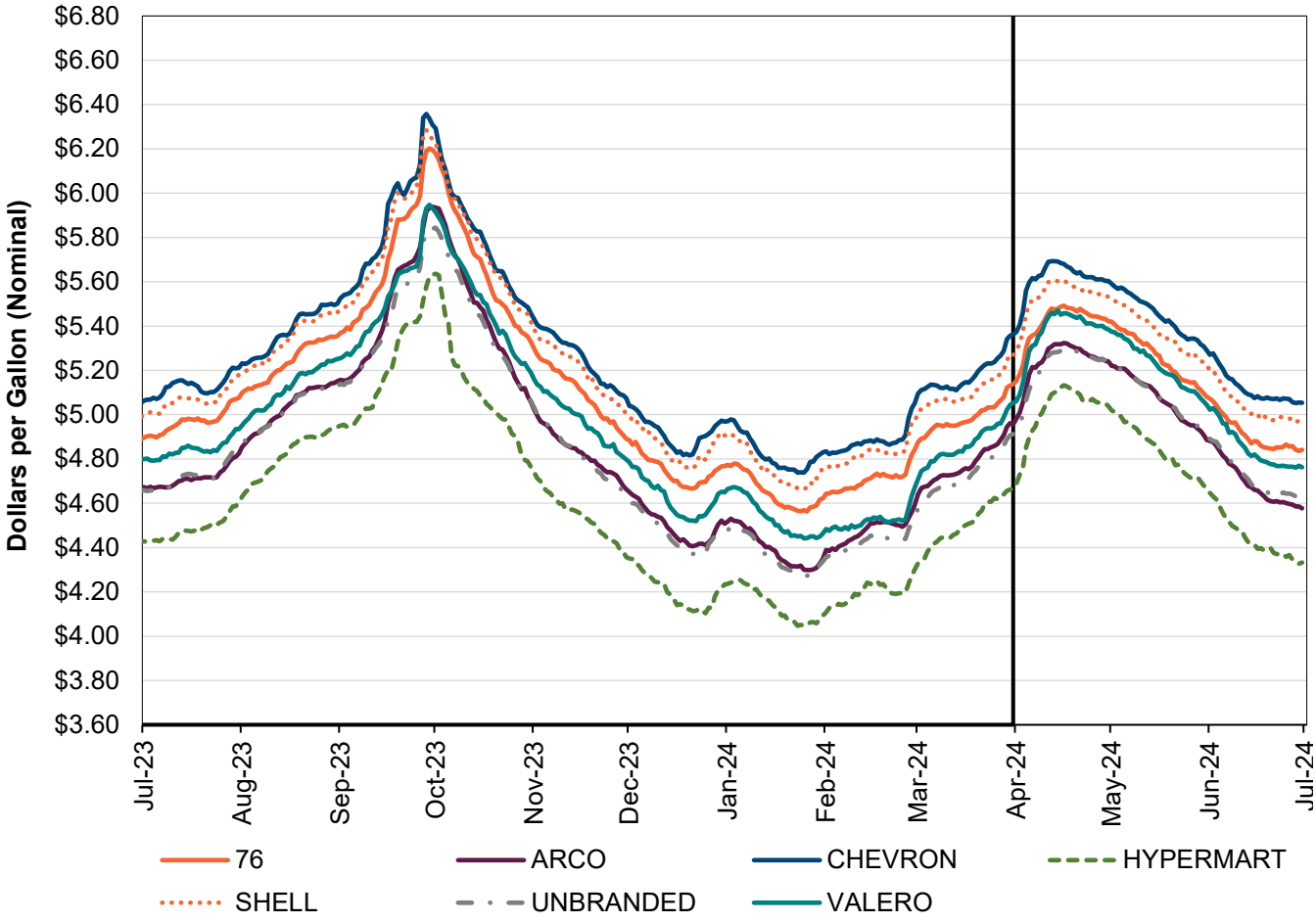
**Figure 10** shows California regular grade gasoline retail prices by brand. Chevron continues to be the highest priced brand and Shell the second highest. Hypermarts continue to offer the lowest prices, followed by ARCO and unbranded stations. A hypermart station (Costco, Safeway, and so forth) is defined as a station that is a company-owned or -operated by a supermarket or wholesale chain store that sells its own fuel at the same location.

For the second quarter of 2024:

- The highest average price during the second quarter at Chevron was $5.69 on April 13, 2024. The lowest average price during the second quarter at Chevron was $5.02 on June 28, 2024.
- The lowest average price during the second quarter at hypermarts was $4.62 on June 29, 2024. The highest average price during the second quarter at hypermarts was $5.13 on April 16, 2024.
- Price difference among various brands ranged from $0.54 and $0.73. (The difference does not include hypermarts and unbranded stations.)

- The difference of monthly average price between Chevron and hypermarts started the second quarter at $0.60 and ended the second quarter at $0.67.

