



California Energy Commission: Refineries and the Petroleum Fuels Transition

The Climate Center Webinar: *Planning for Refinery Closures That Benefit Workers, Communities, and the Environment*

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Energy Commission Petroleum Work



Data collection and monitoring



Refinery maintenance monitoring



Maximum margin and penalty



Refinery resupply requirements



Minimum inventory requirements



Transportation Fuels Assessment



Transportation Fuels Transition Plan (with California Air Resources Board)

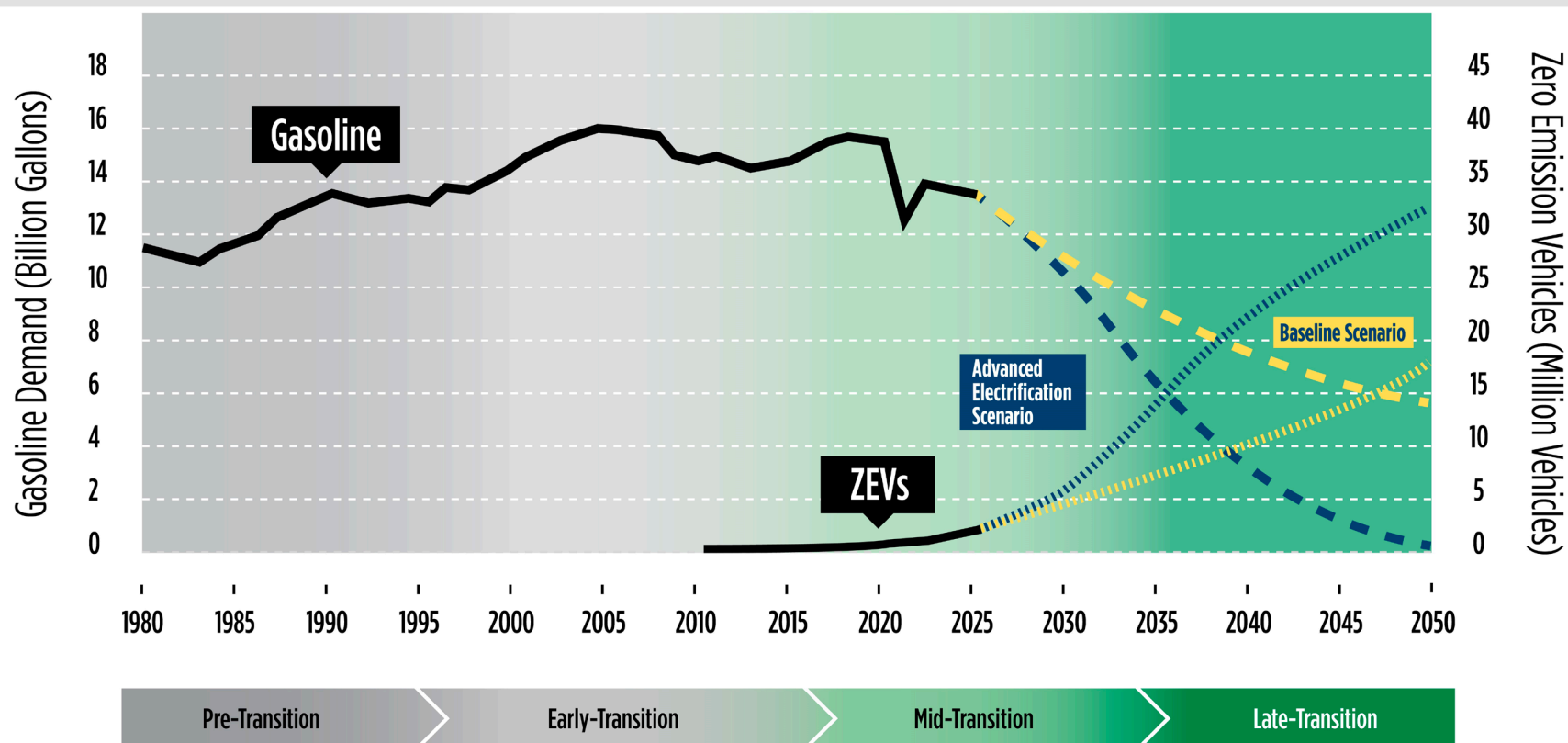


Vice Chair's June Letter to Governor Newsom



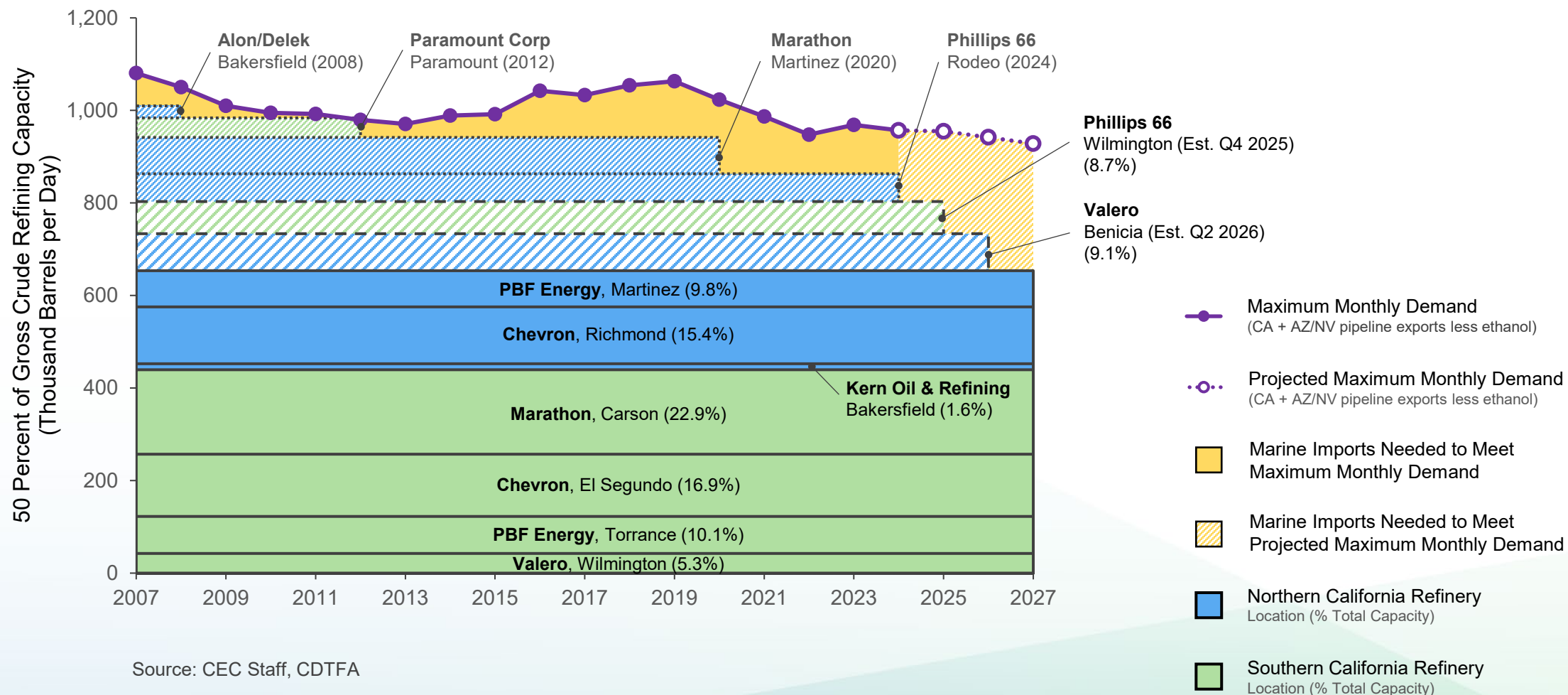
A Phase of Rapid Transition

	Pre-Transition: (Fossil Growth)	Early-Transition: (Fossil Adequacy)	Mid-Transition: (Building & Retiring)	Late-Transition: (New Dominant System)
Policy:	Market-Based, Fossil Focused	Setting Goals, Identifying Needs For Non-Fossil Replacement	Building Non-Fossil, Managing Fossil Ramp-Down	Supporting New Non-Fossil System, Fossil Close-Out
Fossil Investment:	Strong	Uncertain, Profitability Questions	Low Investor Appetite, But Needed For Safety & Reliability	No Investor Appetite, Remediation Needed