**Figure 10: California Gasoline Retail Prices by Brand**




Source: CEC analysis of OPIS data

## Imports and Exports

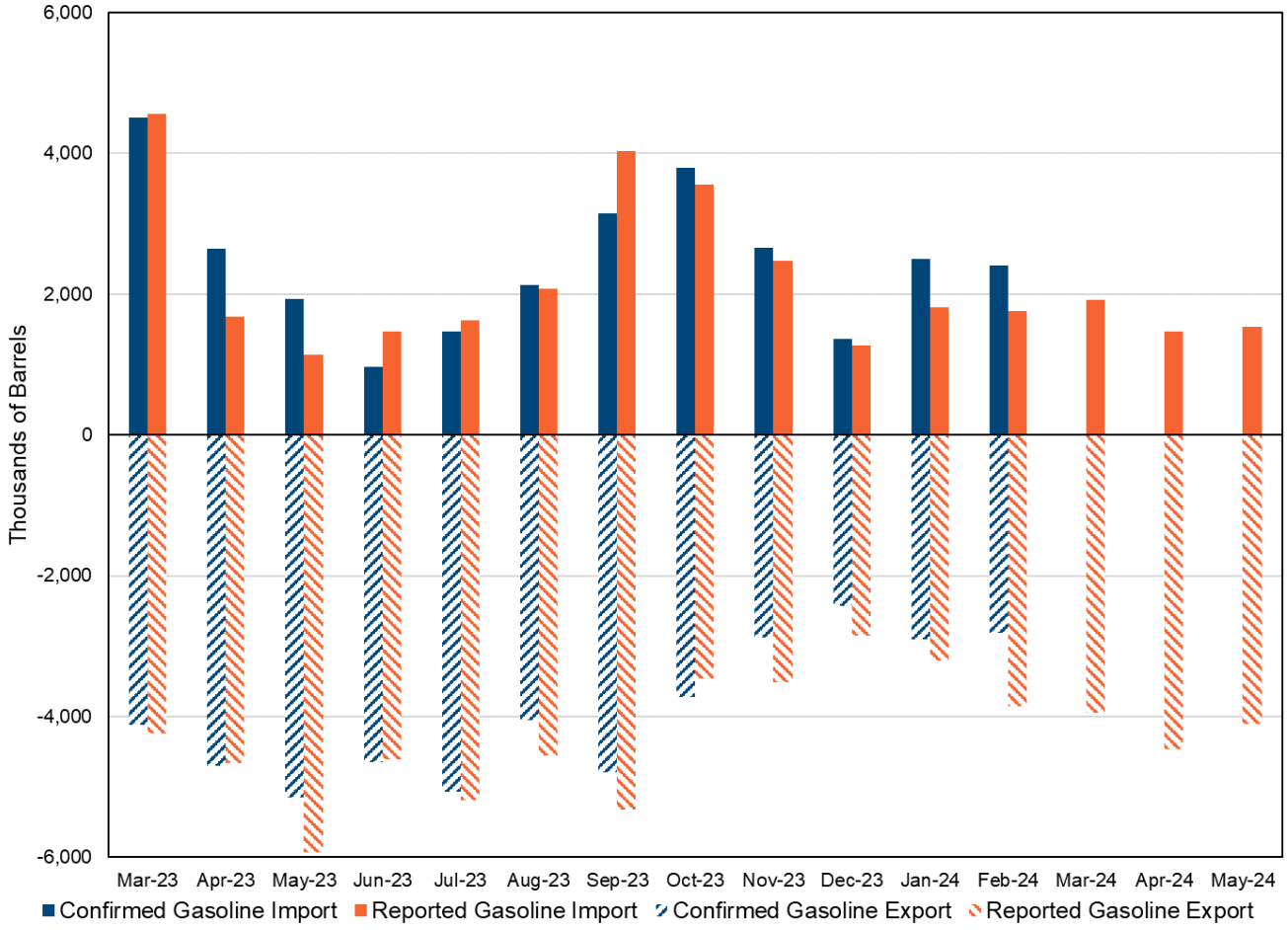
**Figure 11** shows gasoline imports and exports from March 2023 through May 2024. These imports and exports include CaRFG and non-California specification gasoline. Imports are shown as reported and confirmed. Reported imports are aggregated reported raw data from a single reporting source. Confirmed imports are data that have been cross-checked with additional sources of data and represent a more accurate estimate of imports. Further investigation is required to locate the source of the discrepancies. Gasoline imports increased in March and decreased in April and May 2024.

For the first quarter of 2024:

- Gasoline imports over this 3-month period was comparable to the last 3-month period. December 2023 to February 2024 totaled 4.8 million barrels, while April to May 2024 saw 4.9 million barrels of imports.

- Comparing 2023 to 2024 the big outlier was the month of March. In 2023, California imported 4.6 million barrels compared to the 1.9 million barrels in 2024.
- Gasoline export increased over the past 3 months compared to the previous. December 2023 to February 2024, California exported 9.9 million barrels compared to the 12.5 million barrels exported from April to May 2024.
- Gasoline exports are down compared to 2023. From March to May 2023, California exported 14.8 million barrels compared to the 12.5 million barrels in 2024. That is a difference of 2.3 million barrels.

**Figure 11: California Gasoline Imports and Exports**




**Note: "Reported Gasoline" data are reported directly to the CEC through Form M700. "Confirmed Gasoline" is Form 700 data that are confirmed with Port Import/Export Reporting Service (PIERS), California State Lands Commission (SLC), and Energy Information Administration (EIA) data through May 31, 2024.**

Source: CEC PIIRA data — California Imports, Exports, and Intrastate Movements Monthly Report, Form M700

# CHAPTER 3:
# Diesel

This chapter discusses the volume of diesel produced at California refineries, inventories of diesel, diesel prices, and movements of diesel using data collected under Public Resources Code 25354 (a), (h), and (i). California regulates the amount of sulfur allowed in diesel fuel, and this regulation applies to essentially all diesel fuel supplied, sold, or offered for sale in California.[4] Therefore, ultra-low-sulfur diesel, No. 2 diesel, and any other diesel products produced and sold in California are referred to in this chapter as "diesel."

## Production

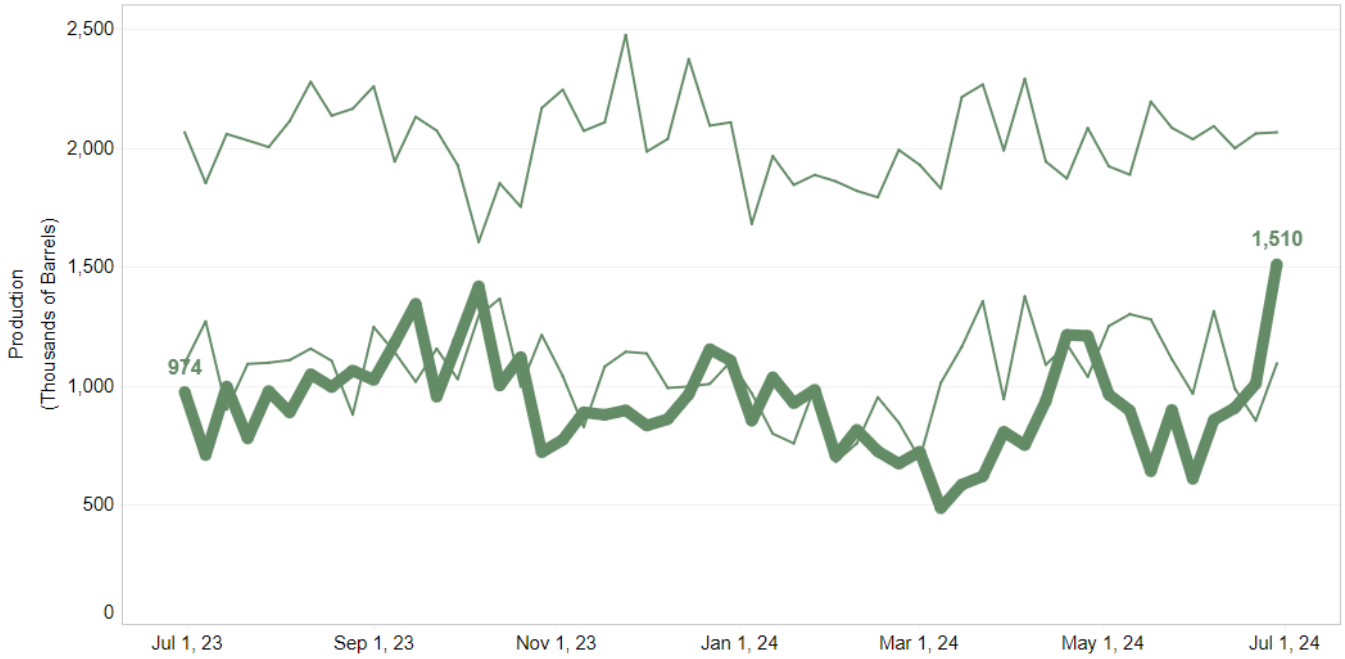
**Figure 12** shows diesel production for the previous year with the 10-year high-low band. Diesel production started the quarter below the 10-year low at 751,000 barrels. Production fluctuated significantly throughout the second quarter, ending at 1.5 million barrels. The permanent idling of Marathon Martinez in August 2020 and the completion of Phillips 66 Rodeo's conversion from conventional fuel production to renewable fuels in the first quarter of 2024 has reduced refining capacity and lowered overall diesel production.

For the second quarter of 2024:

- Diesel production fell to a low of 609,000 barrels the week of May 31 and closed the quarter at 1.5 million barrels.
- Diesel production was 1.5 million barrels at the end of the quarter, a 55.0 percent increase compared to the end of the same quarter last year (974,000 barrels).