Non-Fossil Investment:	Minimal	Emergent	High Growth	Strong & Stable





Estimated Gasoline Refinery Capacity



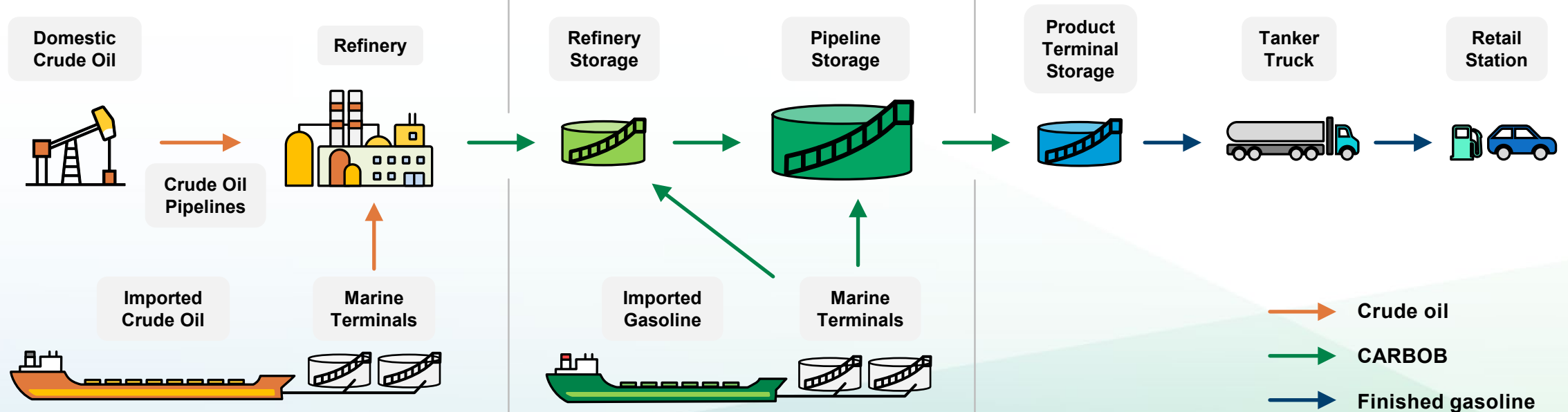


Value Chain Must Be Considered As A Whole

Crude oil is extracted from fields or delivered via marine vessel to refineries, which produce gasoline and other petroleum products.

Gasoline from refineries and additional imports are delivered to pipeline hubs.

Gasoline is blended with ethanol and loaded onto trucks at racks to be delivered to retail stations.





Policies to Support the Transition

Support Affordable, Reliable, and Safe Fuel Supply

- Enable necessary import of refined products
- Explore strategies to retain operations at existing refineries
- Support sufficient investment confidence for safe and reliable operations

Advance Holistic Transition Strategy

- Funding for climate, health, community, and worker priorities
- Protect workers and communities
- Further emission reductions progress
- Pathways for the future of affected land
- Promote resilience in the fuels system as demand declines
- Strategies for a managed petroleum fuels phase-out



Thank You!