4 California Air Resources Board. "Diesel Fuel: About," https://ww2.arb.ca.gov/our-work/programs/diesel-fuel/about.

**Figure 12: Diesel Production (With 10-Year High-Low Band)**




Source: CEC PIIRA data – Weekly Fuels Watch available at https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-inputs-and-production

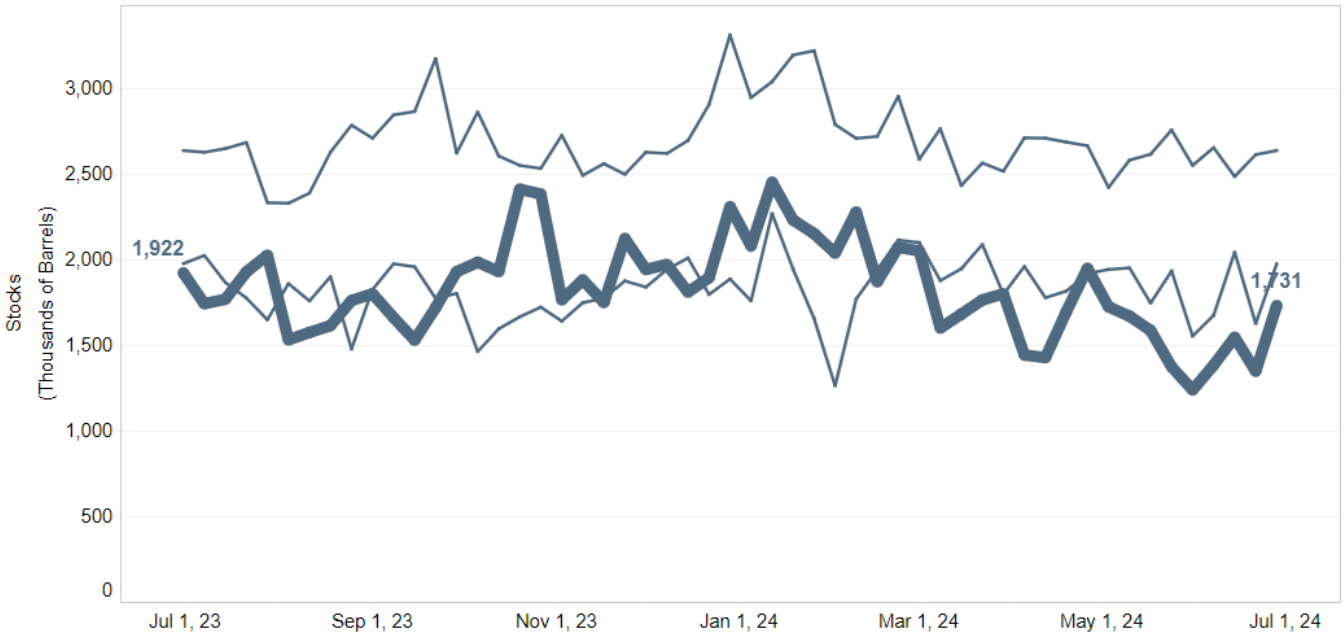
## Inventory

**Figure 13** shows diesel inventories for the previous year with the 10-year high-low band. At the start of the quarter, diesel inventories were below the 10-year low at 1.4 million barrels. Inventories fluctuated significantly throughout the quarter, ending at 1.7 million barrels, up by 289,000 barrels from the start of the quarter.

For the second quarter of 2024:

- Diesel inventories fluctuated around the 10-year low. Part of the reason for these lows is the Phillips 66 Rodeo facility conversion from conventional fuel production to renewable fuels in the first quarter of 2024.
- April 26 marked the second quarter high at 1.9 million barrels, while May 31 marked the low at 1.2 million barrels.
- At the end of the quarter, diesel inventories stood at 1.7 million barrels, a decrease of roughly 191,000 barrels compared to the same time last year (1.9 million barrels).

**Figure 13: Diesel Inventories (With 10-Year High-Low Band)**




Source: CEC PIIRA data – Weekly Fuels Watch, available at https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-stocks

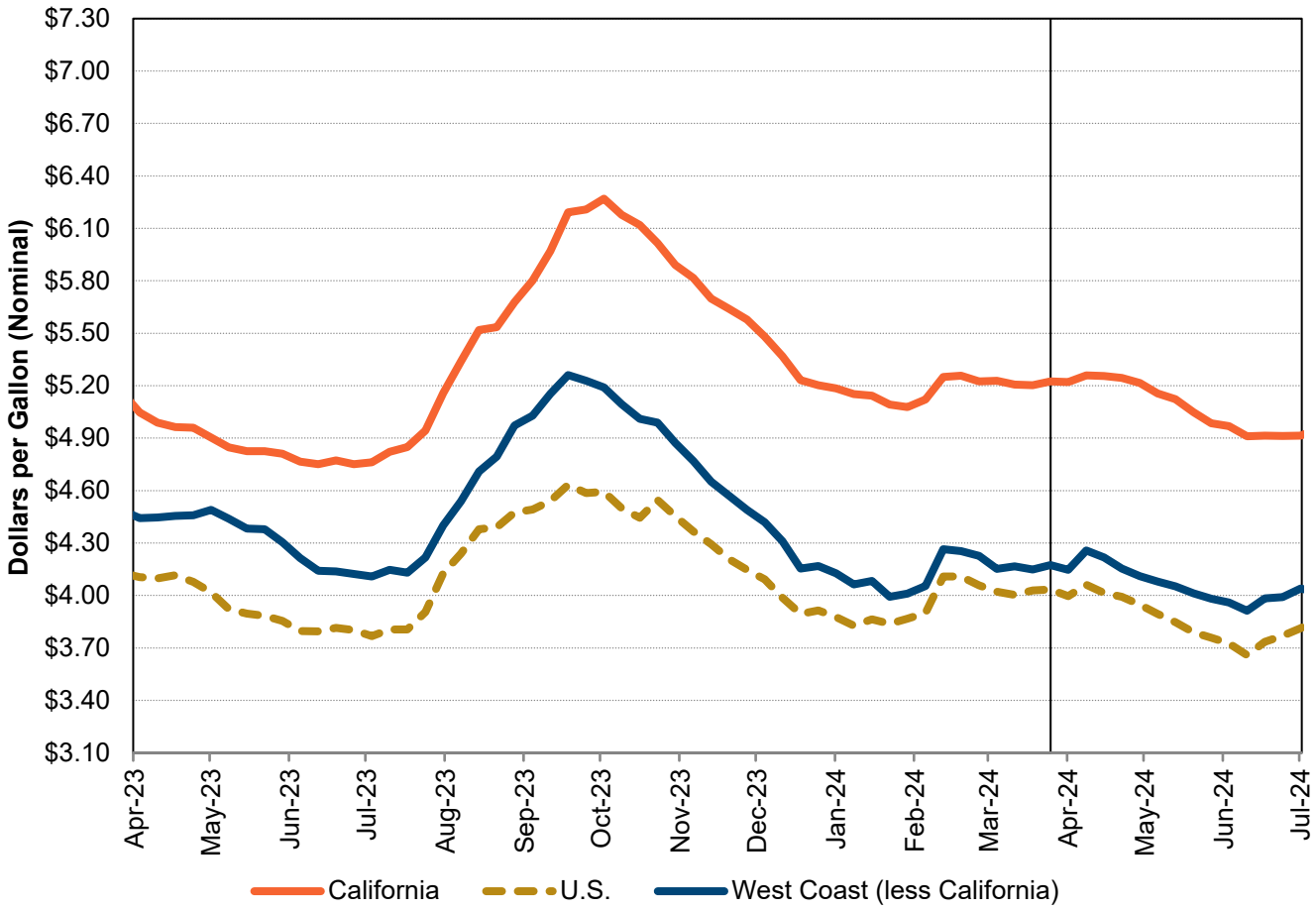
## Prices

**Figure 14** shows diesel retail prices for the second quarter. Diesel prices were steady through the second quarter of 2024. West Coast and the United States prices dipped in early June but increased to end the quarter.

For the second quarter of 2024:

- California diesel prices on April 1, 2024 were $5.22 per gallon, decreasing most of the second quarter to end at $4.91 per gallon.
- California diesel prices averaged $1.23 more than U.S. prices and $1.03 more than West Coast prices during the second quarter.
- The price for West Coast decreased $0.05 between April 3 and April 10 but increased $0.07 the following week to $3.98. Similarly, the U.S. price decreased $0.07 between April 3 and April 10 but increased $0.08 the following week to $3.74.

**Figure 14: Diesel Prices,**
**California vs. West Coast vs. United States**



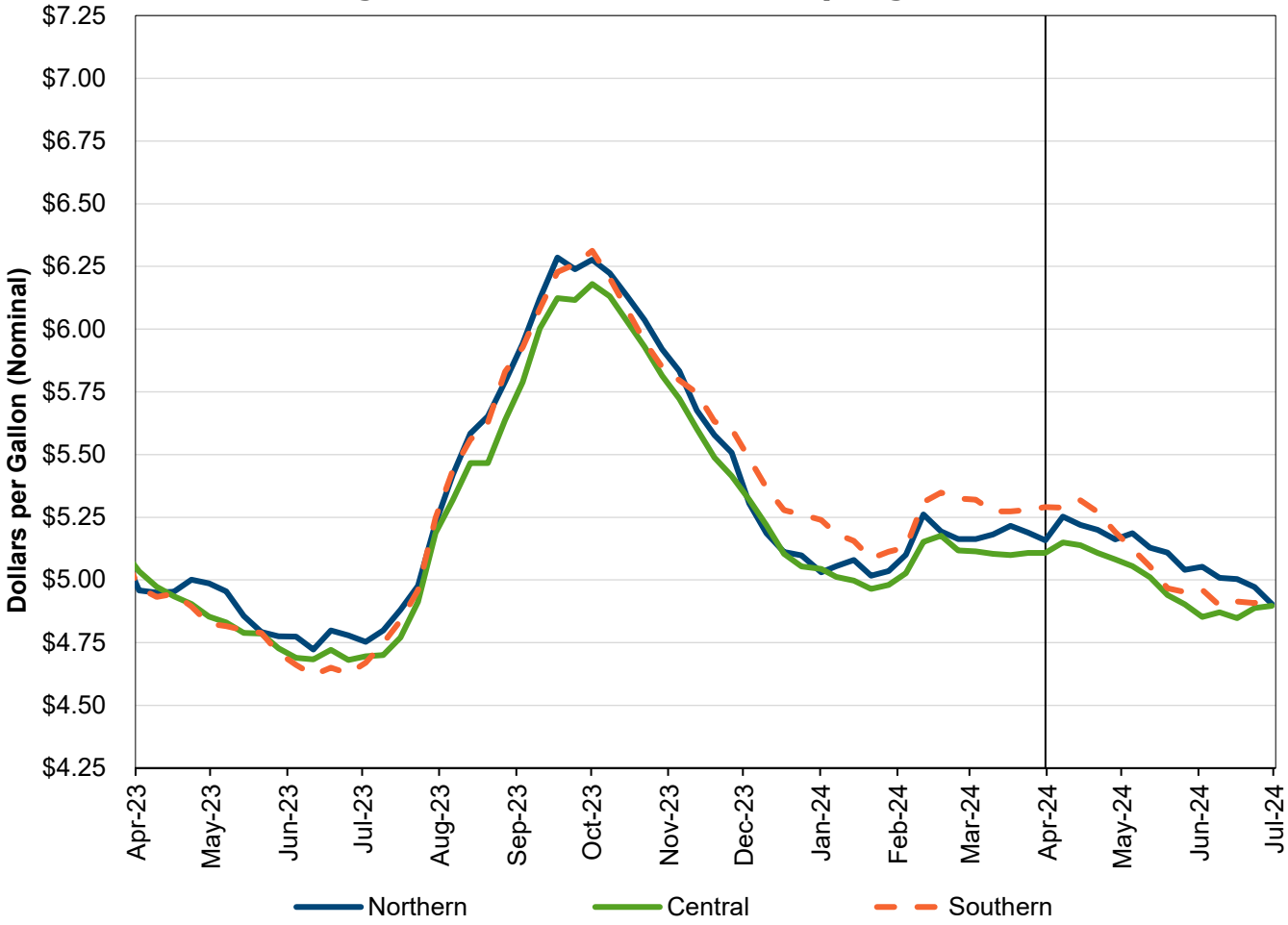

Source: U.S. EIA – Diesel (On-Highway) Ultra-Low-Sulfur (15 ppm and under).

**Figure 15** shows diesel retail prices by region. Prices during the second quarter of 2024 followed a similar trend as the second quarter of 2023, having a high in April, then declining through the quarter. Diesel prices in 2024 had a second quarter high of $5.29 on April 7 then declined to a low of $4.76 on June 30.

For the second quarter of 2024:

- The Southern California price was the highest of all regions averaging $5.27 during April 2024 but decreased to lower than Northern California, averaging $0.08 less for the remainder of the quarter.
- Central California diesel prices remained the lowest of the three regions, averaging $4.98 through the second quarter.
- Northern California diesel prices averaged $5.08 through the quarter and decreased to $4.90 at the end of the quarter.

**Figure 15: Diesel Retail Prices by Region**




Source: CEC analysis of OPIS data

## Imports and Exports

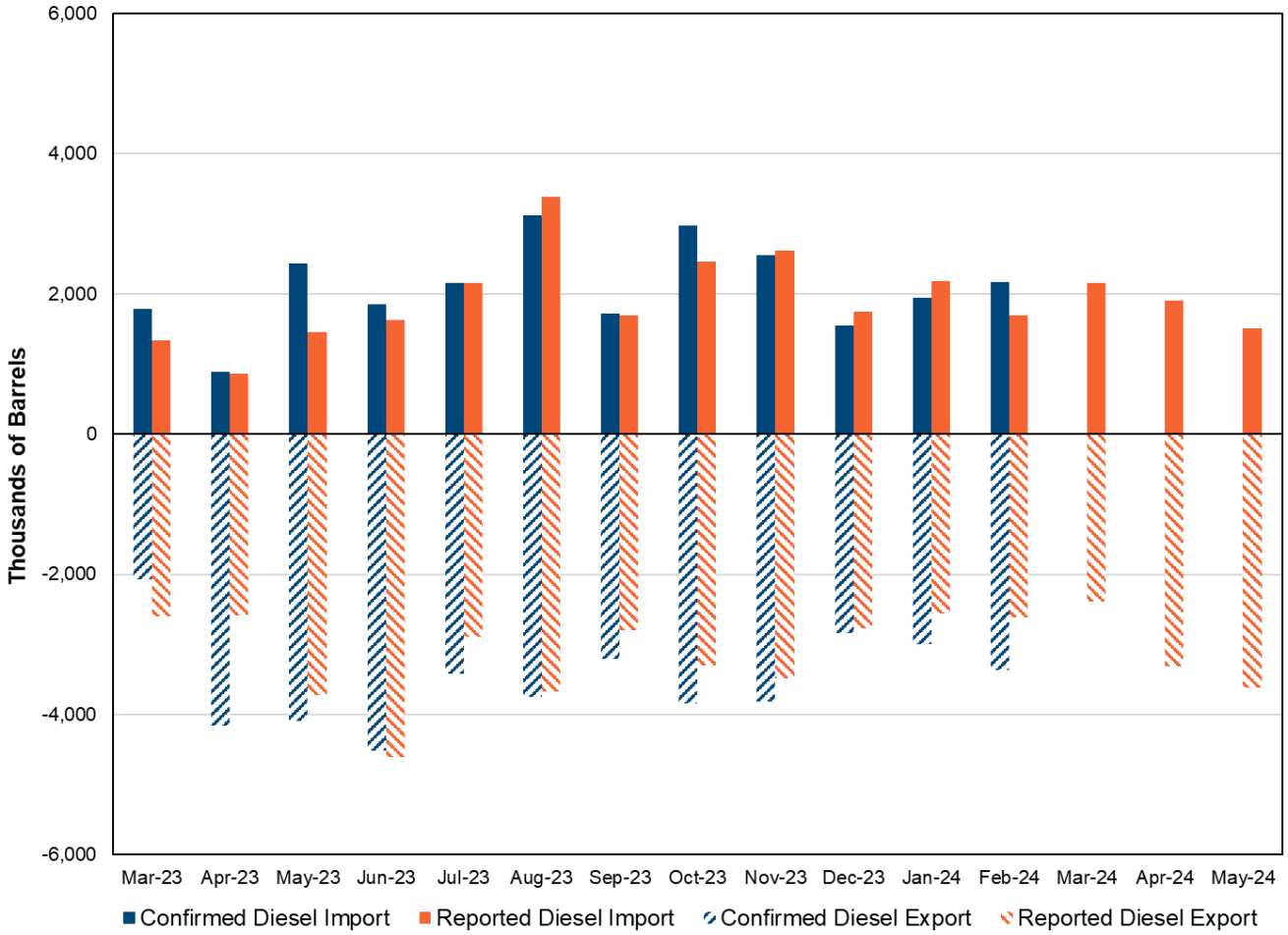
**Figure 16** shows California's diesel imports and exports. Imports are shown as reported and confirmed. Reported imports are aggregated reported raw data from a single reporting source. Confirmed imports are data that has been cross-checked with additional sources of data and represent a more accurate estimate of imports. Further investigation is required to locate the source of the discrepancies.

For the second quarter of 2024:

- Diesel imports remained steady over a 3-month period. From December 2023 to February 2024, California diesel imports total 5.6 million barrels compared to the 5.6 million barrels over April to May 2024.
- April to May 2024 increased diesel imports by 1.9 million barrels compared to the 3.7 million barrels from April to May 2023.
- Diesel exports increased over the past 3-month period. From December 2023 to February 2024, exports totaled 7.9 million barrels compared to the 9.3 million barrels exported from April to May 2023.

- April to May 2023 saw 8.9 million barrels exports compared to the 9.3 million barrels exported in 2024. That is an increase of 400,000 barrels.

**Figure 16: California's Diesel Imports and Exports**




**Note: "Reported Diesel" data are reported directly to the CEC through Form M700. "Confirmed Diesel" is Form M700 data that are confirmed with Port Import/Export Reporting Service (PIERS), California State Lands Commission (SLC), and Energy Information Administration (EIA) data through May 31, 2024.**

Source: CEC PIIRA data — California Imports, Exports, and Intrastate Movements Monthly Report, Form M700

# CHAPTER 4:
# Annual Data

This chapter discusses crude oil and petroleum product storage capacities, transportation methods, pipeline capacities, and thermally enhanced oil recovery at oil fields using data collected annually under Public Resources Code 25354 (b). Annual data are collected in February each year, so there is no new data to report for this quarter. The annual data are published in the first quarterly report of 2024: https://www.energy.ca.gov/publications/2024/quarterly-petroleum-supply-and-pricing-report-january-2024-through-march-2024.

# CHAPTER 5:
# Senate Bill X1-2

This chapter discusses new data collected under Senate Bill X1-2 (Skinner, Chapter 1, Statutes of 2023 First Extraordinary Session) (SB X1-2).[5] This includes refining margins (CEC M1322), daily spot contracts (CEC Form D354_TRADING, CEC Form D354_SETTLEMENT), refining maintenance and turnarounds (CEC Form EBR1P, CEC Form EBR1U), and 96-hour imports (CEC EBR700) using data collected under Public Resources Code section 25354 (j), (l), and (m) and section 25355.

## Monthly Refining Margin

Senate Bill 1322 (Allen, Chapter 374, Statutes of 2022) (SB 1322) requires all refiners of gasoline products in the state to provide monthly data about various price and volume information. The CEC must publish aggregated, volume-weighted reports of these data within 45 days of the end of each calendar month.

This information is published online at https://www.energy.ca.gov/data-reports/energy-almanac/californias-petroleum-market/california-oil-refinery-cost-disclosure.

The gross volume-weighted gasoline refining margin for April was $1.22. Margins for May and June were not yet published at the time of publication.

## Daily Spot Contracts

This data set is under review by the Division of Petroleum Market Oversight. Filers on both sides of a deal are responsible for submitting both a trade and settlement filing. Therefore, every deal should have four transactions logged. Separate reports are filed for the initial trade and final settlement. A reporting form may contain any number of transactions. In April, 14 companies filed a total of 597 reports containing 4,099 transactions. In May, 14 companies filed 608 reports containing 3,502 transactions. In June, 15 companies filed 536 reports containing 4,174 transactions.

## California Refinery Planned and Unplanned Maintenance

Refiners conduct maintenance to maintain the safety and reliability of their crude oil processing units. Planned maintenance usually occurs during the spring and fall when

5 California Energy Commission. "Senate Bill X1-2 Implementation," https://www.energy.ca.gov/proceeding/senate-bill-x1-2-implementation.

refineries switch from winter to summer blend or vice versa. This information is specific to individual refiners and is confidential.

## 96-Hour Planned Imports

The CEC was already collecting imports in its Form ERB700, California Imports, Exports, and Intrastate Movements Weekly Report. SB X1-2 authorized the collection of this information prospectively and on a smaller time interval. This prospective reporting provides visibility into near-term imports before they occur. These data can also be used as a comparison to data reported after the imports have occurred. However, when used retrospectively, such as in this quarterly report, the 96-hour reporting does not provide significantly different data than what is reported in other chapters. For imports of crude oil, gasoline, and diesel, see Chapters 1, 2, and 3, respectively.

# APPENDIX A:
# Glossary

| Term | Definition |
|---|---|
| Blendstocks | Any material that is blended in an oil refinery to make a product, especially for making gasoline. |
| Brent North Sea (Brent) | A blended crude stream produced in the North Sea region that serves as a reference or "marker" for pricing a number of other crude streams. |
| California Air Resources Board (CARB) | The "clean air agency" in California government. CARB's main goals include attaining and maintaining healthy air quality, protecting the public from exposure to toxic air contaminants, and providing innovative approaches for complying with air pollution rules and regulations. |
| California Energy Commission (CEC) | The state agency established by the Warren-Alquist State Energy Resources Conservation and Development Act in 1974 (Public Resources Code, Sections 25000 et seq.) responsible for energy policy. The Energy Commission's seven major areas of responsibilities are:<br>• Forecasting statewide energy demand.<br>• Licensing of power plants and transmission lines sufficient to meet those needs.<br>• Promoting energy conservation and efficiency measures.<br>• Promoting the development of renewable energy.<br>• Promoting the transition to clean transportation fuels.<br>• Investing in energy innovation.<br>• Planning for and supporting the state's response to energy emergencies. |

| Term | Definition |
|---|---|
| California Energy Commission (CEC) | Funding for the Commission's activities comes from the Energy Resources Program Account, Federal Petroleum Violation Escrow Account, and other sources. |
| California Estimated Refinery Acquisition Cost (CA-RAC) | A weighted average of the prices of California (San Joaquin Valley) crude, Alaskan crude, and foreign crude. |
| California State Lands Commission (SLC) | The state agency that provides the people of California with stewardship of the lands, waterways, and resources entrusted to its care based on the principles of equity, sustainability, and resiliency, through preservation, restoration, enhancement, responsible economic development, and the promotion of public access. |
| Hypermart | A station that is a company-owned or -operated supermarket or wholesale chain store that sells its own fuel at the same location |
| Oil Price Information Service (OPIS) | A company that provides crude oil and petroleum pricing data. |
| Petroleum Industry Information Reporting Act (PIIRA) | Legislation enacted in 1980 that enables a complete response to possible shortages of fuel or other disruptions. The information also helps develop and administer energy policies in the interest of the state's economy and the public's well-being. |
| Port Import/Export Reporting Service (PIERS) | A company that provides import and export data at the bill-of-lading level. |
| United States Energy Information Administration (EIA) | An independent agency within the U.S. Department of Energy that develops surveys, collects energy data, and analyzes and models energy issues. The agency must meet the requests of Congress, other elements within the Department of Energy, Federal Energy Regulatory Commission, the Executive Branch, its own independent needs, and assist the public, or other interest groups, without taking a policy position. See more information about EIA at http://www.eia.gov/about/ |
| West Texas Intermediate (WTI) | A crude stream produced in Texas and southern Oklahoma that serves as a reference or "marker" for pricing several other crude streams and which is traded in the domestic spot market at Cushing, Oklahoma. |